



Sunliner News

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DAVID, 5, SUSAN, 4, ROBBIE, 7, JOHN, 8, AND STEVEN, 2, ARE THE CHILDREN OF AL SCHMIDT, FRONTIER'S DIRECTOR OF INDUSTRIAL RELATIONS

*Yes, Santa does come down the chimney
Laden with presents of delight,
But this book **must** be mistaken
About his trip this Christmas night!*

*For, to these five Frontier children,
Santa courses through the air
Not on a sleigh with flying reindeer,
But on a white "Radar Convair"!*

MERRY CHRISTMAS AND HAPPY NEW YEAR!

EXECUTIVE EDITORIAL

WHAT IS A PROFIT? . . .

In his editorial last month, Mr. Woody stated the goal of our company is to operate at a profit. No other single objective could combine so many facets or more simply state the desires of our company. I would like to comment further on this idea of profit. It is a term which can be and frequently is misunderstood. No doubt, much of this misunderstanding comes from the fact that it is generally used to describe the end result of all our combined efforts without reference to the many parts which contribute to it. If a manufacturing company's desire for quick profits caused it to overlook the need for research to develop new products and new markets, it might soon find itself out of business. If a sound capital expenditures program is overlooked in the grasp for quick profits, the result will be obsolete and worn-out equipment no longer capable of producing sufficient quantity to assure a profit. Thus, in any well-managed business the profit motive is a balance of a variety of needs and goals not only as over-all objectives of the company, but as objectives in every department where work is performed.

It seems to me, profit serves three purposes: first, it measures the effectiveness of our combined business effort; secondly, it covers the cost of staying in business; and third, it provides or insures a source of capital for future expansion. It may do this directly by providing earnings which can be reinvested, or it may do it indirectly by inducing new outside capital to be brought into the business. These three I consider to be minimum concepts of profit without which no company can continue in business.

Let us take a close look at the company we represent. After thirteen years of effort our balance sheet as of October 30, 1959, showed accumulated losses of \$879,320. The company has extended its routes; it has acquired a limited number of more efficient aircraft. This has not been made possible by the accumulation of profits which could be reinvested or by new capital attracted by dividends to stockholders; it has been accomplished in large part by incurring long-term indebtedness which must be repaid. These repayments will again siphon off our working capital, and the interest will eat up the profit which otherwise would be available to meet the ever-increasing cost of doing business and to provide a reasonable return to the stockholders.

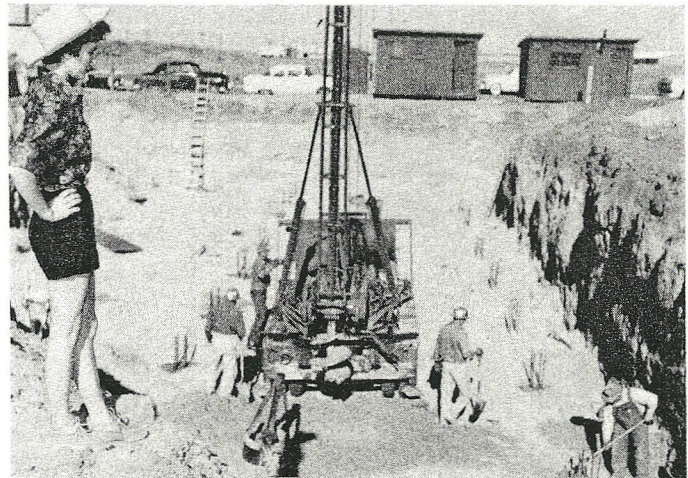
Let's look at another phase of this profit picture. If a farmer had a hen that laid fifteen eggs a month but the hen's food cost the equivalent of twenty eggs a month, I fear that hen would soon find herself in the stew pot. In 1946 when Frontier's predecessor company started, it cost fifty cents per mile to operate a DC-3 or the equivalent of six passengers. Today it costs one dollar twenty-seven cents or the equivalent of eighteen passengers. Wages are the major factor in this higher cost. Since our DC-3's have only 21 average available seats, we must operate at an average load factor of eighty-six percent to just meet expenses. This is impossible if we are to provide adequate service. Since the productivity of the aircraft cannot be increased, the cost of operating it must be decreased to achieve a profitable operation.

Since there are many fixed costs over which we have little control—such as the City of Denver tripling out landing fees—the most effective way to reduce our expense is through increased employee productivity. Many things help to increase our productive output—better tools, improved working conditions, short cuts in procedures—but nothing can equal the effectiveness of a "will to do."

