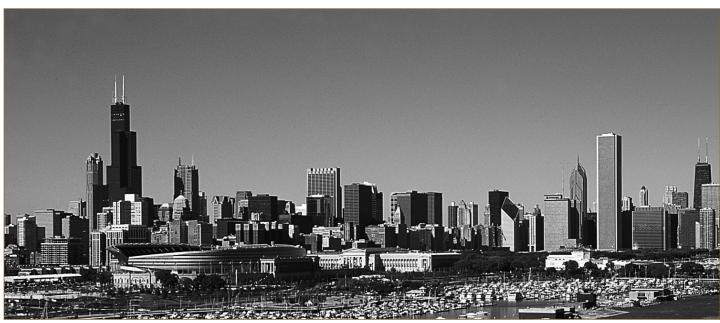
The inside story...

Our goals: Air cargo holds its own in recession / Page 3

Our people: Ramp service agent turns film maker/ Page 4

Our places: Austin / Page 5



The Chicago skyline will soon be a nonstop flight away on Alaska Airlines for customers in Portland.

Alaska launching PDX-Chicago service

laska Airlines will inaugurate daily service between Portland and Chicago, starting Nov. 16. The new flights augment the carrier's service out of the Windy City, which includes three daily roundtrips to Seattle and two to Anchorage during the summer.

"Nonstop service between Portland and Chicago provides our customers with critical access to the nation's second-busiest airport, and adds back capacity to a route that recently expe- local time. Flights from Chicago will rienced significant cutbacks by other airlines," said Andrew Harrison, vice president of planning and revenue management. He said the Chicago area is popular for business travelers and is also among the top 10 most-visited destinations from Portland International Airport.

The new flight will depart Portland at 10:10 a.m. and arrive at Chicago's O'Hare International Airport at 4 p.m.

depart at 4:45 p.m. and arrive in Portland at 7:10 p.m. To accommodate the new service, Alaska is discontinuing one of its two daily roundtrips between Portland and Denver.

Alaska Airlines launched flights to Chicago in June 2000, setting the stage for full transcontinental service



Alaska helps the feds boost efficiency

Airport of the Future offers lessons to Social Security Administration

By Robert Carrington

irport of the Future was created to help air travelers, but it is attracting attention from an unexpected source — the Social Security Administration. Four government employees visited Alaska Airlines last spring to tour the carrier's patented check-in process and learn how the project came about.

Ed White, vice president of real estate and head of the project, says he was surprised when they contacted him. While Airport of the Future had been featured prominently in the media — including The Wall Street Journal and MSNBC — White says he did not expect a visit from a government

"I couldn't see why it would interest someone outside of the airline industry," White says. "But their response absolutely floored me. They said, 'You can't imagine how many parallels there are to our operation."

Visitors Joy Chang, Frank Gavio, Frieda Cheslow and Brad Flick visited Corporate Headquarters to talk with White and others, then toured Seattle-Tacoma International Airport to see the real thing.

"I was surprised at the level of detail



Social Security Administration employees (from left) Frank Gavio, Joy Chang, Frieda Cheslow and Brad Flick watch Airport of the Future in action.

they wanted to get into," White says.

The visitors came to Alaska as part of a program designed to prepare senior executives. They are currently drawing up a presentation on the management principles they found at Alaska Airlines.

"It's very much a direct compliment to our innovation and leadership,"

Jeff Anderson, director of airport technology, says the Social Security

Administration employees were interested in reproducing aspects of Alas-

"When organizations design things, they tend to get stuck," says Chang of the Social Security Administration. "They just add on to the existing model. Alaska Airlines started from a clean slate and challenged assumptions."



AMFA ratifies two-year extension of labor contract

Third union this year to agree on new pact and participate in PBP bonus plan

laska Airlines and the Aircraft Mechanics Fraternal Association today jointly announced ratification of a two-year contract extension covering the airline's 658 aircraft technicians. The AMFA contract extension was ratified by more than 77 percent of the technicians who voted.

The extended contract, which becomes amendable on Oct. 17, 2011, provides technicians with a 1.5-percent pay scale increase on Oct. 17 of 2009 and 2010. In addition, technicians will no longer participate in the company's Variable Pay Plan. Instead, they will participate in the Performance Based Pay (PBP) annual bonus plan, which covers all other Alaska Airlines employees (aircraft technicians and helpers, dispatchers, flight attendants, pilots and management) except those represented by the International Association of Machinists and Aerospace Workers (IAM).

"With the current economic conditions in the airline industry, we felt that it was in our members' best interests to have an opportunity to vote on the company's contract extension offer and the negotiated letters of agreement," AMFA's negotiating committee said in a statement. "The voting results now show the majority of our members believe this extension and the three letters of agreement will give them some stability over the next two years."

