

Alaska's World



April 17, 2009

The inside story...

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Joy Berger

Forty-eight employees at Aviation Technical Services in Everett, Wash., spent 14 days applying some 160 gallons of paint in 21 colors to reproduce Hannah Hamberg's design. The 737-400 celebrates Alaska's 50th anniversary of statehood.

Pulling together in Spirit

Joyous Sitka welcomes 'Paint the Plane' aircraft

Alaska Airlines' newest special livery debuted to cheers when the aircraft landed in Sitka, hometown to Hannah Leigh Hamberg, the 16-year-old who created the design.

Several dozen adults and some 240 schoolchildren waving signs turned out April 9 to give Hamberg and the "Spirit of Alaska Statehood" a hero's welcome after the 737-400 completed a charter flight from Seattle.

Onboard with Hamberg were her

parents, Barth and Mary Alice, several friends, Alaska State Rep. Peggy Wilson, graphic artist Mark Boyle and several airline officials.

After landing in Sitka, Hamberg used a large felt-tip marker to sign the jet on the left side near the tail. She then patiently autographed aircraft collector cards for the children, who call the real jet "Hannah's plane."

"I want to say how honored I am to represent Sitka," Hamberg told the



Paul McElroy

A KTUU-TV reporter interviews 16-year-old artist Hannah Hamberg upon her arrival in Anchorage after the 'Spirit of Alaska Statehood' was unveiled in Sitka.

crowd. "I also want to thank everyone who helped. Without them, it wouldn't have been possible to translate my vision to an airplane."

Chief among those individuals was Boyle, who has worked with Alaska Airlines on other special liveries, including the "Salmon-Thirty-Salmon." Aviation Technical Services painted the aircraft at its facility in Everett, Wash.

After the aircraft flew on to Anchor-

age, Channel 2 interviewed Hamberg. The Sitka High School student said she didn't realize how big the project would become — both in terms of the size of her design on a commercial airliner and the recognition she is receiving.

Hamberg's design was selected by a blue-ribbon panel of judges from thousands of entries by schoolchildren who entered Alaska Airlines' "Paint the Plane" contest.

How Alaska is faring with the recession and more

So far this year, Alaska Airlines has carried 60,000 fewer customers than it did in 2008. Due to capacity cutbacks and longer-haul flying, however, the carrier's load factor is up slightly. That means Alaska has shrunk about the right amount to match lower customer demand.

With the public debut of the North of Expected campaign — a key component of the airline's 2009 revenue initiatives — Alaska's World asked several executives about the ongoing effects of the recession, competition, layoffs and other issues.

Q: How would you characterize the state of the airline industry right now?

Chief Financial Officer Glenn Johnson: When fuel prices dropped last year, we saw the benefit immediately. But the declining revenue picture poses a problem of unknown duration. The trick is to take advantage of opportunities while not hanging out there with too much capacity. Alaska is better positioned than most domestic airlines — thanks to the strength of our company and cash we have in the bank. That puts us in a position to do things logically and rationally rather than in panic mode like at some other airlines.

Andrew Harrison, vice president of planning and revenue management: The significant reduction in oil prices is good, but the drop in demand and ticket prices has all but wiped out that benefit. Some are starting to believe we're at the bottom of ticket prices, but it's hard to know. We are very glad we made the capacity cuts we have, which appear to match the drop in demand.



Steve Jarvis: We need 13,000 Alaska and Horizon employees helping us with revenue. Every employee needs to take this personally. This is a critical time. We can lose money — or really move the needle in terms of market share.

Steve Jarvis, vice president of marketing, sales and customer experience: The aftermath following 9/11 was short-term. This downturn is like nothing I've seen. We're experiencing double-digit reductions in business travel and don't know how long it's going to last. Leisure travel is down, too, because travelers don't know if they'll be unemployed. They also assume fares will stay low, so they don't need to book early.

While the economy is out of our hands, we must focus on what we can control. And we can certainly control safety, reliability, being cost conscious, and delivering that magic every day that keeps our current customers loyal and wins us new ones.



Glenn Johnson: Our philosophy is putting customers in control. The ticket fare provides a basic package and they can add what they want. We're watching other airlines so we're not leading with charging for services, but also not following too far behind.

Q: How is Alaska doing in its fight against Southwest, Virgin America and other competitors?

Harrison: Virgin America is flying less today on the West Coast than when they started — and this fall they'll further reduce their Seattle-L.A. flights from four a day to two. JetBlue has pulled out completely from Seattle-San Diego. In general, Southwest, JetBlue and Virgin have pulled down their frequency in key markets. We're also taking share from United, especially between the Pacific Northwest and Southern California.

Having said that, we continue to experience strong competition from



Andrew Harrison: The company is committed to investing in key markets to avoid harming ourselves and to give business travelers good schedules. [But] new markets represent capacity we've taken from elsewhere. It does not mean Alaska is growing.

