



Our goals: Training and tools help F / As provide medical care / **Page 3**

Our people: Aircraft technician buys an aquarium — a big one / **Page 4**

Our places: Vancouver / **Page 9**

May 16, 2008

History book heading to employee homes

Author will sign copies at ANC, SEA receptions

Within the next few weeks, every Alaska Airlines employee will receive a complimentary copy of *Character & Characters: The Spirit of Alaska Airlines*, by noted aviation author Robert J. Serling.

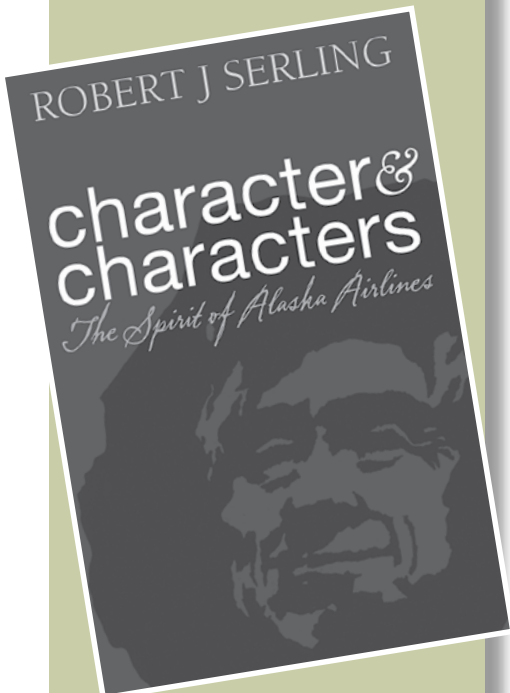
Five years in the making, *Character & Characters* celebrates the airline's 75th anniversary. It was scheduled to be published last year, but the death of former CEO **Bruce Kennedy** and late input from several key figures in the company's story required important additions to the manuscript.

The new material "gave me the opportunity to present a more balanced and accurate account of several crucial events," Serling said.

All employees are invited to book signing receptions June 3 at Corporate Headquarters in Seattle and June 17 in Anchorage. Serling and other individuals highlighted in the book will be present at the events.

"I believe everyone in the Alaska Airlines family will find that Bob Serling has written an unusually readable and balanced story of our first 75 years," CEO **Bill Ayer** said. "The book's honesty and fairness make it rare among corporate histories."

Character & Characters will also be on sale at The Company Store and at major bookstores.



Departures					
City	Airline	Flight	Time	Gate	Remark
London-Heathrow	United	958	8:16A	N16	On-Time
Los Angeles	Alaska	458	9:00A	D2	On-Time
Los Angeles	Alaska	460	10:00A	C18	On-Time
Los Angeles	Virgin America	1700	10:30A	A6	On-Time
Los Angeles	Alaska	462	11:00A	C16	On-Time
Maui Kahului	Hawaiian	29	10:35A	B7	On-Time
Milwaukee	AirTran	688	11:40A	S5	On-Time
Minneapolis	Alaska	5011	9:00A	S7	On-Time
Minneapolis	Sun Country	282	9:25A	A13	On-Time
Minneapolis	Continental	6392	11:00A	S7	On-Time
Missoula	Horizon Air	2348	10:40A	C2L	On-Time
New Orleans	Southwest	467	8:50A	B6	On-Time
New York - JFK	JetBlue	176	9:00A	A10	On-Time
Newark	Alaska	8	8:55A	N10	On-Time
Newark	Continental	1680	11:28A	B9	On-Time
Oakland	Southwest	731	8:50A	B10	On-Time
Oakland	Alaska	342	9:30A	C9	On-Time
Oakland	Southwest	1049	10:50A	B8	On-Time
Oakland	Alaska	344	11:30A	C20	On-Time
Ontario	Alaska	532	11:20A	D6	On-Time
Orange County	Alaska	504	8:30A	C20	On-Time
Orange County	Southwest	731	8:50A	B10	On-Time
Orange County	Alaska	506	10:30A	D4	On-Time
Orlando	Southwest	817	8:20A	B14	Boarding

Wednesday, May 14, 2008 8:13AM

Don Conrard

Too many flights by too many carriers is the reason airlines have been unable to raise fares to cover higher fuel costs.

Perfect storm pummels the industry

Record high fuel prices provoke change at Alaska and other U.S. airlines

By Don Conrard

Oil topping \$126 per barrel and a U.S. economy slipping into recession are buffeting the nation's airlines with severe turbulence, according to industry analysts at leading investment firms.

Several carriers ceased operations in recent weeks while others are pursuing consolidation and shifting capacity. Yet long-term demand for air travel appears solid. As the industry landscape changes in 2008, Alaska and other airlines are trying to determine the best strategy to navigate the storm in order to meet that demand in the future.

The immediate obstacles are formidable.

In a report titled "The Perfect Storm Revisits the Industry in 2008," Calyon Securities analyst Ray Neidl invoked the Bible's Four Horsemen of the Apocalypse to describe the challenges of "high fuel costs, recession, labor unrest and excessive government interference."

Neidl says the industry is "in crisis" and that airlines are switching to "survival mode." He and most analysts point to skyrocketing oil prices as the major culprit.

"In 2002, we spent about \$300 million for fuel," CEO **Bill Ayer** says. "At \$110 a barrel oil, our fuel bill will likely top \$1.3 billion this year. That's a billion dollars more every year going forward. And it means the hard-won cost savings we achieved in the past five years are all the more essential."

The entire industry is hurting. U.S. airlines lost \$1.6 billion during the first quarter of 2008, with Alaska Air Group accounting for \$36.3 million of the total.

Despite continued strong bookings,

Bottom of the barrel

Fuel expense, including hedging benefit, as a percentage of AAG's adjusted operating costs

2002.....	13%
2003.....	15%
2004.....	19%
2005.....	21%
2006.....	25%
2007.....	28%
2008.....	32%

(first quarter)

Increase in the price of a gallon of jet fuel since 2002

339%

(from 80 cents to \$3.51)

Increase in the price of a one-way ticket on Alaska Airlines since 2002

26.3%

(from \$117.83 to \$148.85)

analysts predict a full-year loss of more than \$2.5 billion for the top 10 domestic airlines and a small loss for Alaska Air Group, but only if oil prices stay at current levels.

Continued high prices "with little or no industry response is a recipe for multiple bankruptcies," Merrill Lynch research analyst Michael Linenberg says.

And Neidl predicts the next round of bankruptcies "will be for real. ... We believe many of the carriers that enter Chapter 11 (bankruptcy) in this harsh economic environment will end up checking into the Hotel California, where you never check out," he says, referring to the hit song by the Eagles.

Yet large cash reserves generated during previous bankruptcy restructurings will help most big airlines

avoid shutting down this year, Neidl says. Southwest and Alaska, which also have significant cash positions, benefit from their fuel hedge positions, as well, which lock in lower prices.

Other bright spots analysts cite include continued strong demand for passenger travel and airlines that have done an "excellent job" of controlling non-fuel costs and boosting revenues.

Still, Neidl and other analysts foresee the number of airlines declining over time through a combination of consolidation and liquidation. Senior leaders at Alaska Airlines agree.

"There isn't an airline flying in the United States today, including Southwest, with a profitable business model at current oil prices," says **Jay Schaefer**, staff vice president of finance and treasurer. "Something has to change. The question is: How will the industry change and is Alaska Airlines prepared to be part of it?"