> The voting results now show THE MAJORITY OF OUR MEMBERS BELIEVE THIS EXTENSION AND THE THREE LETTERS OF AGREEMENT WILL GIVE THEM SOME STABILITY OVER THE NEXT TWO YEARS. AMFA NEGOTIATING Сомміттеє

Fred Mohr, vice president of maintenance and engineering, said, "This contract extension recognizes the value of our skilled and dedicated technicians, whose daily contributions are a key element in our operational excellence."

AMFA is the third union at Alaska Airlines to ratify a new or extended contract this year. Flight attendants voted to extend their contract by two years last March and pilots ratified a new four-year contract in May. Contracts with the Transport Workers Union, which represents the airline's dispatchers, and the IAM are amendable in the summer of 2010.

The company has presented the IAM with a proposal to extend their contract for two years, including job security provision extensions and retroactive inclusion in the PBP plan, which pays annually when the the company meets certain goals. The IAM represents accounting specialists; reservations, customer service, operations, ramp and stores agents; and others.

A new Web page providing details on the PBP plan will be posted on alaskasworld.com later this month.



Alaska's World

in July

FINANCE

On-time reliability, cheaper fuel lead to a Q2 profit

Alaska Air Group earned an adjusted profit (after paying taxes) of \$26.5 million from April through June. Under generally accepted accounting principles (GAAP), which exclude adjustments for fuel hedges and one-time expenses related to the new pilot contract, the company earned a profit of \$29.1 million.

Operational reliability and fuel costs that were half what the company paid last year helped lead to the profit.

However, the amount of money Alaska Airlines brought in flying each passenger one mile (also known as yield) was down nearly 7 percent compared with 2008. In addition, the airline carried nearly 1 million fewer passengers during the first half of 2009 compared with last year — an average of 5,200 customers a day, or an 11 percent decline.

Air Group's adjusted loss from January through March was \$25½ million. But with \$26½ million in adjusted profit during the second quarter, the company has earned about \$1 million through the first half of 2009 — or the equivalent of 10 cents for every Alaska Airlines and Horizon Air customer.

— posted to the Web on July 23

FINANCE

First bag fee collection meets income expectations

In the first week that Alaska Airlines and Horizon Air collected a \$15 charge for first checked bags, revenue lived up to projections and the initiative went smoothly except for longer wait times at some stations.

During the first four days of the new charge, revenue averaged about \$285,000 a day for fees covering first and second checked bags for Alaska Air Group. Of that amount, roughly 80 percent — or \$228,000 — came from passengers who checked only one bag. Those numbers do not include fees for oversize or additional bags. Several employees said the fees were not causing delays or more carry-ons.

— posted to the Web on July 14

PARTNERSHIPS

Alaska, Continental ending codeshare, frequent flier ties

Alaska Airlines and Horizon Air will end their codeshare and frequent flier partnership with Continental this fall — meaning customers will no longer be able to book codeshare flights or earn or redeem miles interchangeably between the carriers. The decision to

1 On the Web

July's most-read stories

- Maintenance muscle man:
 A vow to lose weight
 changed Gary Sewell's life
- 2) Reception lifts curtain on Portland-Maui service
- Alaska, Continental ending codeshare, frequent flier ties
- 4) Stage is set for first bag fee
- 5) Alaska ranked among 100 best companies in Washington state

Read full versions of these and other stories online. Click the *News Archives* button on the alaskasworld.com home page, then click July 2009.

end the partnership was mutual, said **Andrew Harrison**, vice president of planning and revenue management.

"We've enjoyed a valuable, longstanding relationship with Continental. Given our relationships with American and Delta and the fact that our network now extends to Houston and Newark, however, the value of the Continental relationship to Alaska Airlines has diminished," Harrison said.

The number of awards Mileage Plan members book on Continental each year is less than 10 percent of the number of awards booked on Delta or American, Alaska's biggest partners, said **Rick Rasmussen**, director of customer loyalty and marketing programs.

— posted to the Web on July 24

THE ENVIRONMENT

Alaska, Horizon pursue 'greener skies' at Sea-Tac

Alaska Airlines is testing new flight arrival procedures at Seattle-Tacoma International Airport this summer that will reduce the carrier's environmental impact.

The project is being conducted in cooperation with the Port of Seattle, Federal Aviation Administration (FAA) and The Boeing Co. Dubbed "Greener Skies," it is focused on using satellite-based flight guidance technology pioneered by Alaska to operate more efficiently and reduce aircraft fuel consumption, emissions and noise in the Puget Sound region.

Alaska and Horizon Air are seeking FAA approval for the procedures, which could ultimately be used by all properly equipped carriers at Sea-Tac.

— posted to the Web on July 24

RECOGNITION

Alaska among 100 best companies in Washington

Seattle Business magazine counts Alaska Airlines among the 100 best companies to work for in Washington state in its latest annual ranking published this month. Alaska ranked seventh in the category for large businesses and was the only airline to be listed.

Seattle Business graded companies on 10 aspects, including training and education, leadership, and benefits. Initial scores were based on employee surveys and then adjusted by a panel of business experts. The survey found that corporate culture and workplace environment are most important to employees.