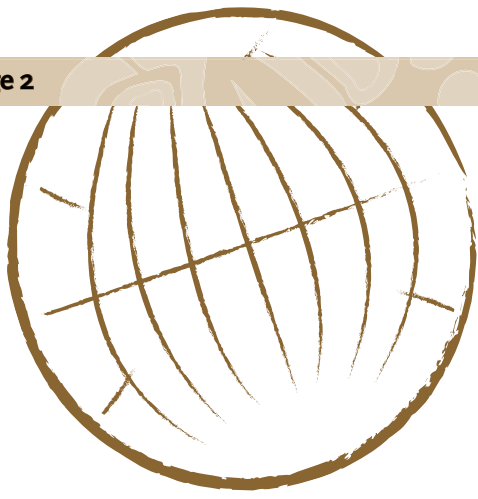
these carriers. On top of that, WestJet is expanding into our markets from Canada and Allegiant recently announced aggressive expansion out of L.A., which includes some of our markets.

Jarvis: Employees should be really proud of how competitive we are. The best way to beat the competition is to operate reliably and provide a consistently high level of customer service. We're holding our own with corporate accounts, but their volumes are shrinking, too, and we need to improve our share.

Johnson: The question about Virgin



Continued on The Back Page



Alaska's World

in March



BENEFITS

Plans announced to start 401(k) plan auto-enrollment

Alaska Airlines and Horizon Air have started helping employees who aren't saving for retirement to take that first step by automatically enrolling them in a 401(k) retirement plan, starting on April 1.

The move applies to all employees who haven't enrolled in the Vanguard-administered 401(k) plan they're eligible for — except Alaska pilots, who are covered by different retirement plans.

Contributions for newly enrolled employees of 3 percent to 7 percent of their eligible pay (depending on work group) will be deducted starting with April paychecks. In addition, the company matches contributions, and the auto-enrollment percentage has been chosen to maximize the amount of this match.

— Posted to the Web on March 17

SHARED SERVICES

Team boosts efficiency, supports both airlines

Alaska Airlines and Horizon Air have made good progress on their 2009 strategic initiative to further consolidate selected functions and departments. The initiative is producing a growing Shared Services team of employees based at Alaska or Horizon who support both airlines.

Groups joining the Shared Services team in the first quarter include: Lean, Legal and Environmental Affairs, and Human Resources.

Certain groups are considered "brand specific" because of their customer-facing or culture-specific roles,

On the Web

March's most-read stories

- 1) Mount Redoubt, operational updates.
- 2) North of Expected celebrations to start March 30.
- 3) Alaska, ALPA reach agreement in concept on four-year contract.
- 4) Lights, camera, action: Employees star in TV commercials.
- 5) Alaska asks again for DOT to probe Virgin ownership.

Read full versions of these and other stories online. Click the *News Archives* button on the alaskasworld.com home page, then click March 2008.

and do not fall within the initiative. These include pilots, flight attendants, Employee Safety and Health, and Corporate Communications, to name a few.

— Posted to the Web on March 2

THE INDUSTRY

Alaska continues to push for Virgin ownership probe

Alaska Airlines again called on the Department of Transportation to address questions about Virgin America's compliance with U.S. foreign owner-

ship and control restrictions on domestic carriers.

In a filing on March 12, Alaska asked the DOT to promptly issue an order tentatively finding that Virgin America no longer qualifies as a U.S. carrier. This filing followed a petition to the DOT in February asking the department to initiate a public investigation.

Federal law requires domestic air carriers to be U.S. "citizens." To qualify, the outstanding voting interests of the air carrier must be at least 75-percent owned by U.S. citizens and the carrier must also be effectively controlled by U.S. citizens.

In a related development, the Alaska Air Group Employees Labor Coalition, along with the Air Line Pilots Association national union, voiced its support for the company's petition. Leaders of the six unions that represent more than 9,000 employees at Alaska Airlines and Horizon Air are urging Congress to support a full public review of the issue.

— Posted to the Web on March 12 and 25

FLIGHT OPERATIONS

Mount Redoubt eruptions cause 300 cancellations

For several days in late March, Alaska Airlines suspended and resumed flights in and out of Anchorage following volcanic eruptions at Mount Redoubt that generated a continuous ash cloud. Some flights to Anchorage were diverted to Fairbanks International Airport or elsewhere as a safety precaution.

The airline resumed service in Anchorage as soon as it determined that flying conditions were safe. During the week that volcanic eruptions were active, Alaska Airlines canceled more than 300 flights affecting more than 20,000 passengers.

— Posted to the Web on March 22-30

FLIGHT OPERATIONS

Alaska, ALPA agree in concept on new contract

Alaska Airlines announced it has reached an agreement in concept with the Air Line Pilots Association on the terms of a new, four-year contract for the airline's 1,455 pilots. Negotiating committee members from ALPA and the airline are working on finalizing the agreement language.

After the contract language has been finalized and approved by the union's elected representatives, it will become a tentative agreement that will be presented to Alaska's pilots for review and a ratification vote.