Schaefer says Alaska Airlines enjoys advantages few other airlines can match, including a strong balance sheet, young, fuel-efficient fleet, the financial wherewithal to continue hedging fuel and the second-best cash position in the industry at roughly 26 percent of revenues at the end of the first quarter.

That's why he is optimistic about the company's future, despite current economic challenges.

"Ten years from now, people will still be traveling by air," Schaefer says. "High oil prices affect cars, buses and trains, too. There will be demand for air travel at any price because other forms of transportation will likely be more expensive. At current fare levels, for example, it's far cheaper to fly than drive

Continued on The Back Page



Alaska's World

in April



Mileage Plan

Alaska program wins top honors at Freddie's

Alaska Airlines' Mileage Plan won top honors as "Program of the Year" at InsideFlyer magazine's 20th annual Freddie Awards.

Overall, Alaska earned three first-place and three second-place awards, eclipsing the next most popular Freddie contender, Southwest Airlines, which won two first- and three second-place awards.

The Freddie Awards, based on votes cast by more than 440,000 frequent fliers, are the most prestigious consumer-generated honors in the travel industry.

Alaska also received first-place honors for "Best Elite-Level Program" for the third consecutive year and "Best Web Site" for the fifth year. And the airline took second place in three categories: "Best Customer Service," "Best Member Communications" and "Best Award Redemption."

— Posted to the Web on April 25

Cargo and Inflight

Joe Sprague, Ann Ardizzone elected to new positions

Alaska Airlines today announced the election of **Joe Sprague** as vice president of Air Cargo and **Ann Ardizzone** as vice president of inflight services.

As vice president of Air Cargo, Sprague will be responsible for expanding business opportunities and increasing revenue with the airline's fleet of six cargo aircraft. Alaska Air Cargo flies one 737-400 freighter and five 737-400 Combi's, which carry 72 passengers and cargo on the main deck.

Ardizzone, previously managing director of customer experience, replaces Sprague as vice president of inflight services. She will oversee Alaska's more than 2,800 flight attendants and assume responsibility for training, safety and regulatory compliance as well as setting and maintaining customer service standards.

— Posted to the Web on April 23

Operational excellence

Focus on process leads to improved on-time record

Alaska Airlines is carrying more passengers than ever and its operational performance is climbing, too — a distinct change after several years of trailing its industry competitors.

In February, Alaska ranked fourth among the top 20 carriers for on-time performance. In March, it ranked third. While the numbers have not been released yet for April, Alaska is certain to be within the top tier with nearly 82 percent of flights on time.

On the Web

April's most-read stories

- 1) Airline mergers could change the competitive landscape
- 2) On the move to Maui
- 3) Air Group announces leadership changes
- 4) New Hawaii maintenance plan in place following Aloha shutdown
- 5) Alaska names its "West-Mostest" flier

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

The turnaround has been attributed to process improvement projects that were in the works for many months, overseen by the Seattle Operations Performance Team, says **Ben Minicucci**, staff vice president of Seattle operations.

— Posted to the Web on April 18



Greg Yob checks out the new sports car he received as Alaska Airlines' "West Mostest" flier.

Win the West

Gig Harbor, Wash., man is 'West-Mostest' flier

When Gig Harbor, Wash., resident Greg Yob arrived at Seattle-Tacoma International Airport after his usual weekend trip to the Bay Area, Alaska Airlines greeted him with the keys to a new Pontiac Solstice roadster.

Yob, who logged nearly 100 flights up and down the West Coast totaling more than 70,000 miles on Alaska in 2007, was deemed the airline's "West Mostest" flier. The gift to Yob kicks off the airline's new, enhanced "West Most" schedule between the Pacific Northwest and California.

Yob's new car was given to Alaska Airlines' through its partnership with Bank of America Visa.

— Posted to the Web on April 21

Cargo technology

Scanner-based shipment tracking implemented

Alaska Air Cargo has implemented a scanner-based cargo tracking system to give customers more timely information about the arrival of shipments on Alaska Airlines and Horizon Air. The airlines, which transport more than half a million pieces of cargo annually, are the first U.S. passenger carriers to implement the service.

Using scanner-equipped cellular devices, employees scan cargo when it arrives at its final destination. The information is wirelessly uploaded to Alaska's cargoSPOT data management system and to alaskaair.com, allowing customers to track the arrival of their shipments online in near real time. Cargo arrivals previously were tracked manually, delaying the information provided to shippers.

— Posted to the Web on April 11

Safety and compliance

Alaska Airlines earns an 'A' for efforts in 2007

Alaska Airlines' safety performance for 2007 was excellent with numerous areas of the operation showing significant improvement. Safe operations coupled with a stringent reporting system and energetic safety culture throughout employee ranks contributed to the high marks, according to Chris Glaeser, vice president of safety.

Specifically, on-the-job injuries as measured by the Occupational Safety and Health Administration were down over the previous year. So was reportable ground damage. Aborted takeoffs and aircraft turn-back incidents (return to departure airport) also declined 44 percent and 25 percent, respectively.

— Posted to the Web on April 15

New market

Alaska to start Maui service from Seattle and Anchorage

Alaska Airlines announced it will offer new service between Seattle and Anchorage and Maui, the carrier's third destination in Hawaii. Year-round daily flights to Kahului on the island of Maui are scheduled to begin July 17 from Seattle. Flights from Anchorage will operate on Fridays and Saturdays from Oct. 31 to April 25, 2009.

Alaska Airlines' decision to expand its Hawaii service came after Aloha and ATA Airlines ceased operations. The two former carriers flew between the Islands and several Mainland cities, including Oakland, Orange County, Las Vegas, Los Angeles, Phoenix and San Diego.

— Posted to the Web on April 7



Alaska Airlines dashboard

April 2008

DOT on-time performance

Goal: 80%

2008 78.0%

2007 73.2%

↑ 4.8 points

Scheduled completion rate

Goal: 99%

2008 99.3%

2007 97.8%

↑ 1.5 points

Baggage time to carousel

Average at SEA

First bag 16:35 minutes

Last bag 21:24 minutes

Mishandled baggage rate

Goal: 4 or fewer per 1,000

2008 5.06

2007 5.21

↓ .15 bags

Cargo shipped

Pounds of freight & mail

2008 9.8 million

2007 10.5 million

↓ 6.7%

Customer satisfaction overall OPR score

Goal: 72%

March 2008 69%

March 2007 69.5%

↓ 0.5 points

Load factor

2008 76.9%

2007 76.9%

unchanged

Fuel cost

(AAG price per gallon, inc. hedging)

March 2008 \$2.88

March 2007 \$1.99

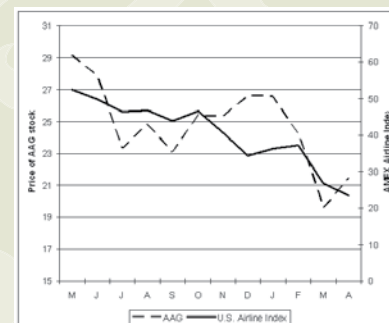
↑ 44.7%

OPR payouts

To be paid in July \$100

Year to date \$250

Air Group stock price



Close (April 30).... \$21.48
52-week range.... \$17.44 - \$29.50

Cabin pressure

Training and tools help inflight crews offer medical help

By Marianne Lindsey

Ladies and gentlemen, is there a doctor or a nurse onboard?" While this phrase can raise blood pressures among passengers, Alaska Airlines flight attendants strive to maintain calm while caring for the ill. Last year, Alaska's cabin crews handled 1,223 onboard medical emergencies. Only 26 flights were diverted and only 55 passengers required hospitalization.