— posted to the Web on July 15

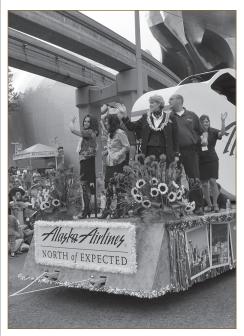
MARKETING

Employees shine bright at Seattle's Torchlight

A brief shower doused more than 600 volunteer Alaska and Horizon Air employees and family members who participated in the Alaska Airlines Torchlight Parade in Seattle on July 25, but the rain couldn't begin to dampen their spirits. This is the first year Alaska served as the title sponsor of the city's largest summertime event, succeeding a 14-year run by Southwest Airlines.

Six employees, carrying a banner featuring Alaska's logo and the slogan "Celebrating the People and Places We Serve," led the parade along a 2.5-mile route from the Space Needle to Qwest Field. They were followed by dozens of floats, marching bands, multicultural drill teams, giant helium balloons, the Seattle Police Motorcycle Drill Team, and Seafair Pirates and Clowns.

— posted to the Web on July 28



Don Conro

Customer Service Legends and other employees ride aboard Alaska's float down Fourth Avenue in Seattle during the Torchlight Parade.



Alaska Airlines dashboard

July 2009

DOT on-time performance

Goal: 80%

2009 87.6% 2008 80.7%

★ 6.9 points

Scheduled completion rate

Goal: 99%

2009 99.7% 2008 99.3%

♠ 0.4 points

Baggage time to carousel

Average at SEA

First bag 13:52 minutes Last bag 18:58 minutes

Mishandled baggage rate Goal: 4 or fewer per 1,000

2009 4.5

2008 4.4

♠ 0.1 bags

Cargo shipped
Pounds of freight & mail

2009 11.1 million 2008 11.4 million

♣ 2.7%

Customer satisfaction overall OPR score

Goal: 72%

June 2009 81.6% June 2008 75.7% **↑** 5.9 points

Load factor

2009 84.3% 2008 79.7%

★ 4.6 points

Fuel cost

(AAG price per gallon, inc. hedging)

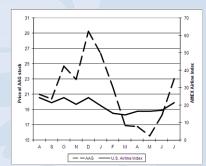
June 2009 \$1.98 June 2008 \$3.40

41.8%

OPR payouts

To be paid in Oct. \$100 Year to date \$450

Air Group stock price



Close (Jul. 31).... \$23/06 52-week range.... \$12.89 - \$30.95

Our Goals



Amanda Tobin

Alaska Airlines cargo service remains a primary link to the outside world and an important economic engine for many small communities in Alaska.

Air cargo: Steady as she goes

Alaska hangs on to market share despite the recession

By Robert Carrington

educed demand has hit many air cargo providers like a falling anvil, lowering volumes for American, Delta and other carriers by more than 20 percent. While boosting profits at Alaska following last year's record revenues of more than \$100 million would be challenging enough, the recession has made the task all the more difficult.

Despite the bad economy, Alaska Air Cargo's volume is down just 5½ percent through June compared with 2008, while revenues are down about 10 percent.

John Husby, manager of the Seat-

tle cargo warehouse, attributes the performance to the airline's close connection with businesses in the state of Alaska. Most freight, he says, comes from larger

companies — such as retailers and fish processors and distributors — that regularly use the airline as a fast connection to their suppliers or customers.

"We are a link in their logistical chain," Husby says. "It's a nice place to sit, but we can never get complacent or forget who our customers are."

This summer, Air Cargo began a "thank you for shipping with us" effort to show customer appreciation with buttons, notepads and other items. **Jeff Munro**, operations manager of the Anchorage cargo warehouse, believes that Alaska's customer service has also been an important factor in retaining volume.

"We have people who come in and say, 'I would go to the competition next door, but I know you guys and you're really nice,' " Munro says.

While the airline has managed to slightly increase its volume of freight in the last 3 months, losses earlier in the year and an ongoing decline in mail are responsible for the overall dip in cargo volume. Husby says lower consumer demand is the biggest factor.

"When demand is down, not only do people have fewer packages delivered, but companies send fewer catalogs and bills," he says. "If people aren't going on cruises, it means we aren't flying as many perishables and supplies that these businesses order on a just-intime basis."

While the effects of the recession can't be avoided, Munro says Air Cargo is controlling what it can and preparing for future business. The airline invested \$1.2 million to renovate its Anchorhas had no Transportation Security Administration violations this year and has passed several audits with nearperfect reports. And the Anchorage and Seattle cargo warehouses both recently passed 100 days without a lostterm injury — a milestone that hasn't occurred in several years.

Mary Quantrell, general manager of cargo in Anchorage, attributes Air Cargo's safety record and business performance to passionate employees who feel invested in their jobs.