— Posted to the Web on March 7



Alaska Airlines dashboard

March 2009

DOT on-time performance

Goal: 80%

2009 70.2%

2008 78.0%

↓ 7.8 points

Scheduled completion rate

Goal: 99%

2009 96.9%

2008 99.3%

↓ 2.4 points

Baggage time to carousel

Average at SEA

First bag 14:14 minutes

Last bag 19:05 minutes

Mishandled baggage rate

Goal: 4 or fewer per 1,000

2009 4.1

2008 5.0

↓ 0.9 bags

Cargo shipped

Pounds of freight & mail

2009 8.9 million

2008 9.3 million

↓ 4.3%

Customer satisfaction overall OPR score

Goal: 72%

February 2009 79%

February 2008 70%

↑ 9.0 points

Load factor

2009 81.6%

2008 80.8%

↑ 0.8 points

Fuel cost

(AAG price per gallon, inc. hedging)

February 2009 \$1.91

February 2008 \$2.66

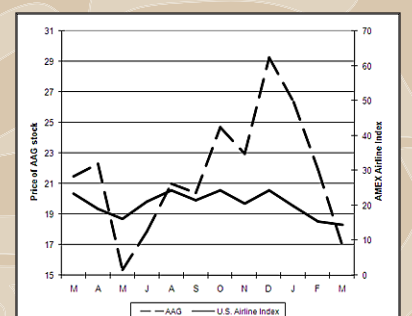
↓ 28.2%

OPR payouts

To be paid in April \$100

Year to date \$100

Air Group stock price



Close (March 31)..... \$16.90
52-week range.... \$10.10 - \$30.95



Repeated eruptions of Mount Redoubt in late March forced Alaska Airlines to suspend and resume several hundred flights in and out of Anchorage because of ash clouds. Some flights to Anchorage were diverted to Fairbanks International Airport or elsewhere as a safety precaution.

Alaska authorized to conduct RNP validation

Agency approval is a first for U.S. airlines

By Marianne Lindsey

The Federal Aviation Administration has approved Alaska Airlines to become the first U.S. commercial air carrier to conduct its own RNP flight validation, laying the groundwork for faster procedure approvals.

Since the airline received FAA approval last December, Captains **Kim Rackley** and **Mike Adams** and RNP Procedure Developer **Matt King** conducted Alaska's first on-its-own flight validation in Adak in hopes of gaining FAA approval for RNP approach procedures there.

Required Navigation Performance technology allows an aircraft to fly safer and more reliable approaches and landings. Rather than relying exclusively on ground-based navigational aids, an RNP-guided approach uses a combination of onboard navigation technology and the Global Positioning System satellite network.

Alaska pioneered the application of RNP technology during the mid 1990s to help aircraft land in Juneau and other remote and geographically challenging airports in the state of Alaska.

To date, the airline uses RNP procedures at 23 airports throughout its system, nine of which the carrier developed. Alaska hopes to add five more RNP-approved airports in 2009.

"Being able to conduct our own flight validations will greatly reduce the time spent on the FAA approval process," said **Sarah Dalton**, director of aerospace and technology.

Dalton said she expects the RNP approval process to be shortened from one to two years to six months.

"Being first always is a challenge," Dalton said. "For example, there is no commercially available GPS system



Empty passenger seats hold computers and other equipment during RNP test flights.

that can independently record our flight path to meet the FAA's documentation requirements."

Consequently, King, Alaska's RNP procedure developer, successfully pieced together a system that works better than any other the FAA has tested and that is well within the company's budget.

"He and the entire RNP team are to be congratulated for continuing to sustain Alaska Airlines' industry-wide leadership position in precision navigation."

Other airlines have recognized how RNP improves navigational accuracy while reducing fuel burn and greenhouse gases.

Southwest Airlines is embarking on a major RNP program, along with Delta Air Lines and Qantas. **✂**



The runway at Adak was visible from the passenger cabin of an Alaska Airlines jet during a recent RNP validation flight at the airport.

Alaska, Horizon launch online boarding pass ads

New content includes discount coupons, weather, event calendars, puzzles and more

By Don Conrad

Starting April 14, Alaska Airlines and Horizon Air passengers checking in on the Web noticed something new on the bottom half of their boarding pass — ads for products and services and other destination-specific information. An average of about 600,000 passengers — or 38 percent of all Alaska and Horizon customers — check in online each month.

The company is partnering with Sojern Inc. of Omaha, Neb., to offer customers boarding passes that include coupons, weather forecasts, destination information, puzzles and more. The move is part of Air Group's 2009

strategic initiative to generate more revenue while offering customers added value. Alaska and Horizon will receive a percentage of the money advertisers pay Sojern for the ads.

A sample online boarding pass for Los Angeles includes a coupon for a free dessert at Ruth's Chris Steak House, 50

percent off on Coca Java coffee and an ad for the city's Bahama Breeze Island Grille restaurants. The online view also includes hot links to an events calendar for the Los Angeles area and information about entertainment, including current show times for "Phantom of

the Opera" at the Pantages Theatre in Hollywood. The ads will not appear on boarding passes provided at kiosks or airports because these devices are not capable of printing on both sides of the document. Customers will not have the option of printing their Web boarding pass without the ads.