No one has greater peace of mind than the man who leaves his workbench or office knowing he has done an honest day's work. A favorite story is that of the three stone cutters who were asked what they were doing. The first replied, "I am making a living." The second kept on hammering while he said, "I am doing the best job of stone cutting in the entire country." The third looked up with a gleam in his eye and said, "I'm building a cathedral!" The first needs no comment. The third speaks for itself. It is the second one I would worry about. To be mediocre or average is not enough. Through our united efforts and willingness to do that little extra, we can build an airline that will be second to none and as we do, we will build for ourselves individual character and a feeling of pride and accomplishment.—This, too, is profit.

L. Preston Blatter

V. P. FINANCE AND CONTROLS



YESSIR, PARDNER, THIS HERE'S THE ROOSTIN' PLACE FOR FRONTIER'S NEW OFFICE BUILDING! Betty Harrold, western-garbed for the occasion, seems to be jumpin' the gun a bit by tryin' to spot the most ideal location for her desk. Betty, Director of Industrial Relations Al Schmidt's secretary, has agreed to act as Frontier's "Building Progress Girl!" and will be spotted monthly on the pages of the *Sunliner*.



Frontiersmen Art Davis and Bob Trevallee, in their capacities as general advisor and business advisor to the J. A. Imports Company, part of the Junior Achievement program, check inventories of high school sweaters with enthusiastic saleswomen Claudia Rogers, Linda Zimmerman and Mary Ann Martinez.

JUNIOR ACHIEVERS EARN WHILE LEARNING

Frontier Airlines is one of 40 leading Denver firms which support teenagers in the area active in Junior Achievement. These teenagers are getting a practical business background in the organization, administration, production and sales functions in the operation of a successful company. Some 685 seniors in high school are earning while learning under the constructive Junior Achievement training program.

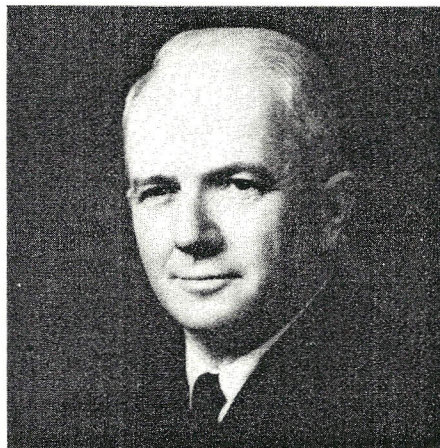
Bob Trevallee of the Accounting Department and Art Davis of the Production Planning Department have both volunteered to act as senior advisors for the 14 boys and girls who make up the J. A. Imports Company. Each Wednesday night for an eight month period from October through May, Bob and Art meet with the teenagers to guide them in their plans for selling imported home and office products plus an attractive line of sweaters which carry the emblems of each of Denver's high schools.

At the end of the school year, the student-operated companies will be liquidated, stockholders paid off, and the books closed on what appears to be a highly successful experience in getting ready to enter adulthood.

MEET THE CIVIL AERONAUTICS BOARD



CHAN GURNEY



JAMES DURFEE



JOSEPH MINETTI



ALAN BOYD



WHITNEY GILLILLAND

(EDITOR'S NOTE: *The Civil Aeronautics Board is an independent regulatory commission, responsible for regulation of the economic aspects of United States air carrier operations, both domestic and international, which includes granting and denying certificates of public convenience and necessity; prescribing or approving rates and rate practices of air carriers; fixing mail compensation; prevention of unfair methods of competition or disapproval of business relationships between air carriers; and investigation and analysis of accidents involving civil aircraft.*)

CHAIRMAN JAMES R. DURFEE: Mr. Durfee was appointed by President Eisenhower as a Member of the Civil Aeronautics Board and designated Chairman of the Board, taking the oath of office April 13, 1956, for a term expiring in 1960. He was repeatedly designated Chairman of the Board by President Eisenhower for 1957, 1958 and 1959. His service as Chairman is second longest among the twelve men who have occupied the post since the CAB was created in 1938.