"I've worked all over the system from the East Coast to Mexico — and we have great employees everywhere," Quantrell says. "But I'm continually amazed with how deeply our cargo peo-

> ple care about what they do."

> In the wake of Mount Redoubt eruptions spring, ash clouds

snowstorms grounded cargo flights out of Anchorage. With outgoing mail still arriving every day, the warehouse was bursting at the seams with more than 400,000 pounds of cargo — twice its normal capacity.

Munro says employees worked through the unpredictable weather safely and without complaint, even as they unloaded and repacked a freighter twice with nearly 35,000 pounds of

Ramp Service Agent Larry Hamlin, who has worked at Alaska for more than 35 years, says cargo has a strong foundation that will support the division for years to come.

"We've got a great work ethic and we've got great employees," Hamlin says. "Since we pride ourselves on doing a good job, it spills over to new employees. They see it, feel it and they want to do it, too. That's our legacy."

Where's the cargo?



More than 75 percent of shipments flown by

Alaska Air Cargo touch the state of Alaska and nearly one-quarter of the airline's shipments involve seafood.

What's onboard

Alaska Air Cargo ships virtually everything from A to Z. The list below, far from comprehensive, represents a snapshot of some of these items.

Alligators

Bears

Christmas trees

Crickets

Gravel

Horses

Human remains Ice sculptures

Krispy Kreme donuts

Llamas

McDonald's meals

Oil drills

Pizza Hut pizzas

Popcorn

Replacement body parts

Zucchini

Strategic Goals

- 1. Be No. 1 in safety and compliance
- 2. Work together to build a diverse and inclusive company where everyone is valued, committed and connected.
- Deliver on core operational promises: run a reliable, on-time airline.
- 4. Make flying easy. Provide caring service and great value to keep and win customers.
- 5. Generate profits that adequately compensate our investors and enable us to fund our future.



age air cargo facility last summer, creating a separate area for customer service agents and breaking up the customer service counter into 14 stations to im-

prove flexibility and flow. "We're becoming more efficient and fine-tuning the processes we have in place," Munro says. "We're poised for when the economy picks up."

Noting the airline's improved ontime performance and reliability, Husby says that's an especially important factor to customers in the state of Alas-

"In a place without a lot of options, that's what it comes down to — the ability to deliver on our promise," he says. "These are communities where, if we don't perform, people are left saying, 'Sorry, Alaska Airlines didn't deliver the milk today.' "

Air Cargo's safety and compliance record has also been solid. Air Cargo

Ramper's lifelong dream lands on the silver screen

Horror movie a 'Frayed' experience for cargo agent

By Robert Carrington

irtually all youngsters have gasped and recoiled in darkened theaters while watching a horror film. While hardly any of them grow up to make one, Cargo Ramp Service Agent **Rob Portmann** recently became a member of that exclusive club.

"Frayed," a movie he co-directed, is being released Aug. 25 on DVD by Lionsgate Entertainment.

"Frayed" follows an escaped killer in a rural town. Terror strikes when a group of campers is caught alone in the woods, hoping to stay alive as the psychopath hunts them and the authorities try to stop him.

As an adolescent, Portmann says he and his friends first enjoyed the horror genre simply for the gore. Eventually, they grew to love the artistry of movies like "Halloween" and "The Exorcist" — admiration that grew into a lifelong goal for Portmann to make a feature-length horror film.

"Blood wasn't that scary — it was the suspense the films produced," he says. "We wanted that gut-wrenching suspense."

When he was old enough, Portmann created short horror clips with his friend, Norb Caoili. They shot films using Portmann's Super 8 and Caoili's video camera, acting out scenes in every genre. A few years later, they became friends with Kurt Svennungsen, who joined their filmmaking team. Their home-spun movies grew into feature-length productions.

After graduating from the Art Institute of Seattle in 1992, Portmann formed Bert and Bert Video Productions with Caoli. But four years later, with a family to support, Portmann left the company to work for Alaska Airlines. Caoili shifted to making corporate videos while Svennungsen worked in construction.

Moviemaking took a backseat for the trio until 2002, when Svennungsen proposed reuniting the team.

"Kurt came to us and said, 'If we don't do it, we'll always wonder,'" Portmann recalls.

He and Caoili agreed to make a film, but the script took three years.

Portmann drew storyboards late at night after his two sons went to sleep. Sometimes, he would storyboard at lunch and during breaks on the ramp. Svennungsen and Caoili were working full-time, too, making it hard to find time when they could all collaborate.

"On several occasions, the three of us locked ourselves in a hotel room for a weekend," Svennungsen says. "We would clear out the room and post tackboard on the walls, load them up with index cards of our ideas and go for it."



on Conrard

Rob Portmann, a cargo ramp service agent in Seattle, produced a feature-length movie with two of his friends. The film is being released on DVD this month.