"Destination-specific content on boarding passes provides value that we think more than offsets the negligible increase in ink or toner," said **Navin Mithel**, managing director of customer relationship management. "Customers who feel differently have the option of checking in online and printing their boarding pass at an airport kiosk. We recognize this is a slight inconvenience, but we are try-

ing to provide the best value to all our customers."

Continental and Delta Air Lines have been printing ads and other information on online boarding passes since last summer. **✂**



Goal 5: Generate profits that adequately compensate our investors and enable us to fund our future.

percent off on Coca Java coffee and an ad for the city's Bahama Breeze Island Grille restaurants. The online view also includes hot links to an events calendar for the Los Angeles area and information about entertainment, including current show times for "Phantom of

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.
3. 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.

The Great Land's first lady

Lifelong Alaskan devotes life to her beloved state and airline

By Don Conrard

When Susan Bramstedt tells co-workers how long she's been with Alaska Airlines, a common response is: "Wow! You've been here since before I was born."

Bramstedt joined Cordova Airlines, which later merged with Alaska, as a 16-year-old high school student in 1962. Her seniority with Alaska Airlines dates from being hired as a full-time employee in 1966 — a scant seven years after The Great Land became a state.

Today, with 43 years of service, Bramstedt is the most-senior employee in the state of Alaska and serves as director of public affairs for Alaska. A 2002 Customer Service Legend, she is also the fourth-highest seniority employee in the company after Operations Agent **Gerald Minnich** (45 years), Line Inspector **Tada Yotsuuye** (44 years) and Technical Training Instructor **Scott Williams** (44 years).

Bramstedt's knowledge of the state's culture and traditions gained over a lifetime has served Alaska Airlines well. The opening of the Barrow station in 1992 is but one example.

"I know that fresh fruit is expensive and highly prized in the Arctic, so we filled the aircraft with apples and handed them out during the inaugural celebration," Bramstedt says. "They were a huge hit. That, plus using a local restaurant to cater the event instead of flying food in from Anchorage, helped us communicate the message that Alaska Airlines understands the community."

Born in Fairbanks, Bramstedt and her family moved to Anchorage in 1954, where her father was a prominent figure in the radio and television business for many years. In 1962, a next-door neighbor asked Bramstedt if she was interested in a summer job at Cordova Airlines.

"I started as a junior secretary," Bramstedt says. "I could type 90 words per minute and take shorthand, which were very valuable skills in an age when office technology was a telephone and a typewriter."

During her first two summers, she helped inventory spare parts for Cordova's maintenance operation, worked in the Marketing and Sales Department, and sorted boxes of paper tickets and airway bills.

"I gained a real overview of the airline industry that proved invaluable in later years," Bramstedt says.

She left Cordova for a few years to graduate from high school, attend college, get married and give birth to her daughter, Lisa. Bramstedt returned to Cordova in 1966 as the secretary for Merle "Mudhole" Smith, the airline's founder and legendary bush pilot.

"Smitty really believed in the airline, its employees and serving the people of Alaska," she says. "He also knew how



With 43 years of service Susan Bramstedt is the highest seniority employee in Alaska and a Customer Service Legend.

important air service is to small villages in the Bush. Those values have stayed with me over the years."

And so has Bramstedt's love for the state she calls home.

"I still get a tear in my eye whenever I hear the Alaska Flag Song," says Bramstedt, who retreats to a lakefront log cabin near Anchorage on weekends.



"I STARTED AS A JUNIOR SECRETARY. I COULD TYPE 90 WORDS PER MINUTE AND TAKE SHORTHAND, WHICH WERE VERY VALUABLE SKILLS IN AN AGE WHEN OFFICE TECHNOLOGY WAS A TELEPHONE AND A TYPEWRITER."

— SUSAN BRAMSTEDT,
DIRECTOR OF PUBLIC AFFAIRS
FOR ALASKA

"But I'm not what most people imagine as a typical Alaskan. I don't hunt and fish. My main interest is gardening."

Sometime in the late 1980s, Bramstedt moved from sales to the Public Affairs Division under **Jim Johnson**, who was vice president of public affairs. She now reports to **Bill MacKay**, senior vice president for Alaska.

Bramstedt manages the airline's corporate contributions and four community advisory boards in the state. She also monitors legislative activity, is executive director of the charitable Alaska Airlines Foundation, and serves on the boards of the Alaska Aviation Heritage Museum, Alaska State Chamber of Commerce and University of Alaska Anchorage College of Fellows. And she's active in a multitude of community events, including the Iditarod Trail Sled Dog Race.

"Susan is one of the hardest-working, most loyal people I've ever met," MacKay says. "She's a terrific role model and always goes the extra mile for her company and community."

Bramstedt's deep roots in work and civic affairs are apparent in her first-

name familiarity with business leaders, dog mushers, commercial fishermen, bush pilots, politicians, the heads of charitable organizations — even Alaska Gov. Sarah Palin.