Mr. Durfee attended Huron College at Huron, South Dakota, for two years and was graduated in 1926 from Marquette University in Milwaukee with a degree of Bachelor of Law. He practiced law in northern Wisconsin and, during this time, served as president of the Langlade County Bar Association for 12 years, and a member of the Board of Governors of the Wisconsin State Bar Association among his many endeavors. He twice served as chairman of the Public Service Commission of Wisconsin in 1953 and 1955. Mr. Durfee is a member of the Executive Committee of the National Association of Railroad and Utility Commissioners. Mr. Durfee is a Republican, is married, and has three children.

VICE CHAIRMAN CHAN GURNEY: Mr. Gurney served as Chairman of the Board in 1954, and was designated Vice Chairman by the President for the years 1957, 1958 and 1959.

Mr. Gurney is a native of Yankton, South Dakota. He was a member of the United States Senate for 12 years, from 1939 to 1951, during which time he served on many committees, including the first chairmanship of the Armed Services Committee. Mr. Gurney is a member of the Sons of the American Revolution, American Legion, Veterans of Foreign Wars, the Masonic order and BPOE. He is married and has three children.

G. JOSEPH MINETTI, MEMBER: Mr. Minetti became a Member of the Civil Aeronautics Board in June 1956.

Mr. Minetti is a resident of Brooklyn, New York. He attended Fordham University, from which he attained a Bachelor of Science degree in 1928, and St. John's University, where he received the degrees of Bachelor of Laws and Doctor of Jurisprudence by 1932. Mr. Minetti has had a fruitful legal and political career during which time he has served as Commissioner of the Department of Marine and Aviation in New York City and a Member of the Federal Maritime Board. Mr. Minetti is a member of the Alumni Association of St. John's University and served as its president for 18 years; a member of the Knights of Columbus, BPOE, Phi Delta Phi legal fraternity, Veterans of Foreign Wars, American Legion, Catholic War Veterans, National Democratic Club, president of Catholic Crusaders for 6 years and at present its honorary president. In 1955, he was decorated by the Republic of Italy with the Star of Solidarity, First Class.

ALAN S. BOYD, MEMBER: Mr. Boyd is one of the two new members of the Civil Aeronautics Board, taking his oath of office in November 1959.

Mr. Boyd was born in Jacksonville, Florida, in 1922 and completed his formal education at the University of Florida and University of Virginia, where he received his LLB degree in 1948. He practiced law in Miami and was appointed in 1954 as chairman of a civilian committee for the development of aviation in Florida. Mr. Boyd served as a pilot in the Troop Carrier Command in World War II as well as in the Korean conflict. He has over 3,000 hours as a combat and service pilot. He is a member of the American Bar Association and is a Democrat. Mr. Boyd is married and has one child.

WHITNEY GILLILLAND, MEMBER: The other new member of the Civil Aeronautics Board, Mr. Gilliland also took his oath of office in November 1959.

Mr. Gilliland has been chairman of the Foreign Claims Settlement Commission of the U. S. and its predecessor, the War Claims Commission, since 1953. He completed his formal education at Iowa State College and the University of Nebraska. He experienced a distinguished legal career in Iowa from 1927 to 1953. He is a member of the Iowa, Wisconsin, District of Columbia and American Bar Associations, the American Society of International Law, and is president of the Federal Bar Association. Mr. Gilliland is married and has two sons.

Mr. Gilliland also took his oath of office in November 1959.

IBM Machines Are Heart of Accounting



The many thousands of IBM tabulating punched cards which are handled by Frontier's IBM Department are first processed by the girls in the key punch and card verifier section. Each card can be punched with up to 80 columns of information. Left to right are (row 1) Mary Marr, Debbie Moses, (row 2) Elmergene Yantorno, Floy Hildenbrand, (row 3) Alice Solf and Brone Roberts.



All of Frontier's accounts payable are posted on this Burroughs Sensimatic posting machine. This information is relayed electrically to the IBM key punch in the foreground which turns out punched cards used in preparing Frontier's checks, vouchers, monthly ledgers, and to check bank reconciliation. Elmergene Yantorno operates the bank of accounting machines.

No 20th-century mechanical monsters stalk the Machine Accounting Department waiting to prey on those who happen to wander through the closed door separating that department from the rest of Accounting. From Chuck Turner, well-versed in the care and feeding of IBM accounting machines, we learned that a hearty daily diet of punched cards is the only requirement for keeping the machines well-fed.

"All of the slave labor has been eliminated in the processing of monthly reports," states Chuck, manager of the eleven-member staff. "Today, accounting machines handle more accurately and far more rapidly the detailed tabulation of payrolls, accounts receivable and payable, and financial reports which were formerly laboriously processed by hand."