When the script was finalized, the trio confronted the challenge of financing their movie. They considered seeking outside investors, but Svennungsen decided to underwrite most of it on his own. While this preserved the film's creative integrity, it made for a low budget — even smaller than the usual independent film.

The next challenge involved production. All three men agree their lasting friendship helped them survive.

None had ever worked on a project of that scale before,



though, and their film crew was accustomed to the break-neck pace of larger-budget productions.

"After the first two days, they were ready to kill us," Portmann says. "I don't know what death is like, but I assure you I came as close as you can get to it. We were living on Red Bull and Top Ramen."

Lack of sleep and constant stress turned the three filmmakers into walking zombies. Caoili says they'd doze off even while shooting a scene. Svennungsen, who acted as executive producer, lost about 20 pounds.

After the 22 days of shooting, returning to work was a relief for Portmann. "The first two or three days after I got back, I'd wake up with these nightmares where people were lighting up my room for a scene," he says.

Many of his co-workers auditioned for a role. One former co-worker, Nick Wambach, portrayed a police officer in the movie. Ramp Service Agent **Steve Becker** also appears as a police officer.

Portmann has been working at Alaska for almost 14 years, and says his coworkers are part of the reason he has stayed. He also likes Alaska because of the flexible hours and travel privileges.

Besides nonrevving with his family, Portmann used his privileges to fly with Svennungsen and Caoili to film festivals that featured "Frayed." Without those privileges, they couldn't have attended several film festivals.

"Frayed" has been generally well received by critics and won an award for best cinematography at the International Horror & Sci-Fi Festival in Phoenix.

"We're hoping this is a stepping stone for the next film," Portmann says, "but we'd have to do it for a lot more money than we did the last one."

Outside of the United States, the film has distribution deals in Canada, England, Germany and Thailand.

Distribution in other countries is being negotiated. There's no doubt the production cost of the movie will be recouped, so Portmann jokes that he hopes the profits will pay for a hot tub.

"It's all art in the end," he says. "If it fulfills something for you, then it's worth it."

Snapshot



Mary Weaver

Station Agent Gustavus

Joined Alaska Airlines
May 2002

Family

Husband, Whit, daughter, Parker, 6

What I'd like other employees to know about my job

Working in a small station as a station agent is never boring. In one day, you can accept cargo; go to the post office to get the mail to send out on the jet; check people in; marshal the plane; unload people,

bags and cargo; load people, bags and cargo; do the departure coordinator job. After the jet leaves, you arrive cargo, deliver mail to the post office, do the paperwork, and then clean the bathrooms

and station. The four hours usually fly by.

Last nonrev trip

To Australia for a two-week cruise to Auckland, New Zealand. We went at the end of December on Qantas and had no problems getting there or home.

Hobbies

Photography

Claim to fame

My husband and I have been working on our place in Gustavus for 10 years. We fell in love with the place, bought land and have been working on it since. Hopefully, one day it will be done. We spend the winters in Juneau; Gustavus is a little too quiet in the winter.

1 On the Web

Read more about Alaska's people at alaskasworld.com/people

Christy True

Austin is divided by Lady Bird Lake, a dammed portion of the Colorado River. Walking and biking trails line the lake, which is also popular among boaters.

Austin: No limits

A hotbed of culture, high tech and history in the heart of Texas

By Christy True

Austin Bergstrom International Airport, it's clear this city has a special relationship with the arts — and music in particular. Most afternoons, travelers are greeted with live music on a stage next to Ray Benson's Roadhouse in the center of the terminal.

Austin has earned the title of "live music capital of the world" for good reason. The Austin Chamber of Commerce boasts that Austin has more nightclubs per capita than any other U.S. city.

Austin is a magnet for musicians and those who love them. It's home of the public television show "Austin City Limits," which features emerging bands as well as those at the top of their game, and the renowned "South by Southwest Music, Film and Media Festival" — a 10-day celebration that runs every spring.

Those interested in classical music or dance will also find plenty to choose from with a local ballet, lyric opera house and symphony orchestra to name just a few of the arts venues around town.

Music is but one of the many charms that can be found in Austin, which is also renowned for its mild climate, outdoor opportunities, excellent restaurants, laid-back lifestyle and vibrant neighborhoods.

With the informal slogan, "Keep Austin Weird," Austin is considered a more liberal alternative to Dallas and Houston. While the city hangs on to its cowboy culture, you are just as likely to find a unique ethnic or vegetarian restaurant as a great barbecue joint. Bicycles are more common than trucks with gun racks. Fine art galleries mingle with funky boutiques.

Austin is located on the Colorado River. In Austin proper, an extensive system of walking and biking trails run on both sides of Lady Bird Lake, which was created by two dams. Canoeing and kayaking on the lake are also popular as well as river paddleboat tours.

Here are a few suggestions for em-

ployees considering a trip to the Central Texas town. record of standing up for civil rights, I was astonished to learn of the number

See some live music

Well, duh. It would be a shame to visit Austin and not enjoy some of the great live music that's available every night of the week at one of 120 night-clubs.