"Because of my dad, some of my contacts are old family friends I've known since childhood," Bramstedt says. "That helps me know who to call when our company needs community input on a particular issue."


Of the many events that have occurred during her long history with the airline, Bramstedt says the most memorable moment was Alaska's inaugural flight to Vladivostok in 1993.

"I was so proud of our company for taking such a pioneering step to ease tension between the United States and Russia," she says. "It didn't work out for us financially, but Russia is an example of the type of adventurous, can-do risk-taking that has always been a hallmark of Alaska Airlines."

Bramstedt has also seen the company through hard times. Once during the early 1970s, she and her fellow employees received the famous \$100 paycheck — all the money Alaska could afford.

"I should have saved the check as a souvenir, but I needed the money to pay my bills," she says. "Even then, I never lost faith in Alaska Airlines. It was just one of many bumps in the road we have had to overcome to build the successful airline we have today."

Along with those bumps have come numerous honors. In addition to being a Legend, Bramstedt was named Alumna of the Year by the University of Alaska Anchorage in 2004. Most recently, she received the Woman of Achievement award from Soroptimist International, a worldwide organization for women working to advance human rights and the status of women.

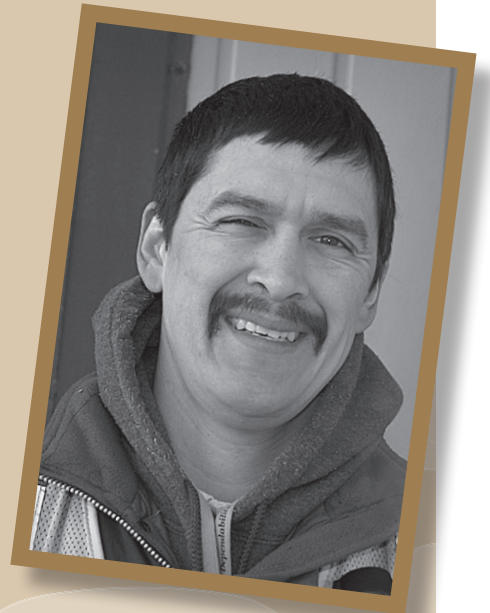
Although Bramstedt has no plans to retire or leave Alaska, she does acknowledge a concession. "I do look forward to a time when I can spend the winter in a warmer climate." 



Joy Berger

Susan Bramstedt was among a group of employees who volunteered to polish the Alaska Airlines' last 737-200 Combi before it was donated to the Alaska Aviation Museum.

Snapshot



Joel Rose

Ramp Service Agent
Nome

Joined Alaska Airlines

December 1997

Family

Wife, Monica, daughter, Briana, 18, and two sons, Jeffery, 15 and Aaron, 9.

Most memorable Alaska moment

When I rode with Team Alaska in the Courage Classic bike ride.

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

We do everything in Nome.

Favorite destination

Aguadilla, Puerto Rico

Last nonrev trip

Anchorage

Hobbies

Cycling, playing broom ball and riding snow machines

Favorite line from a movie

"I think I'll build her a cake" from Napoleon Dynamite.

Favorite local restaurant

Milano Pizzeria on Front St. in Nome

Least favorite household chore

Folding clothes

Claim to fame

I'm good at fixing things.

On the Web

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



Customer Service Agent Annette Piscoya greets passengers wearing an Eskimo-style parka.



There's no place like Nome

End of the Iditarod is just the beginning

Story and photos by Christy True

During a recent departure from Nome to Anchorage, the flight attendant offered appreciation to the passengers for flying Alaska Airlines by saying: "We realize you have no choice, but we'd like to thank you, anyway."


While partly joking, the flight attendant was not too far off the mark. Alaska Airlines plays an important role in Nome, which is located on the southern Seward Peninsula coast of the Bering Sea and cannot be reached by road. Alaska provides the only commercial jet passenger operation that serves the isolated town of nearly 3,600 residents — about half of whom are native American.

"We're a vital part of the community" says Customer Service Manager Sue Greenly, a 24-year veteran with the airline. "There are other cargo carriers, but we're the ones who bring the passengers and the basketball teams and, hopefully, consistent cargo and Gold Streak service up here. We

also support the community with sponsorships and donated tickets and prizes."

Besides carrying local residents to Anchorage, Fairbanks and beyond, Alaska Airlines does a brisk business in cargo, supplying Nome with up to three cargo-only flights of basic supplies a week.

While best known as the finishing point for the Iditarod Trail Sled Dog Race, which brings hundreds of visitors and supporters to Nome in mid-March, the town also receives summer tourists who view wildlife, pick berries, hike, fish and travel on cruise ships. Government employees and people traveling for health care and business add to the year-round mix of passengers.

A \$3.5 million upgrade of the Nome terminal was completed in the spring of 2007. The renovation expanded the passenger lobby, cargo facility and ground-service equipment area. In addition, the customer parking lot was paved and the terminal building was connected to city water and sewer lines. 



Gina Thomas is a customer service agent and station trainer.