This record is a testament to the first aid and CPR training and qualifications Alaska Airlines flight attendants receive. Three full days of flight attendants' 5½ weeks of instruction is dedicated to emergency medical training and skills are reviewed annually.

When a medical emergency occurs, Alaska's flight attendants rely on a range of state-of-the art equipment that's standard on all of the airline's aircraft, such as the common use of passenger oxygen.

The automatic external defibrillator is also used occasionally. AEDs restart a person's heart after they've suffered cardiac arrest. Alaska's flight attendants used AEDs to successfully assist passengers 13 times last year.

Another onboard tool is the Enhanced Emergency Medical Kit, which contains everything found in a medical professional's kit, plus additional medications, wound and IV equipment. These kits are meant to be used in conjunction with a medical professional.

Flight attendants can also turn to Medlink, which puts them in touch with doctors 24/7. Using a headset plugged into the aircraft radio system at one of several locations in the passenger cabin, flight attendants talk directly with an emergency room physician in Phoenix.

Medlink, a division of Med Aire Inc., counts 90 airlines worldwide among its customers. Alaska Airlines also subscribes to Aviation Mobility, a service that enables passengers dependent on supplemental oxygen to travel. And GlobalLifeline provides medical care to crew members who become ill while on duty away from home.

When inflight medical emergencies occur, most often it's a neurological disorder, ranging from fainting to a life-threatening stroke, according to **Scott Strickland**, a Portland-based flight attendant and training instructor. Next most common are heart-related and respiratory and gastrointestinal issues.

A woman going into labor inflight is rare, despite rumors to the contrary.

"We had an incident recently for the first time in quite a few years," Strickland says. The flight was diverted and



Don Conrad

Scott Strickland demonstrates an automatic external defibrillator, which cabin crews use to restart a person's heart. The former medical doctor joined Alaska Airlines 10 years ago and is now a flight attendant instructor.



Goal 1: Be No. 1 in safety and compliance.

Alaska Airlines' doctor in the house

Retired doctor **Scott Strickland** joined Alaska Airlines as a flight attendant 10 years ago. After running the AIDS/HIV treatment program at the University of Minnesota Medical Center, Strickland was ready for a change.

He altered course 180 degrees. During the past three years, Strickland has used his medical knowledge to revamp training procedures for Alaska Airlines' flight attendants.

He's even worked with the Centers For Disease Control (CDC) on aviation-related issues.

"Scott has an amazing wealth of knowledge," says **Matthew Coder**, acting manager of inflight services compliance, policy and safety. "He revamped our first aid program and is responsible for so many other improvements in our training."

Strickland enjoys the new challenge. "I guess it was meant to be," he says.

In addition to training, Strickland will visit the CDC offices in Atlanta this month for an update on community health and infectious diseases.

the woman received medical care in time.

Making sure passengers appear well before they get on the airplane is the ounce of prevention that can save lives.

"We have a vigorous program in place to pre-screen customers who appear ill prior to departure," Strickland says. If flight attendants suspect someone is sick, they call Medlink to determine if the passenger is stable enough to fly. If they aren't, they don't board.

"We're very proud of the support we've put in place for medical needs that arise onboard," says **Matthew Coder**, acting manager of inflight services compliance, policy and safety. "In fact, Alaska Airlines had the AEDs and Enhanced Emergency Medical kits onboard nearly five years before they became required."

The Federal Aviation Administration hasn't tracked inflight medical emergencies. But a study conducted in 1986-88 indicated that U.S. airlines declare a "medical emergency" to air traffic control about three times a day.

For Alaska Airlines, which carried 17½ million passengers last year on more than 180,000 flights, the incidence of medical emergencies requiring a diversion is rare. During 2007, it amounted to just 0.01 percent of all flights, according to **Chris Glaeser**, vice president of safety.

"With more and more people traveling, and the aging of the population, it's likely there'll be more medical situations inflight," Glaeser says. "The important thing for customers to know is that, if there is indeed an emergency, they are in good hands."

My Turn

Morally and financially bankrupt

I worked at United Airlines for 12 years. In 1994, I was forced to take a 15.6-percent salary cut along with a five-year pay freeze in order to participate in the UAL employee stock ownership plan (ESOP).

At the end of that five years, my UAL ESOP stock was worth in excess of \$65,000. The pain of living with no pay raises was in the past. Life seemed good!

Then Sept. 11 happened. The industry struggled, but I felt pretty safe. After all, I was saving UAL more than \$58 million a year in programs I'd developed and was managing. By the way, that was more than a thousand times my salary.

Bankruptcy ensued, things turned ugly and the pilots got an "industry leading concessions" contract.

In January 2003, 40 additional managers were to be laid off from the Denver Flight Center. I thought I was safe because I was helping to save the airline, but I was wrong. United laid me off after 12 years with less than 24 hours' notice.

I was told I could sell my ESOP stock now that I was no longer employed by UAL. I did so immediately and received a check for \$322.13. At least I got something. Most ESOP participants lost everything.

Because of this, a class-action lawsuit was filed in February 2003. I was so happy to get my settlement check in late March—until I saw the amount: \$36.75.

To those who are unhappy at Alaska Airlines, I submit that you cannot possibly appreciate how wonderful it is here. To feel valued, appreciated and listened to. It is like night and day.

— Chet Collett,
manager of flight standards

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.

Mechanic owns aquarium — a big one

Ralph Voorhis plans to spend his retirement years fishing in his own business

By Christy True

When Ralph Voorhis' son, Shane, proclaimed at the age of 11 that he wanted to be a marine biologist when he grew up, Voorhis and his wife, Katy, decided to do everything they could to encourage him.

Some parents might have enrolled him in science camp, visited Sea World or found a mentor in the field.

Ralph and Katy Voorhis bought him an aquarium.

Not a typical home tank with a few goldfish. They bought the Westport, Wash., public aquarium with huge tanks fit for seals, sharks and octopus.

Voorhis, a mechanic for 23 years who has been working most recently on the TRAX team, is looking forward to his retirement from Alaska Airlines at the end of May so he can help Katy and his children run the aquarium and take care of his growing family.

Shane Voorhis is now 14. His brother, Travis, is 11 and four foster children range from 7 months to 5 years. Katy and the children live in a house near the aquarium, where the youngsters are home-schooled and the older boys help take care of the aquarium.

Shane has become a certified scuba diver. Ralph Voorhis splits his time between a farm in Roy, Wash., during the week and Westport on the weekends.

The Voorhis family started visiting Westport nearly 20 years ago and



Kathy Quigg/The (Grays Harbor) Daily World

Ralph Voorhis and his wife, Katy, plan to run the Westport Aquarium, which they bought in 2005 to help satisfy their son's curiosity, after Ralph retires from Alaska Airlines.

Visiting the aquarium

The aquarium is currently closed while the tanks are refurbished.

Voorhis hopes to have it reopened by mid-June. To check on the status, call (360) 268-0471. The aquarium is located in the Westport Marina at 321 E. Harbor St.

The normal entry fee is \$5 for adults, \$4 for seniors, \$3 for children and free for toddlers. Alaska Airlines employees will receive a \$1 discount.

quickly fell in love with the fishing village on the coast. A family member

bought a house there so they started visiting regularly.

When the Voorhis bought the 1950s-era aquarium in 2005, it was in disrepair and the absentee owner had lost a license to keep seals after some of them died.

The family faced a steep learning curve. They visited aquariums all over the country, studied marine life care, and worked on gaining the support of the local community and fishermen.