While Austin has become known in recent years as a hotbed of country-tinged roots rock and a required stop for any indie band worth its salt, there is also country, jazz, blues and just about anything else you can think of.

You don't even have to buy a ticket to take in some music. Just walk down Sixth Street, where most of the clubs are located, and you'll hear music spilling out. Many bars advertise no cover charge, and Austin is full of street buskers who perform only for the hope of some change tossed in their guitar cases.

The bats come out at night

Do not miss this spectacle if you are in Austin during the summer months.

Because of narrow slots under the Ann Richards Congress Avenue Bridge, Mexican free-tailed brown bats found it to be an ideal place to "hang out." Each evening at dusk, 1½ million of them stream out from under the bridge and fly off in search of mosquitoes and other insects.

It is believed to be the largest known urban bat colony in the world. Locals and visitors alike embrace the bats. There's a park under the bridge where people gather to watch the bats and a statue of a bat has been erected on the bridge.

LBJ Library and Museum

If, like me, you thought of Lyndon Baines Johnson as the poor guy who followed in President John F. Kennedy's footsteps after he was assassinated and had the misfortune of presiding over an unpopular war during one of the most tumultuous times in American history, then get thee to the LBJ Library and Museum — ASAP.

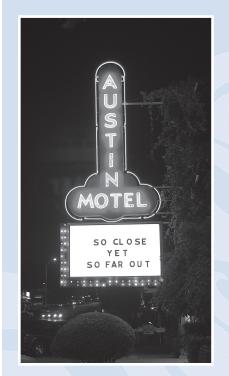
While somewhat aware of LBJ's agenda of eradicating poverty and his

record of standing up for civil rights, I was astonished to learn of the number of initiatives he shepherded through Congress under the promise of a "Great Society." The Civil Rights and Voting Rights Act, Medicare, Medicaid, Job Corps, highway beautification, food stamps and the Head Start program — to name just a few — are all a part of his legacy.

The museum does an admirable job of portraying the difficult decisions Johnson faced, without glossing over the controversy surrounding the Vietnam War and protests at home. Admission is free.

Continued on The Back Page

Travel tips



The climate in Austin is classified as "humid subtropical" with hot summers and mild winters. Best times to visit are spring or fall, when temperatures top out at 80 degrees — unless you love the heat, in which case summer will suit you fine.

It's easy to get around Austin by public bus if you plan to stay in the city. A bus runs from the airport to the downtown area every half hour. The cost is 75 cents per ride. Downtown, South Austin, the Capitol and University of Texas, Austin are also easy to walk around.

Unless you require the amenities of a high-end hotel, I recommend the Austin Motel. Located in the trendy SOCO area, it's a classic 1930s-era structure with an awesome retro sign and a pool. Basic rooms are clean and a bargain starting at \$80. It's about a mile, or a quick bus ride, to the downtown area. Several excellent restaurants and boutiques are also nearby.



Christy True

For a unique experience, go to the Congress Avenue bridge just before dusk to see more than a million bats stream out.



Christy True

Live music is such an important part of the Austin scene that there is a stage at the airport where bands perform daily.

Service Pins

August 2009



Marggie Bodine

Captain/SEA

Guy Bugbee Captain/SEA

Caroline Doody

Sheryl Duyungan

Thomas Gonzalez

Lee Erickson

Captain/SEA

Captain/SEA

Keith Lykken

Captain/SEA

Sandra Morrow

Kathleen Nelson

Philip Parish

Captain/LAX

Harvey Seymour

Joseph Terranova

Investigator/KVY

20 YEARS

Robin Cummings

Station Agent/PSG

Flight Attendant/PDX

Brad Burger

Lisa Curry

Captain/SEA

Tong Pham

Flight Attendant/LAX

Accounting Specialist/SEA

Lead Line Aircraft Technician/SEA

Weight & Balance Compliance

Manager Video Communications/SEA

Flight Attendant/LAX

Training Content Developer/KVY

Flight Attendant/SEA

Robert Breidenbach

40 YEARS

Marilyn Ritchie Flight Attendant/ Susan Edwards Flight Attendant/LAX

Guadalupe Garzon

Customer Service Manager Mexico/MZT

Jeffrey Haines

Captain/SEA Cristina Vallejo

Customer Service Agent Mexico/SJD

25 YEARS 15 YEARS

Kelly Baucom RosaArcely Ayala-Shaffer Flight Attendant/SEA Customer Service Agent/PHX