Ramp Service Agent Stephanie Sherman unloads bags.



Cargo represents a large percentage of the business in Nome. Here, employees were loading dogs from the Iditarod race onto a Combi.



Customer Service Agents Alma Nguyen (left) and Salu Lusi joined Alaska Airlines within the past two years.

April 2009



40 YEARS

John Sherman
Stores Agent/ANC

35 YEARS

Lynelle Holm
Flight Attendant/SEA

Russell Orcutt
Quality Assurance Auditor/SEA

Mark Ramstad
Customer Service Agent/SEA

Randal Ward
Stores Agent/SEA

30 YEARS

Richard Ackman
Captain/LAX

Gary Becker
Captain/SEA

Jennifer Bullock
Customer Service Agent - Air
Freight/KTN

James Downs
Lead Mail Specialist/SEA

Edward Jenkins
Captain/SEA

Michael Norum
Lead Ramp Service/FAI

David Pecora
Captain/SEA

Richard Smith
Captain/SEA

25 YEARS

Frances Bahrenburg
Flight Attendant/SEA

Cynthia Baumgartner
Flight Attendant/SEA

B'ann Boere
Flight Attendant/SEA

Michael Bouchard
Flight Attendant/PDX

Mary Burgart
Reservations Sales Agent/KVY

Linda Butterfield
Flight Attendant/SEA

Kathleen Crews
Flight Attendant/SEA

Cathi Crollard
Flight Attendant/SEA

Mark Dahl
Line Aircraft Technician/ANC

Susan Donaldson
Flight Attendant/LAX

Peter Eidal
Captain/SEA

Susan Erickson
Flight Attendant/SEA

Patricia Ewbank
Pricing Analyst/SEA

Linda Fay
Flight Attendant/SEA

Karen Gentsch
Flight Attendant/SEA

Willard Johnson
Director Flight
Operations Training/SEA

Douglas Kempf
Captain/LAX

Michael McQueen
Director Schedule Planning/SEA

Rebecca Mendenhall
Flight Attendant/SEA

Cynthia Ray
Flight Attendant/SEA

Charlein Sanford
Flight Attendant/SEA

Craig Sleight
Captain/SEA

Raymond Sopko
Captain/LAX

Karen Spadoni
Reservations Sales Agent/KVY

Donald Stairs
Supervisor Line
Maintenance/SEA

James Thomson
Captain/SEA

Lynn Thoreson
Flight Attendant/SEA

20 YEARS

Mark Alger
Captain/ANC

Mark Barrett
Captain/SEA

Terry Clark
Captain/SEA

Robert Cox
Captain/SEA

James Emerson
Captain/SEA

Michael Essig
Line Aircraft Technician/SEA

Gregory Franklin
Operations Agent/SAN

Janis Freudenthal
Flight Attendant/SEA

Ronald Gollhofer
Captain/LAX

Peter Gundersen
Manager Station
Operations/ANC

Douglas Guthrie
Captain/SEA

Janice McCormick
Flight Administration
Analyst Payroll/SEA

Anna Morales
Supervisor Customer
Service/SJC

Charles Nelson
Captain/SEA

Ann Rosen
Ramp Service/JNU

Greg Schmitt
Captain/SEA

Wayne Seward
Senior Web Systems Spec. /SEA

Dag Stai
Captain/SEA

Ronald Tollefson
Captain/SEA

Joelle Wagner
Flight Attendant/SEA

Terrence Williams
Flight Attendant/SEA

15 YEARS

Rose Barnes
Reservations Sales Agent/PHX

Patrick Baures
First Officer/SEA

Michelle Brough
Buyer/SEA

Cynthia Chabot
Senior Material Planner/SEA

Alex Hyams
Reservations Sales Agent/PHX

Richard Johnson
Operations Agent/SEA

Benjamin Jones
Customer Service Agent/PDX

Scott Kimball
Manager Airport Affairs/SEA

Robert Matthews
Captain/LAX

John Melvin
Manager Engineering/SEA

Valerie O'Donnell
Reservations Sales Agent/PHX

Daniel Perez
Customer Service Agent/LAX

Kristin Sargeant
Procurement Card
Administrator/ SEA

Vananh Shade
Manager IT Applications/SEA

Marc Viens
Inspector/OKC

10 YEARS

Karen Anderson
Captain/ANC

Rhonda Anderson
Flight Attendant/PDX

Susan Backes
Flight Attendant/SEA

Manda Bednarczyk
Flight Attendant/PDX

Cindy Brooks
Customer Service Agent/ANC

Sean Brown
First Officer/SEA

Pamela Cage
Reservations Sales Agent/PHX

Cindy Carnahan
Customer Service Agent/SEA

Jane Chenoweth
Flight Attendant/ANC

Gail Coffee
Flight Attendant/LAX

Susan Connolly
Flight Attendant/PDX

Jeffrey Cotton
Supervisor Cargo
Operations/SEA

Denise Crawford
Flight Attendant/SEA

Corina Daroczy
Systems Analyst/SEA

Paul Eddolls
Flight Attendant/PDX

John Ehelebe
Flight Attendant/ANC

Ashley Ezzell
Flight Attendant/SEA

Lynda Fast
Customer Service Agent/ANC

Karla Fordham
Course Developer/SEA

D. J. French