They reopened the aquarium seasonally with 18 tanks filled with local sea life. Soon, local fishermen

started bringing them unusual creatures they'd caught, such as octopus, wolf eels and an albino crab.

They also developed a close relationship with the Seaside (Ore.) Aquarium and the Point Defiance Zoo in Tacoma, where keepers have shared advice and specimens, Voorhis says.

The aquarium hasn't exactly been profitable to date — it is funded with meager entry fees, gift shop sales and supplemented with Voorhis' salary from Alaska.

He hopes to change that by adding a shark tank and obtaining a new license to showcase seals.

As for Shane, even after all the work cleaning tanks and caring for fish, his ambition remains as strong as ever. However, he's also developed an interest in restoring old cars lately, something he shares with his father.

Retirement for Voorhis promises to be a full-time occupation

Snapshot



Gurmith Singh

Board Room Concierge
Vancouver

Joined Alaska Airlines

June 2002

Family

Balwant (husband)
Harmeet (son, 29)
Davina (daughter, 22)
Gurdeep (daughter-in-law, 27)
Maliyah (granddaughter, 1½)

Most memorable Alaska moment

Landing in Honolulu on Alaska Airlines. I have been to HNL before, but this time I felt a great sense of pride because I was part of Alaska Airlines.

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

Being a concierge is the most wonderful experience. I meet people from all walks of life, including famous celebrities. The most important and fun part is being able to help our customers with whatever they need and putting a smile on their face by going the extra mile.

Last nonrev trip

New York

Hobbies

Traveling, cooking, gardening

Claim to fame

Becoming a grandma. When my little angel, Maliyah, was born Oct 22, 2006, I was the proudest grandma in the world.

On the Web

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

Seattle TV news station to air segment on Jet Set Nancy

Jet Set Nancy, a small rag doll that travels with Flight Attendant Lisa Bert, is about to make her television debut on KCPQ channel 13 in Seattle.

The doll will be the focus of a human interest story by reporter Susan West on the extraordinary friendship between Bert and longtime co-worker, Nancy Hebert.

A Portland-based flight attendant, Hebert had to stop flying last December after she was diagnosed with advanced pancreatic cancer. Bert created Jet Set Nancy to help her friend feel like she remains part of the Alaska Airlines family.

Complete with Hebert's trademark wire-rimmed glasses and red hair, the doll has spent the past six months traveling with Bert across the route system.

Wherever Bert goes, she takes pictures of employees and passengers with Jet Set Nancy and sends them to Hebert.

"Hawaii is about the only place Jet Set Nancy has not visited, but it's on her list," Bert said. "As I take the little doll with me and tell her story, people are touched and want to join in—making Nancy feel like she is not forgotten and is dearly loved."



Glenn Johnson, executive vice president of airport services and maintenance and engineering, and Flight Attendant Susie Mitchell are among the many friends Jet Set Nancy has made during her travels around the system.

Jet Set Nancy has been photographed relaxing on the beach in Mexico, riding in a jump seat and passing through airport security.

She's also met Miss Oregon Kari Virding, CEO Bill Ayer and other Alaska Airlines' senior leaders.

"The photos really make me feel like I'm still part of the action," Hebert said.

West and a channel 13 photographer flew to Portland recently, where they interviewed Hebert, Bert and members of Hebert's family.

The date and time of the newscast will be posted on alaskasworld.com when it is known.



Nancy Hebert (left) and Lisa Bert share a moment with Jet Set Nancy.



The 2008 Customer Service Legends share the stage during a banquet in their honor at Seattle's Edgewater Hotel. They are (from left) Dave Lawrence, Ron Suttell, Vicky Sullivan, Jimmy Alford, Jan Stork, Mike Norum, Bob Schroeder and Michelle Bovee-Masters.

Eight for '08

Customer Service Legends honored for exemplifying Alaska Airlines' core values

By Paul McElroy

Eight employees joined a famed and exclusive club at Alaska Airlines this week when they were inducted as Customer Service Legends. Representing a broad cross section of the company, the 2008 award winners work in reservations, customer and ramp service, flight operations, inflight, maintenance and engineering, and facilities.

CEO **Bill Ayer** said the eight new Legends, along with the 175 who preceded them since the award was introduced in 1991, epitomize the airline's core values of resourcefulness, integrity, professionalism, caring and Alaska Spirit.

"Through their actions and combined 220 years of experience, they wrote something without knowing it that we put out this year as our customer promise," Ayer said during a dinner banquet May 13 at the Edgewater Hotel in Seattle.

Project Management Director **Ron Suttell**, whose 36½ years with the company make him the most-senior award winner in 2008, assisted Ayer in unveiling the names of the new Legends on a marble pillar at Corporate Headquarters before the banquet.

Later, at the evening presentation, Vice President of Real Estate **Ed White** announced Suttell's wishes that his award be dedicated to the two most influential people in his career: his mother, Nora, and former Alaska CEO **Bruce Kennedy**.


White said Suttell wanted to make this gesture to offer his respects to the two individuals, who both passed away last year before he received the company's highest honor.

Joining Suttell on stage to receive

their Legend awards were Flight Attendant **Jimmy Alford**, Anchorage Customer Service Trainer **Michelle Bovee-Masters**, Captain **Dave Lawrence**, Fairbanks Ramp Service Lead Agent **Mike Norum**, Orange County Aircraft Technician **Bob Schroeder**, Seattle Reservations Sales Agent **Jan Stork** and In-flight Field Support Supervisor **Vicky Sullivan**.

The ceremony occurred on the day that Stork celebrated her 34th anniversary with Alaska Airlines. After starting with the company in Juneau and then moving to Anchorage, she has spent the remainder of her career in Seattle. During all that time, Stork conservatively estimates she has served more than 325,000 customers.

The personal touch, dedication and initiative that the Legends bring to their respective roles makes them standouts among the company's employees, Ayer said.

"This business is about people—and these folks are the best of the best," he said. 



Gregg Saretsky displays the trophy presented to each award winner.



As the senior-most 2008 Customer Service Legend with 36½ years of tenure at Alaska Airlines, Ron Suttell joins CEO Bill Ayer in unveiling a marble pillar at Corporate Headquarters listing the names of all 183 past and present winners.



Jeff Butler congratulates Michelle Bovee-Masters for being named a Legend.



Jim Alford
Flight Attendant, SEA

"JIMMY CONSTANTLY SPREADS CHEER TO HIS CO-WORKERS AND CUSTOMERS. HE IS A JOY TO BE AROUND."

— **CINDY PETCHNICK**,
INFLIGHT BASE MANAGER

If you meet **Jimmy Alford**, you won't likely forget him. Alford's vivacious personality and warm, comforting demeanor have made him a favorite among his co-workers and Alaska Airlines customers.

One passenger wrote about a recent flight: "The entire trip was great, especially lead flight attendant Jimmy Alford. His attitude is so positive that all the passengers and fellow crew members can only feel happy in his presence."

A flight attendant since 1985, Alford doesn't have bad days. To him, tough situations such as a delay, running out of meals or a medical emergency are just opportunities to go above and beyond and prove that Alaska Airlines truly has the best flight attendants in the sky.

Inflight Base Manager **Cindy Petchnick** remembers meeting Alford as a new flight attendant when she was sent from her base in Seattle to fly out of Los Angeles.


"From the moment we met, he treated me as a longtime friend," Petchnick says. "I was away from home and the people I knew, and being embraced by Jimmy's friendship was something I will never forget. He's not changed a bit in the 11 years I've known him."