> **Thepoudone Brown** Flight Attendant/LAX

Linda Fish

Lead Reservations Sales Agent/PHX

Enrique Rebollo Lead Stores Agent/SEA

Rocio Roa Customer Service Agent Mexico/SJD

Raymond Willhite

Reservations Sales Agent/BOI

10 YEARS

Abdella Addish

Line Avionics Technician/SEA

Mesia Alconcel

Supervisor Customer Service/SNA

Lisa Bert

Flight Attendant/PDX

James Betty First Officer/SEA

Paul Brooks Janitor/SEA

Daniel Brosch

Line Aircraft Technician Trainer/PHX

Michael Callahan

First Officer/SEA

Robert Creamer

Supervisor Avionics Shop/SEA

Zareena Doar

Customer Service Agent/PDX

Bradley Donaldson First Officer/ANC

Bill Foster Ramp Service/SIT

Lloyd Golden Manager Line Maintenance/SEA **Judy Grupp**

First Officer/SEA

Glenn Gruner

Customer Service Agent/PSP

Lynn Heigh Buyer/SEA

Marian Herman

Reservations Sales/Agent KVY

Ryan Hudson

First Officer/SEA

John Husby

Manager Cargo Operations/SEA

Ronald Irvan

Line Aircraft Technician/PDX

Dorsa Jazayeri

Customer Service Agent/SJC

Neal Kandarian

First Officer/LAX

Kuy Kop

Production Analyst/SEA

Cory Lee

First Officer/LAX

Alex Masse

Customer Service Agent/LAS

Stacie Mayes

Customer Service Agent/SFO

Brett Megran

Line Aircraft Technician Trainer/SEA

David Mets

First Officer/SEA

Martin Miller

Manager Information Security/SEA

Cynthia Minardo

Reservations Sales Agent/KVY

Sean Oconnor

First Officer/ANC

Paul Ohman First Officer/SEA

Nathan Osborne

Customer Service Agent/SEA

Lori Pasley CRC Agent/KVY

Klaus Pfund

Customer Service Agent/PSP

Christopher Quinn

First Officer/SEA

Amy Richtmyer

Treasury Analyst/SEA

Teresa Samac

Senior Financial Reporting Accountant/SEA

Ken Tucker

Customer Service Agent/PDX

Robert Valentine

Line Aircraft Technician/SEA

Tinamarie Valle

Customer Service Agent/YAK

Raul Vargas

Customer Service Agent/LAX

Sergey Vasilyev

Line Aircraft Technician/SEA

Joyce Wong

Manager Benefit Programs & Compliance/SEA

5 YEARS

Alcira Aragon

Customer Service

Agent-Departure Control/LAX

Lance Carlson Station Supervisor/SEA

Tasha Fremstad

Customer Service Agent/SEA

Eric Gorton

Lead Customer Service Agent/SEA

Brianna Gregory Customer Service Agent/SEA

Ayana Josey

Lewis Supervisor Reservations/KVY

Paolo Liloc

Concierge/SEA

Angela Mikellides Customer Service Agent/BUR

Anna Reed

Alliance & Interline Program Coordinator/SEA

Cindy Rice

Quality Systems Analyst/SEA

Patrick Sundaresan

Financial Planning Analyst/SEA

Connell Thomas Ramp Service/OTZ

Omar Torres

Operations Agent/SEA

Dear Alaska Airlines

My letter is to recognize a star employee with Alaska Airlines — Fred Balderas (Boise reservations sales agent). Fred embodies the perfect example of what customer service is all about.

I spent several hours on the phone with Travelocity, ending each conversation more frustrated than the last. At one point, I called a friend and cried.

When I explained in detail to Fred, he graciously took care of my reservation. You are so fortunate to have an employee who actually listens and cares. In the age of technology and computers, we still like to be heard and helped.

Fred Balderas is what customer service is all about.

— M.K., Seattle

— C.Y., Seattle

Our flight to Lihue was on our 28th anniversary. I had surprised my wife by secretly changing our original reservation to first class. On my way onto the plane, I let Flight Attendant Christy Baskett know of the occasion.

We had a great dinner, and then Christy came over and told us Alaska wanted to help celebrate our anniversary with a glass of champagne. Then she apologized because there were no champagne glasses on the plane.

We told her it didn't matter. She made our flight very special. Please let her know that kind of service keeps people coming back.

Roberta Carmichael (reservations sales agent), who works at your Partner Desk in Seattle, turned nothing into something.

My wife and I wanted to travel from Los Angeles to Tel Aviv, Israel, next year. We called your reservations office hoping to use our Mileage Plan miles for a business class ticket.

Unfortunately, nothing was available during our one-month time frame even though we called 11 months in advance.

But through extra diligence, Roberta was able to book us on Air France. It took an hour on the phone but she did it. Thanks to her, we can look forward to a spe-

— E.W., Los Angeles

On June 29, I made reservations to fly on your airline. The agent was great but, due to some confusion, my return flight was booked to the wrong destination. I also lost all my paperwork.

Thankfully, Bob Brooks (reservations sales agent) at your center in Boise was exceptional in finding my reservation and quickly resubmitted the correct information to the computer.

He was very courteous and seemed by his voice to love his job. Thank you for having such a good employee.