Flight Attendant/SEA

Stephanie Garnett
Flight Attendant/SEA

Diana George
Customer Service Agent/LAS

Bradley Graham
First Officer/SEA

Reyna Green
Reservations Sales Agent/KVY

Marian Hall
Flight Attendant/LAX

Leilani Hew-Bernard
Flight Attendant/LAX

Kelley Ingham
Flight Attendant/SEA

Carrie Jacox
Supervisor Employee
Programs & Events/SEA

Mack Janes
Cargo Policy & Procedure
Specialist/KVY

Char Jolma
Flight Attendant/PDX

Esther Jurasek
Flight Attendant/ANC

Claire Kaufman
Lead Reservations
Sales Agent/PHX

James Law
Ramp Service/JNU

Diane Little
First Officer/SEA

Don G Luedeman
Reservations Sales Agent PHX

Joe Magellan
Flight Attendant/ANC

Vladimir Mamontov
Ramp Service/ANC

Ma Del Carmen Martinez
Administrative Customer
Service Agent, Mexico/MEX

Martin Martinez
Flight Attendant/LAX

Deanna McCormack
Flight Attendant/PDX

Paul McCormick
Lead Customer
Service Agent/SEA

Joshua McDonald
Ramp Service/JNU

Thomas McHugh
Line Aircraft Technician/ANC

Stephanie Moothart
Flight Attendant/PDX

Deborah Murray
Flight Attendant/LAX

Ulrike Nolla
Customer Service Agent/OAK

Rolly Olangco
Customer Service Agent/JNU

Sharon Olson
Flight Attendant/SEA

Tamara Parada
Flight Attendant/SEA

Pamela Perkins
Flight Attendant/LAX

Jeffrey Peterson
Flight Attendant/SEA

Robert Porkolab
Captain/ANC

Lotoalofa Purcell
Senior HCM Business
Analyst/SEA

Yhon Rendon
Lead Ramp Service/ANC

Tonya Rexroth
Flight Attendant/PDX

Shana Sears
Flight Attendant/LAX

Daneel Smith
Flight Attendant/SEA

Lori Snedden
Flight Attendant/SEA

Diana Sokolik
Flight Attendant/SEA

Marilee Tentschert
Flight Attendant/SEA

Kenneth Teshima
Line Avionics Technician/LAX

Michelle Turner
Flight Attendant/SEA

Patricia Van Berckelaer
Flight Attendant/LAX

John Walters
Ramp Service/JNU

Mark Wells
Senior Information
Security Engineer/SEA

Greg Wick
Field Systems Specialist/SEA

Ralph Young
First Officer/SEA

5 YEARS

Jennifer Bareng
Flight Attendant/LAX

John Benear
Reservations Sales Agent/BOI

Barbara Bingham
Operations Agent/SIT

Carrie Blake
Lead Customer
Service Agent/DEN

Jeffery Brown
Reservations Sales Agent/BOI

Tilli Buchanan
Flight Attendant/SEA

Leah Collins
Flight Attendant/ANC

Anne Decker
Flight Attendant/LAX

Keith Dussell
Specialist Airport
Services Projects/KVY

Gigi Fowler-Hendricks
Flight Attendant/ANC

Julie Hardman
Reservations Sales Agent/BOI

Dan Ho
Flight Attendant/ANC

Tiffany Hughes
Flight Attendant/LAX





Coming Up

Thu, Apr 23	AAG Q1 earnings announced
Mon, Apr 27	Thompson/Tansky Golf Tournament
Wed, Apr. 29	Diversity Brown Bag Lunch / SEA
Wed, Apr. 29	EAF Pinata Auction / SEA
Wed, May 6	Awards Banquet / SEA
Mon, May 25	Memorial Day
Wed, May 27	Diversity Brown Bag Lunch / SEA
Tue, Jun 2	Blood Drive / SEA
Wed, Jun 17	Diversity Brown Bag Lunch / SEA
Thu, Jun 25	Bellingham-Las Vegas inaugural
Fri, Jul 3	Independence Day observed
Sat, Jul 4	Independence Day
Sat, Jul 18	Summer Picnic / Anchorage
Thu, Jul 23	AAG Q2 earnings announced
Sat, Jul 25	Alaska Airlines Torchlight Parade / SEA
Sat, Jul 25	Seafair Torchlight Run / SEA
Sat, Aug 1	Seafair Air Show / SEA
Mon, Aug 3	Seattle-Austin inaugural
Wed, Aug 5	Blood Drive / SEA
Fri, Aug 7	Portland-Maui inaugural
Fri, Sep 1	Blood Drive / SEA
Tue, Sep 15	Diversity Brown Bag Lunch / SEA
Sep, 16-20	National Championship Air Races / RNO

For more info on these events, click 'Employee event calendar' on the aw.com home page



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Executive Q&A: How Alaska is doing

Continued from Page One



is broader than just competition — it's about whether they're operating at an unfair advantage. As a U.S.-owned carrier, we operate under certain ownership restrictions. Potentially, they do not. We're encouraged that the DOT and certain members of Congress are taking an interest and hope this issue will get a full public hearing.