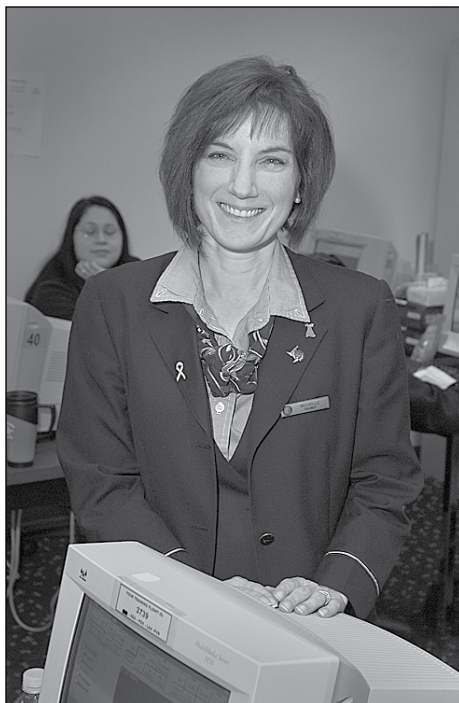
Alford's personnel file overflows with letters from customers that glow with adjectives such as "friendly," "warm," "professional" and "his demeanor makes you feel valued as a person and a customer."

Last year, he received a Golden Service nomination from an MVP Gold customer for providing outstanding customer service.

Besides his work in the air, Alford has also been involved in modeling flight attendant uniforms for posters and brochures.

He helped in the filming of the "Customer Skills" videos and assisted with new-hire Image sessions.

"His pride shows and he's an example for others," Petchnick says. "For this, Jimmy is truly legendary." 



Michelle Bovee-Masters
Customer Service Trainer, ANC

"NEW AGENTS ARE OFTEN LINED UP AROUND HER WITH ONE QUESTION AFTER ANOTHER, WHICH SHE HANDLES WITH GRACE."

— **GLORIA FOX-BELL**,
STATION DUTY MANAGER

If **Michelle Bovee-Masters** was an airline, she'd achieve 100 percent on-time performance. A model employee, she has arrived to work on time—or early—for the past quarter century.

Masters prides herself in outstanding attendance, and carries that work ethic into everything she does in her job as a customer service trainer in Anchorage. Part Mother Teresa and part Wonder Woman, there's nothing Masters doesn't do to provide great care.

"Michelle will give 100 percent of herself to a passenger to pursue a problem and get it solved," says **Gloria Fox-Bell**, Anchorage station duty manager. "If we have an irregular operation, Michelle will take on the toughest part—international connections. She'll work tirelessly, making phone calls and giving special attention to each passenger until everyone is taken care of."


Recently, Masters assisted a young mother traveling with a new baby back to her rural village in Alaska. The baby needed oxygen for the flight, but it had not been arranged in advance.

Masters gave the mother and family members food coupons (as they had no money) and a place to wait in the nursery. Masters then arranged for the oxygen, filling out the paperwork and working with the Alaska Native Hospital.

When the issue was settled several hours later, Masters escorted the mother and baby onboard and verified the oxygen was in place. Employees who witnessed the concern Masters showed say they'll never forget it.

Masters started her career at Alaska Airlines in 1983, and has worked as a trainer, scheduler and customer service agent. Her legendary service standards live on with everyone she's trained, most recently the airline's new employees in Honolulu.

"She's so knowledgeable and graciously imparts what she knows. We're lucky to have her," Fox-Bell says.

A breast cancer survivor, Masters is an inspiration to her co-workers, who sometimes join her in various community fundraisers. 



David Lawrence
737-400/NG captain, SEA

"DAVE INSPIRES US TO BE BETTER PILOTS AND BETTER PEOPLE."

— **CAPTAIN SEAN ELLIS**

For every famous aircraft, there's a famous pilot behind it. For Alaska Airlines' now-retired fleet of "Mudhens," that pilot is **Dave Lawrence**. A veteran of 29 years at Alaska, Lawrence was "mother hen" behind the airline's fleet of 737-200s for nearly two decades. He took the reins a few years after the first of Alaska's signature aircraft rolled off the assembly line.

Lawrence's dogged determination and contagious personality, coupled with amazing caring and kindness, set the standard for his fellow pilots and co-workers, who strive to be "like Dave." As a result, Alaska's 737-200 program earned an impressive legacy, with a safety and operational record nearly unmatched in the industry.

"Alaska's 737-200s operated flawlessly in some of the most demanding conditions in the world," says **Bob Graves**, managing director of flight standards and training. "This safety record is a direct result of Dave's undying work to construct procedures, author manual updates, mentor instructors and pilots, and maintain the best possible aircraft systems. Dave literally carried the 737-200 program on his back."

Lawrence never wavered in his dedication to the program, despite battling illness. **Bill Johnson**, director of flight training, recalls when Lawrence came to work with an oxygen bottle in tow, shortly after undergoing cancer radiation therapy. Walking up the stairs to the second floor, Lawrence had to pause at each step to catch his breath. Yet, when he reached the top and a co-worker asked how he was, his response was typical: "I'm pumped! Everything's great. Let's get to work!"

A true friend to his fellow crewmembers, Lawrence often invited pilots to his mother's house for Thanksgiving dinner.

"Dave challenged us to be the best that we could be—often demanding more from us than of others," says Anchorage-based Captain **Sean Ellis**.

"Dave never lost sight of the fact that Alaska Airlines and the 737-200 and its mission contributed directly to the well-being of a lot of folks in Alaska," says Graves. "He enjoyed a special relationship with all the people of Alaska."



Mike Norum
Lead Ramp Service Agent, FAI

"MIKE MAXIMIZES EVERY OPPORTUNITY FOR PASSENGER AND CARGO MOVEMENT. HE KNOWS WHAT IT TAKES TO GET THE JOB DONE—AND DONE RIGHT."

— **DAN KANE**, JUNEAU
CUSTOMER SERVICE MANAGER

Mike Norum is "Mr. Can-do." There's nothing he can't—or won't—do to ensure a smooth operation in Fairbanks. He's also calm, rational, easygoing and trustworthy, according to his co-workers.

"If Mike says he's going to do something, he will," Operations Agent **Kay Masters** says. "He says 'yes' to whatever is asked of him and he keeps a keen eye not only on the ramp, but on the entire operation."

Norum's dependability as lead ramp service agent has contributed to the outstanding safety record at Fairbanks station. Anchorage pilots say he's the best they've seen at aircraft marshaling.

"The pilots say parking is a smooth, gradual transition when Mike is marshaling, instead of the hurry up, wait and quickly stop they see elsewhere," Administrative Assistant **Serenity Orth** says.


Born and raised in Fairbanks, Norum would have it no other way. He understands the importance of contributing. When he's not working, Norum is involved in the community—coaching youth hockey, hunting, fishing and enjoying the outdoors.

In his 29 years with Alaska Airlines, Norum has mentored many co-workers to help them learn the station's ins and outs.

"When I was new to the job, Mike was so patient in explaining how things work," Operations Agent **Sue Graham** says.

Norum has mentored others, as well.

"I so much appreciate Mike's help," says fellow Operations Agent **Akemi Powell**. "He makes us feel comfortable and confident. Mike treats everyone equally."

Customer Service Manager **Cory Christian** couldn't agree more. "Mike has spent his entire career supporting his team and his airline," Christian says. "He lives the Alaska Spirit each and every day. His actions at the station and in the community truly make him a Legend." 