— W.F., Spokane



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New service part of strategy to redeploy assets for greater revenue

Continued from Page One

in September 2001, when the carrier began flying nonstop between Seattle and Washington, D.C. During the next two years, Alaska expanded its transcontinental service to Boston, Newark, Orlando, Miami and Denver. In the Lower 48, the carrier added Dallas-Fort Worth to its network in 2005, Minneapolis-St. Paul in 2008, and Atlanta, Austin and Houston this year.

"Although we've had to reduce our overall capacity by 6 percent this year because of the recession, we're continuing our philosophy of being conservative yet opportunistic in assessing new markets," Harrison said. "By reducing service to poor-performing markets, we're able to offer flights to new destinations that increase our customers' options and provide the company with a better potential for profits."

To celebrate the new Portland-Chi-

New Alaska Airlines service in 2009

Route	Start Date	Frequency
Bellingham-Las Vegas	Jun. 25	Mon, Thu, Fri, Sun
Seattle-Austin	Aug. 3	Daily
Portland-San Jose	Sept. 2	Daily except Sun
San Jose-Austin	Sept.2	Daily
Seattle-Houston	Sept. 23	Daily
Seattle-Atlanta	Oct. 23	Daily
Oakland-Maui	Nov. 9	Mon, Wed, Fri, Sat
Oakland-Kona	Nov. 10	Tue, Thu, Sun
Portland-Chicago	Nov. 16	Daily

cago service, Alaska Airlines is offering \$99 one-way fares on the new route for tickets purchased by Aug. 31 for travel by Jan. 31, 2010. Travelers can earn double Mileage Plan miles on the new flights from Nov. 16, 2009, through Jan. 31, 2010. To qualify, customers must first register at alaskaair.com.

The flights will offer Northern Bites meals-for-purchase for \$6. Inflight service will also include Alaska's digEplayer, a personal entertainment system offering a variety of movies, television shows, music and other features. Complimentary in first class, digEplayers are available for \$6 in the main cabin.

Government employees learn to speed customer service

Continued from Page One

Chang says one of Alaska's strengths was having management that supported technology and innovation, devoted time to it and allowed for several attempts.

"Besides Airport of the Future, we found a lot of firsts at Alaska," Chang says. "It was the first to book flights over the Internet and offer Web checkin, for example."

Chang also noted Alaska's policy of seeking collaboration between departments in projects such as Airport of the Future. Matt Pedersen, director of construction and development, says the project included Marketing, Inflight and other departments that traditionally would not be involved in the design phase.

"From day one, a cross-divisional

team participated in the design and programming of the Airport of the Future project," Pedersen says. "It was important that everyone went into the project with a sense of ownership."

White says the government agency visitors were interested in applying lessons from Airport of the Future to develop their Web site and benefits processing centers, which will need to be streamlined to handle baby-boomer retirements.

Streamlining was also the primary goal of Airport of the Future. To help get customers through the terminal lobby faster, the development team focused its attention on efficiency from the beginning—ultimately doing away with the traditional ticket counter.

"We looked at emergency rooms, fast food chains, the Department of Motor Vehicles, other airlines — anywhere that needed to handle a large

number of customer interactions," Anderson says.

Airport of the Future has made customer service agents twice as efficient, according to White, with an employee now processing 42 passengers an hour instead of 21.

The performance increase did not involve overworking employees, he adds

"It's not just a case of trying to fit 10 pounds in a 5-pound bag," White says, "There's a positive reaction from employees and from customers. It's very much a win-win for all constituents."

Pedersen says the principles used in Airport of the Future could be of assistance to other groups in addition to the Social Security Administration.

"Any organization today must utilize technology to streamline their process," he says. "I don't think anyone enjoys waiting in long lines."

Austin: Rich in history, culture and outdoor recreation

Continued from Page Five

The Bob Bullock Texas State History Museum

Enjoyable for adults and kids alike, this museum brings Texas' fascinating past to life. Starting with the native Americans who lived there long before European explorers showed up through settlements by Mexicans to independence to annexation to the United States, the museum tells the story with life-size dioramas, audio and video recordings from those who have lived it, and exhibits of artifacts and reproductions.

An 18-minute movie in "4-D" includes sound effects, motion and other surprises that are sure to thrill even the youngest visitors. After visiting this museum, "Remember the Alamo" will be more than a catch phrase.

The entry fee is \$10 for adults, including the movie.

Cool off at Barton Springs

If you visit Austin in the summer, you'll want to make your way to this



Christy True

You can see a replica of the 36th president's Oval Office at the LBJ Library.

unique swimming hole sooner rather than later. Located on a tributary that feeds Lady Bird Lake, this refreshing spot offers the best combination of a natural swimming hole and a public pool.

There are lifeguards, shower and changing facilities, and a diving board,

yet the water is from a spring and the pool has a natural rock bottom with foliage and fish. The chemical-free water is cold, but feels great on a hot day. While most people just lounge or splash around, the length of the swimming area and cool temperatures make it a lap swimmer's dream.

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