Information is first key-punched onto cards, which can hold up to 80 columns. The information is then double-checked on the card verifier machine to assure almost a hundred per cent accuracy. A red light warns of discrepancies

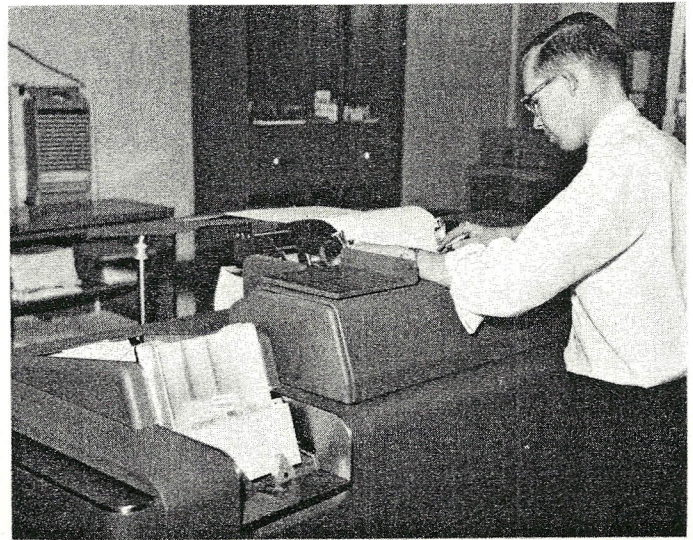
on the cards. The girls working on these machines average up to 18,000 key strokes per hour.

The cards are then run through a battery of tabulators, collators, card sorters, reproducing and calculating IBM machines to extract needed information for reports. Recently, new machines have been added to double the amount of work done previously. These machines are leased from the International Business Machines Corporation at a cost of \$1,900 per month, including maintenance and assistance to the staff in wiring problems, plus classes in machine operations.

In March 1960 all Frontier Airlines checks will be punched on these machines. This will speed up the two and a half days now required to process payroll checks and will also facilitate bank clearings of these checks. In this respect, Chuck Turner enters a special plea to employees to change any existing habits of folding paychecks. Should a paycheck enter an IBM machine after being folded or stapled, it could easily tear up 30 to 60 following checks!



Chuck Turner, Manager of the Machine Accounting Department, wires up a tabulator control panel. This is the electric brain which triggers each punched card for information totals. Vern Korn, Senior Tab Operator, checks all outgoing work to correct possible discrepancies before the material is released.



The new Model 407 tabulator, which is capable of listing 150 cycles of information per minute from punched cards, gets a going-over by Dennis Gray, Tab Operator. This new equipment is twice as fast as the machine which it recently replaced.



THESE PICTURES CERTIFY that there are widely diversified ways to approach the hunting sport and still emerge victorious. The three jauntily dressed, be-rifled sportsmen at left (Casper Station Agents Dave Carter, Bob Shelley and Dick Hatterman) traveled via Dave's Volkswagen to their hunting grounds and here proudly display their



hundred per cent kill on the bumpers and roof of the trim sports car. Vernal Station Agent Dean Reynolds, at right, prefers the old fashioned method of hunting with bow and arrow. Dean claims that this is the 20th year he's hunted in this manner, and the deer above is his 23rd!



OFFICIALS OF SWEDEN'S LOCAL SERVICE AIRLINE LINJEFLYG AIRLINES, recently visited Frontier Airlines in Denver to study the flight and ground operations of the airline. During a comprehensive tour, President Sven Ostling and Traffic and Sales Manager Sten Sandberg of Stockholm, Sweden gained a first-hand insight of the methods used by seven of the 13 local service airlines which operate in the United States. Here, Ostling is shown discussing Frontier with Vice President of Traffic and Sales J. Dan Brock.

Linjeflyg Airlines is an affiliate of Scandinavian Airlines System. As a local domestic airline, it airlinks 17 of Sweden's major cities with the capital, Stockholm. In addition, the airline operates daily flights between Sweden and Copenhagen, Denmark.