Lyle "Bob" Schroeder
Line Aircraft Technician, SNA

"FOLLOWING BOB AROUND THE FLIGHT LINE IS LIKE RIDING A ROLLER COASTER—FAST-PACED, FUN, NOT SURE IF YOU'LL BE LAUGHING OR SCREAMING."

— **KURT KINDER, MANAGING DIRECTOR, LINE MAINTENANCE**

If you follow **Bob Schroeder** for a day, you'll be exhausted. With his hat pulled down tight and signature ponytail flying, Schroeder attacks his job with the intensity and precision of an Indianapolis 500 pit crew. Alaska Airlines, his co-workers and customers reap the benefit.

A 24-year veteran with Alaska, Schroeder has an unusual job as a remote line maintenance technician based in Orange County. Because he's on his own, Schroeder is the go-to guy for just about everything.

Recently, he responded to a call involving an aircraft with an electrical problem. The flight was chock full of anxious kids and tired parents from Disneyland. Normally, the situation would have meant calling for an avionics technician, involving further delay.

Instead, Schroeder attacked the problem himself. He quickly gathered the flight crew and station employees, explained the problem and let them know how long it would take to fix it.

In the end, Schroeder avoided what would have been a canceled flight and kept everyone well informed and upbeat with his professional, yet friendly and comical approach.

His co-workers thanked Schroeder after finishing the job, and he responded, "That's what they pay me for."

This is typical, according to **Kurt Kinder**, managing director of line maintenance. "There are many stories about Bob's heroic efforts to get airplanes checked out and safely back in the sky."

Co-workers enjoy his levity.

"He's a crack-up who can add humor to any situation," Kinder says. "But when faced with a mechanical issue, his demeanor turns 100 percent professional. Bob takes his job seriously and sees it as his responsibility to get flights out on time."

Schroeder's already a Legend to many. Co-workers say he's joked about replacing the bronze statue of John Wayne at Orange County Airport with one of himself, as he is the true "duke" of the airfield. **J**



Jan Stork
Reservations Sales Agent, SEA

"I JUST LOVE IT WHEN JAN STORK SITS BY ME AND I GET TO HEAR HER CONVERSATIONS WITH OUR CUSTOMERS."

— **RESERVATIONS AGENT KELLY MONGRAIN**

Jan Stork has been the voice of Alaska Airlines for more than three decades. As a reservations agent, Stork has likely talked to more customers than any other employee. And her voice today has the same lilt it did as a new hire in 1974.

Stork is a perfect example of what an Alaska Airlines reservations employee should be, and she exemplifies all of the company values—caring, resourcefulness, integrity, professionalism and Alaska Spirit—all equally, according to her supervisors.

"I often introduce new-hire agents to Jan and encourage them to sit near her so they can listen to her talk with customers on the phone," Reservations Supervisor **Shawn Magin** says. "She helps and encourages new agents in her friendly, humble manner and is a positive influence over the entire office."

Customer letters hail Stork's ability to impart kindness and professionalism over the phone.

"Jan is the best person I have ever spoken to at an airline," one customer wrote. "She tried every option for me and remained calm. Jan is superb."

Stork's ability was tested recently on a call from a customer who had suffered a stroke. Although it was difficult to understand the man's speech, co-workers say Stork took her time and displayed amazing care and patience, helping the man book his trip.

Employees recall how Stork befriended a nurse from Kenya. The woman was trying to bring her family to the United States and was working two jobs to afford the airfare.

Stork rallied her co-workers and collected household items and money for groceries to help the woman. And Stork donated some of her own miles to help pay for the tickets. She also arranged for the woman's family to be transported from the airport to their new home.

The nurse called Stork her "angel sent by God."

In addition to being named a Legend, Stork received "Agent of the Quarter," one of the department's highest honors, in 2007. **J**



Ron Suttell
Director of Project Management, SEA

"HIS TYPICAL WORKDAY RUNS WELL PAST THE TIME JUST ABOUT EVERYONE ELSE IS HOME HAVING DINNER."

— **ED WHITE, VP OF REAL ESTATE**

People collect things for different reasons. Many do it for the memories while others hope to sell their collections to make money. For **Ron Suttell**, director of project management at Alaska Airlines, collecting is a way of connecting with the company he loves.

Suttell, one of Alaska's most veteran employees, is the carrier's unofficial historian. He started collecting memorabilia when he joined the airline in 1971.

In the 36½ years since, Suttell has compiled a library of photos and information on the different types of aircraft the airline has flown, as well as company signs, uniforms, inflight service items and other memorabilia.

As a "walking history book" of Alaska Airlines lore, Suttell has been called upon to help with the Shell Simmons Memorial exhibit at Juneau Airport, the 75th anniversary exhibit at Seattle's Museum of Flight and the company's 75th anniversary celebration.

And that's not even his day job.

Suttell started with Alaska Airlines as a freight agent in Juneau and was soon promoted to run the company's new Facilities Department out of Seattle. Today, he's responsible for all of the company's facilities—some 50 in all.

Suttell has served as project manager for new airport terminals in Cordova, Yakutat and Adak, as well as new station openings in Portland, San Francisco, Burbank and Ontario.

He's also had his hand in the Regional Headquarters in Anchorage and Corporate Headquarters in Seattle.

Dedicated and methodical with a wealth of experience, Suttell is known for being the guy at his desk well into the night.

"Ron's in an entirely different category when it comes to being dedicated," says **Ed White**, vice president of real estate. "He's like an owner. He works long hours, is passionate about the airline's image and is obsessed with doing the right thing."

"We need more Rons." **J**



Vicky Sullivan
Inflight field support supervisor, SEA

"VICKY HAS NEVER MISSED A SINGLE PILOT RETIREMENT BECAUSE SHE HAS SUCH HUGE RESPECT FOR THE MEN AND WOMEN WHO FLY OUR AIRCRAFT."

— **MYA TEBEAU, INFLIGHT FIELD SUPPORT SUPERVISOR**

Alaska Airlines has an angel in the air who checks in on pilots and flight attendants, and her name is **Vicky Sullivan**. A 19-year veteran of the airline, Sullivan is an inflight field support supervisor in charge of quality assurance.

But her work goes far beyond.

Known by many within the company for her vivacious personality and Alaska Spirit, Sullivan is a walking, smiling encyclopedia of Alaska Airlines. She lives and breathes her work—whether picking up a discarded coffee cup in the jetway, directing customers to their next gate, explaining Federal Aviation Regulations to a new hire or greeting a pilot and asking about his family.

Sullivan's mantra is making Alaska Airlines the "kind airline"—and she lives it for others to emulate.

"When Vicky walks onboard the airplane for a check ride, we are genuinely excited to see her because she's not only there to educate and evaluate us, she also brightens our day," Flight Attendant **Luci Abbrederis** says. "She's a friend, confidant and sounding board, as well as a respected professional."

Sullivan's care for her co-workers was most poignant during an inflight emergency several years ago. A passenger attempted to breach the flight deck of an aircraft flying to the Bay Area. Sullivan, who happened to be in Oakland, quickly drove to the airport to meet the crew after they landed safely.

The crew of Flight 259 wrote in a letter to then-CEO **John Kelly**: "We looked up and there was Vicky. We could not hold back the tears as she hugged each one of us and reassured us."

Sullivan then stayed with the crew overnight, made arrangements for their flights home and stayed in touch.

Sullivan voluntarily created a program to honor retiring pilots, ensuring that each gets a water cannon salute from airport fire trucks on their last flight.