Q: How is the company doing with our revenue initiatives?

Jarvis: There are three areas where we want to improve revenue performance. One is online. Alaskaair.com generates over 50 percent of our revenue, so we're spending more on Internet advertising to drive traffic to our site. Although alaskaair.com revenue is down, our year-over-year drop is not as steep as the broader industry.

The second area is winning market share in traditional channels, including travel agents, corporate accounts and wholesalers. We're putting more resources into that, as well, which is supported by the North of Expected brand campaign.

The third piece is ancillary revenues. Employees are doing a great job getting more revenue than ever with our second bag fee and buy onboard. Other new streams are travel insurance and charging a fee for award travel on partner airlines.

In mid-April, we'll launch targeted advertising on boarding passes that customers print on the Web. We're also looking to repackage the way we sell miles to customers who need a few more for an award ticket. Of course, onboard Wi-Fi will be a really interesting source of revenue for us.

Johnson: Our philosophy on this at Alaska and Horizon is putting customers in control and letting them choose which elements of service they want — especially today, when everyone is looking for good value. The ticket fare provides a basic package and they can add what they want. We're watching other airlines so we're not leading with

charging for services, but also not following too far behind, where the risk is we leave money on the table.

Q: Will we cut capacity further or park jets this year?

Johnson: Reduced demand means we're faced with parking airplanes or utilizing them less — or, alternatively, asking ourselves if we can do different things with those assets. Air Group has a fleet of 169 airplanes and we very consciously evaluate opportunities to assign the right size of airplane to the right market.

We're trying to decide where it makes sense to provide good frequency — but not too much capacity — with a Horizon plane in place of or in concert with an Alaska jet. That's why we shifted to Horizon flying between Portland and the Bay Area. Roughly one-quarter of our customers connect between Alaska and Horizon, so there's great synergy between the two airlines.

Beyond that, we want to be very conservative in spending money because one of our strengths is having a lot of cash in the bank. However, we do have orders with Boeing and Bombardier to maintain the ongoing process of renewing our fleets and making them as efficient as possible.

Harrison: The company is committed to investing in key markets to avoid harming ourselves and to give business travelers good schedules. This summer, we've increased our flying to the state of Alaska 10 percent year-over-year because other airlines have pulled back. And we've been willing to take hold of opportunities even in this down time, such as shifting capacity to Minneapolis-St. Paul, Austin and Hawaii.

But we're seeing some softness and are watching that very carefully. At this stage, we haven't made any final decisions about the fall, which means we haven't ruled out further reductions. It's also important to remember that the new markets I mentioned represent capacity we've taken from elsewhere by reducing frequency or moving flights to Horizon. It does not mean Alaska is growing right now.

Q: Will there be more layoffs?

Johnson: Unfortunately, we can't rule them out. We have a big focus on improving productivity across Alaska and Horizon. That's why we're striving to put our airplanes to the best use by matching capacity to demand. As a rule of thumb, if a plane is not 75- to 80-percent full, it's not covering our costs and we're not making money.

Harrison: And just because a flight is full doesn't mean it's profitable. We're seeing a spike in award redemptions and we've had to open up the very low fare buckets to stimulate demand.

Q: How can employees help the company survive these difficult times?

Johnson: The first thing is to be safe and compliant in everything we do. Without that foundation, we can't build the rest of the pyramid. We also have to continue being reliable or our customers won't fly us. Next, we have to have a competitive cost structure because, the fact is, we have lots of low-cost competition.

And, at the top of the pyramid, we have to fill every seat at the highest fare possible. We offer a great value, so people should feel no qualms about selling a great product. Every seat we sell is hugely important for this year's profitability and our plan to grow again.

Jarvis: We need 13,000 Alaska and Horizon employees helping us with revenue. Every employee needs to take this personally.

This is what I mean. If your spouse works for a company with an agreement with another airline, ask them why. We want that business. When you're at a PTA meeting or a sporting event, talk with those around you about how great Alaska is and how we need their business. If you come across an elite flier from another airline, make sure you welcome them aboard Alaska or Horizon and talk about our Mileage Plan. Wear our colors proudly.

This is a critical time for our airlines. We can lose money — or really move the needle in terms of market share. To do that, we need everyone's help. **JF**

Key information

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April service pins ... continued from Page 6

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Flight Attendant/LAX

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Flight Attendant/SEA

Sela Lincoln

Customer Care
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Sales Agent/BOI

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Ramp - Air Freight/SEA

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Maritza Tapia

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Ramp - Air Freight/SEA

Kathleen Wilhelm

Flight Attendant/ANC

Gayla Wilson

Lead Reservations
Sales Agent/BOI

Jonathan Wright

Customer Service
Manager/PSG