THE GENERAL DOOLITTLE TROPHY CASE, presented as a Tucson community project, was placed aboard a Frontier Airlines passenger plane recently for its journey to Boulder, Colorado. Pictured above, clockwise, Chuck Arnold, executive manager of the Tucson Sunshine Climate Club, and Frontier's Co-Pilot Wesley F. Morris, Captain Robert Nicholson and Stewardess Lorraine Slaugh help board the case, containing 80 silver goblets which will be on permanent display at the Air Force Academy. Lt. Gen. James H. Doolittle (Ret.), head of the famed Doolittle Raiders, presented the case to Maj. Gen. William S. Stone, superintendent of the Academy, immediately preceding the Air Force Academy-University of Arizona football game.

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A member of the Airline Editors
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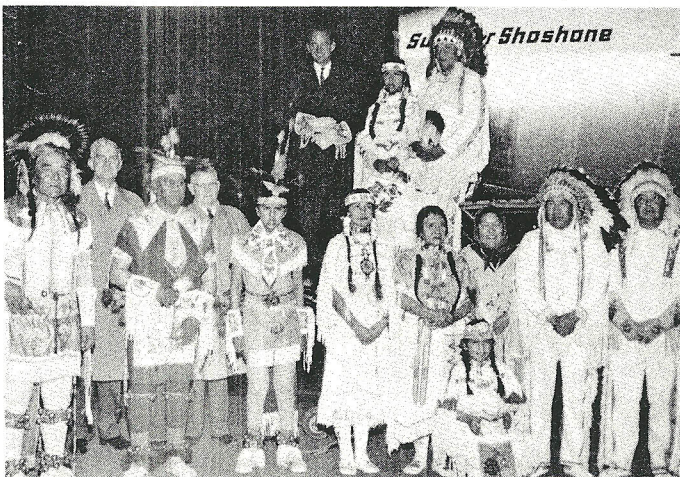
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FRONTIER AIRLINES

STAPLETON AIRFIELD

DENVER 7, COLORADO

INDIAN CHIEF OFFICIALLY NAMES "SUNLINER SHOSHONE"



Shoshone Indian ceremonies at Riverton included presenting artfully-beaded buckskin gloves to Frontier's President Lewis B. Maytag, Jr. by Princess Thelma Tassitsie (top center). Also present were Vice President of Traffic and Sales J. Dan Brock (second from left) and Superintendent of Wind River Indian Reservation Arthur Arnston (fourth from left).

Frontier Airlines' fifth Radar Convair was named "Sunliner Shoshone" in recognition of another of the famous Indian tribes whose homeland is criss-crossed each day by the silver wings of "Sunliner" flights. Previously four other colorful tribes had been honored by Frontier in the naming of its newly acquired fleet of twin-engined Convairs. "Sunliners" carry the names of the following Indian tribes: the Navajos of northeastern Arizona and northwestern New Mexico, the Sioux of the Dakotas and northern Nebraska, the Apaches of southeastern Arizona and southwestern New Mexico, and the Pawnees of southern Nebraska and eastern Colorado.

Symbolically Chief Herman St. Clair of the Shoshone Tribe used the strong feathers of the eagle to bestow the soaring power of the eagle's flight to the "Sunliner Shoshone." The ceremonies were conducted at the Riverton airport with the inauguration of Radar Convair service between Denver and Riverton with intermediate service to other Wyoming cities. A dozen Shoshone Indians from the nearby Wind River Indian Reservation participated in a colorful dance following the dedication of the aircraft.

Traditionally the Shoshones had made western Wyoming, northern Colorado and northeastern Utah their home and hunting ground. When the famous Lewis and Clark Expedition first explored the area which is now Montana and Idaho it was the Shoshone Indian maid, Sacagawea, acting as a guide, who helped them find the headwaters of the Missouri River. Her people later made available to the expedition a number of needed horses to cross the high mountain



Chief Herman St. Clair of the Shoshone Indian tribe wafts eagle feathers over the nose of Frontier Airlines' fifth Radar Convair to officially name it "Sunliner Shoshone."

country which now marks the state boundary between Montana and Idaho.

Today the Shoshone Indians share the Wind River Indian Reservation in central Wyoming with the Arapahoe tribe. Numbering approximately 2,000 the Shoshones have made notable success of their cattle raising and have also benefited in royalties from the many producing oil wells discovered on their land.



Denver's 98.9 per cent effort in handling controllable delays gave this station its first "Frontiersman Award" as Terminal Station winner. Frontier's Executive Vice President G. Ray Woody (left) admires the plaque proudly exhibited by Denver Station Manager Cal Reese. Virgil Alvey (right), Regional Station Supervisor in the Denver area, adds his praise of the high performance record of Frontier's largest station operation.