"Vicky's made every one of our pilot retirement flights special," says Captain **Mike DiBello**. **J**



Above: Gregg Saretsky presents Vicky Sullivan with her Legend award. Right: Gary Beck introduces Legend Dave Lawrence, a Seattle-based 737 captain.



Carrie Jacox, employee programs and events supervisor, presents Jan Stork with her Legend pin.



Legend Jimmy Alford's mother, Akie (left) and longtime co-worker Katherine Steele-St. Jean joined the celebration at the Edgewater Hotel in Seattle.

The Customer Service Legend Award is the highest honor an Alaska Airlines employee can receive. Recipients personify everything that has made Alaska Airlines great for 75 years — a unique blend of

spirit, resourcefulness, integrity, professionalism and caring. Since the award was created in 1991, 183 employees have been inducted into this hall of fame.

1991

Marcia Broyles
Barry Collins
Ron Davies
Ann Hammon
John Hays
Fran Henderson
Teri Hinshaw
Polly Higgins
Diana Kerekes
Susan Parrish
Dona Killeen
Helen Loudenbeck
Kathy Martin
Deena Parker
Elaine Powell
Stacey Senger
George Smith
Julie Sparks
Joan Spring
Michelle Standerwick
Les Thompson
Bob Wendt

1992

Linda Bearbower
John Boardman
Brad Burger
Ron Calvin
Herb Clark
Cindy Clore
Dolores Donahue
Elva Guzman
Tom Hawkins
Dan Johansson
Marlene Lawrence
Peggy Noll
Gerald "Smitty" Smith

David Thompson
Kelly Wilhelm
Sue Ann Witman

1993

Patti Parr
Bea Knott
Maria Martinez-Ryan
Marion Friedrich

Danny McNeil
Gary Peterson
Steve Day
Carole Scallon
Sherry Nelson
Norm Miller
George Knuckey
Steve Forsyth

1994

(no legends in 1994)

1995

Cecilia "Ce Ce" Cordon
Bille Jean Stephan
Susie Davis
Rod Frank
Jerry Holliman
Olga Mitchell
Jacquie Witherite
Lin Jauhola
Jerry Johnson
Warren Perry
Ski Olsonoski
C.C. Nelson

1996

Al "Smokey" Schnee
Ron Locke
David Hughes
Jeanne Cusick
Barry Brooks
Sherry Kain
Bob Handley
Ivan Lee

1997

Anita Davis
Sally Keller
Kevan "K.C." King
Alison Standley Lausten
Danna Maros
Debbie Olsen,
Mike Saporito,
Zip Trower

1998

Margaret Daly-Heatwole
Jerry Elderkin
Kevin Finan
Wes Finseth
LaNell Hendricks
Jeanette Hubbard
Betty Morris
Ed Peele
Art Peterson
Helene Shaunty

1999

Gene Frank
Bob Graves
Pat Hanson
Siegfried Krebs
Scott Lautman
Louise Logan
Patsy Wilkson
Dick Zengel

2000

Gloria Fox-Bell
Kenny Hamer
Kim Kaiser
Gail Neufeld
Lowell Reed
Gail Spaeth
Mike Swanigan
George Van Valkenburgh
Lulu Wong

2001

Janice Boyd
Nancy Crawford
Tom Dermenci
Brenda Devaney
Terry Smith
Jim Towsen
Will Watson
June Ulz

2002

Dennis Bedford
Ted Kegler

Michael M. Mc Millen
Susan Bramstedt
Gunta "G" Hallock
Bill O'Dwyer
Pat Easley
Duane Brown
Jim Myles
Jo Anne Owley
Mark Ramstad
Tim Fulton
Agi Fisher

2003

Celeste Green
Al Brunelle
Sonny Carlisle
Butch Nickerson
Patty Rothwell
Sue Frank
Gene Munson
Dale Packard
Pam Husson
Larry Jones

2004

Roberta Darby
Kathryn Eaton
Shirley A. Jackson
Theodore W. Johnson
Kurt Kinder
Ted B. Leenerts
Monica Peischl
Sonia Perez
Scheline Wright

2005

Jill Clark
Ron Croteau
Mary Goodwin
Shirley Hoffman
Joy Kashiwagi
Carl Marvin
William "Bill" Morin
Phil Timpe
Scott Williams

2006

Camille Demoss
Jay Perry
Mary Shaffer
Betsy Barajas
Carolynn Hoey
Duane Bailey
Phil Bailey
Roger Bailey
Tada Yotsuuye
William Morgan Jr.
Millison Fambles
Luci Abbrederis

2007

Betty Duenas
Debbie Erickson
Greg Jacob
Connie Burr
Paul Majer
Jackie Fay
Dennis Wyckoff
Jana Tipton
Ray Prentice

Left: Marjorie Quiano (left) and Nita Dahyabhai are two of 79 passenger service agents at Vancouver station. The PSAs work for Horizon, but also handle Alaska Airlines flights.



Right: PSA Paul Grewal, a shop steward who works in baggage claim, and fellow PSA Dawn Anderson show their team loyalties during the Stanley Cup hockey finals.



Above: Passenger Service Agents Christy Mejia and Joanne Archer staff the ticket counter.

Right: PSA Elena Zapanta, Supervisor Balwant Singh and PSA Connie Annis work an Alaska Airlines departure to Las Vegas.



Twin tails

Story and photos by Paul McElroy

Befitting its international standing, Vancouver station epitomizes the beneficial relationship between Alaska Airlines and Horizon Air. With its 19 daily flights split almost evenly between the two carriers, Vancouver handles significant West Coast traffic (California business travelers and vacationers bound for Disneyland and Mexico) as well as “local” fliers passing through YVR on their way to a cruise ship along the Inside Passage or destinations in Asia and Europe.

Given Vancouver’s status as “Hollywood North,” the station also sees numerous actors—most recently Ben Affleck, Hugh Jackman and Keanu Reeves. A boarding pass “wall of fame” in the back office is covered with familiar names from the silver screen, sports and politics.

Horizon passenger service agents staff the ticket counter and gates while Alaska concierges provide service in the Board Room. Other than contrasting colors on the sides of the aircraft, employees see no difference in handling flights by the two carriers.

“We feel like we’re Alaska and Horizon,” PSA Françoise Rissoan says. “We’re one proud family.”



YVR

Opened: Horizon Air began service in 1989. Alaska Airlines started flights in May 1996.

No. of employees: 79 PSAs, six supervisors, one administrative assistant and station Manager Lori Miller.

Daily flights: 10 Alaska Airlines and nine Horizon Air. Third largest West Coast carrier behind Air Canada and WestJet.

Destinations: LAS, LAX, PDX, SEA and SFO.

Of special note: U.S.-bound travelers clear customs and immigration before dropping off bags and boarding flights.



Horizon employees at Vancouver station hail from around the world and speak 14 languages. Among them are (from left) Passenger Service Agents Brahim Attalaoui, Françoise Rissoan, Maria Delcastillo and Ian Williams.

Travel tips

Vancouver

Eating in the city is a must: from hot eats in Yale Town—like Goldfish, where Jennifer Aniston was seen while shooting a movie—to very cool and casual experiences on Robson Street. And we are North Hollywood, after all, so there’s lots of people watching on Robson.

— PSA Kim McMurdo

Walk through Chinatown ... in the summer there are the Chinese Night Markets in Richmond and downtown on the weekends. Or walk the Stanley Park Sea Wall around the park and into False Creek. There’s also the Vancouver Art Gallery, Aquarium, Science World, Grouse Mountain and lots more.

— PSA Ian Williams

It’s a good idea for skiers / boarders to take advantage of the three local mountains: Seymour, Grouse and Cyprus. All have great terrain and reasonable rates for lift tickets. Whistler and Blackcomb seem to steal all the tourists, so that can be beneficial in a way, as well.

— PSA Paul Grewal

Challenge yourself to Vancouver’s most famous hike—the Grouse Grind—often referred to as Mother Nature’s Stairmaster. It’s a rigorous 2.9-kilometer trail up the face of Grouse Mountain. This rugged terrain and steep climb, (56 percent slope) will leave you breathless once you reach the plateau. Total elevation gain of 2,800 feet. At the top, enjoy the spectacular views and all that you have accomplished.

— Carey Graham, passenger service supervisor

Vancouver is the home of multi-culturism. In almost any major town in the Lower Mainland, you can walk down a street and find an ethnic meal that is sure to satisfy your taste-buds. You can choose from the best Thai, Sushi, Chinese, Vietnamese, East Indian and so much more. You haven’t truly experienced diversity until you have tried all of these flavors.

— PSA Sandra C. Rodriguez

Don’t forget your U.S. passport! Everyone traveling from Canada back to the United States is required to show proof of citizenship — and a driver’s license is no longer valid.

— Customer Service Manager
Lori M. Miller

May 2008

35 YEARS



Kirk Harris
Customer Service Agent
– Air Freight/JNU



Robert Nisson
Lead Ramp Service/SCC

30 YEARS

Lori Anderson
Customer Service Agent/SEA

Janice Boyd
Flight Attendant/ANC

Mark Smith
Ramp Service/JNU

25 YEARS

Carol Arnold
Lead Customer Service Agent -
Air Freight/SEA

Joseph Bendix
Flight Attendant/SEA

Jeanette Bogdziewicz
Customer Service Agent/SCC

Michelle Bovee-Masters
Customer Service Agent/ANC

Kay Bradley
Reservations Sales
Agent/SEA

Jeanne Call
Flight Attendant/SEA

Nancy Cassell
Lead Customer Service
Agent/OAK

Jerry Courson
Ramp Service/ANC

Daniel Dornoff
Stores Agent/SEA

Richard French
Captain/SEA

Terri Gamble-Potter
Customer Service Agent/ANC

Karl Grimes
Captain/SEA

Penny Jordahl
Customer Service Manager/PDX

Loretta Kress
Customer Service Agent/SNA

Valdean Lafond
Customer Service Agent/ANC

Stuart Laurie
Flight Attendant/SEA

Jeffrey Lemon
Lead Ramp Service Agent
- Air Freight/ANC

Ruthann Lindsay
Reservations Sales Agent/SEA

Linda Luhrs
CRC Agent/SEA

Cris Magbee
Customer Service Agent/ANC

Maria Martinez-Ryan
Customer Service Agent/SFO

Cleve McDonald
Captain/ANC

Heather McDowell
Flight Attendant/PDX

Becky McIntyre
Supervisor Stores/LAX

Lauretta Medearis
Flight Attendant/SEA

Janelle Miller
Director Compliance
& Regulatory Affairs/SEA

Daniel Mills
Stores Agent/SEA

Linda Mills
Stores Agent/SEA

Shelly Parker
Manager Human Resources
& Labor Services/SEA

James Piester
Stores Agent/LAX

Lauri Posick
Supervisor Stores/PDX

Donna Schwartz
Flight Attendant/SEA

**Milton Smith Ramp - Air
Freight/ANC**

Royle Snodderly
Line Aircraft Technician/KTN

Max Snyder
Ramp Service Agent
- Air Freight/SEA

Marcus Staten
Stores Agent/ANC

Gregory Sturgis
Assistant Base Chief Pilot/SEA

Kristi Thompson
Operations Agent/SEA

Bradley Walker
Managing Director Leisure
& Group Travel Marketing/SEA

Neal Winter
Ramp Service Agent
- Air Freight/ANC

20 YEARS

Barbara Avila
Flight Attendant/SEA

Deborah Bakke
Inflight Administration
Analyst/SEA

Tracy Banks
Flight Attendant/SEA

Christine Biggs
Flight Attendant/SEA

Nancy Caldwell
Flight Attendant/SEA

Svatopluk Cervenka
Aircraft Technician/SEA

Jeffrey Chute
Line Aircraft Technician/SEA

Michael Cline
Line Aircraft Technician/MWH

Patricia Dickson
Flight Attendant/SEA

Holly Estvold-Gonzales
Flight Attendant/SEA

Deborah Fogel
Customer Service Agent/LAX

Tracia Johnson
Flight Attendant/SEA

Lisa Kerley
Flight Attendant/SEA

Richard Kircher
Ramp Service/ANC

Linette Kneer
Concourse Manager
Seattle/SEA

Cheryl Lapsley
Flight Attendant/PDX

Thomas Lent
Flight Attendant/SEA

Timothy Lindemeier
Flight Attendant/LAX

Rhonda Lucas
Customer Service
Agent/LAX

Gloria Menzel
Lead Customer Service
Agent/ANC

Lisabeth Neill
Accounting Specialist/SEA

Kristin Nugent
Accounting Specialist/SEA

Mandy Odenheimer
Customer Service Manager/SIT

Linda Rasmussen
Flight Attendant/SEA

Romeo Sanchez
Flight Attendant/SEA

Kellene Spinde
Customer Service Agent/ANC

Margaret Sullivan
Flight Attendant/SEA

Uli Wito
Assistant to Senior Vice
President Public Affairs/ANC

15 YEARS

Julie Blue
Lead Customer Service
Agent/PHX

Timothy Cawby
Manager Internal
Evaluations/SEA

Paul Faamuli
Ramp Service/ANC

Todd Gibson
Lead Aircraft Technician/SEA

Grant Haddaway
Systems Analyst/SEA

Sherri Kriska
Flight Attendant/ANC

Dana Stahla
Flight Attendant/ANC

Anne Vick
Customer Service Agent/FAI

10 YEARS

Maria Allen
Lead Customer Service
Agent/ANC

Jean Atcheson
Customer Service Agent/LAS

Florencia Austermuhl
Customer Service Agent
- Air Freight/ANC

Kimberly Balbarino
Reservations Sales Agent/SEA

Eric Beitz
First Officer/SEA

David Bennatts
Line Aircraft Technician/SEA

Myra Bernal-Freyermuth
Flight Attendant/LAX

Michael Brewster
First Officer/ANC

Mary Brierley
Reservations Sales Agent/BOI

Christina Briggs
Reservations Sales Agent/SEA

Marquita Campbell
Customer Service Agent/BUR

John Campbell
Senior Engineer/SEA

Gregory Cass
Technical Training
Instructor/SEA

Rene Cawley Crew
Scheduler/SEA

Sheri Clayton
Reservations Sales Agent/PHX

Jose Clemente
Line Aircraft Technician/SEA

James Davies
Ramp Service Agent
- Air Freight/ANC

Norman Del Rosario
Lead Ramp Service/BRW

Michael Dietz
Captain/ANC

Jerry Duran
Dispatcher/SEA

Deneen Fielder
Accounting Specialist/SEA

Amparo Flores
Customer Service Agent/PDX

Fereti Fosi
Lead Ramp Service/BRW

Elk Gilroy
Line Aircraft Technician/ANC

Joanna Golawski
Customer Service Agent/SJC

Victoria Gordon
Operations Agent/PDX

Jodi Gorham
Administrative Assistant/PDX

Jessica Gray
Customer Service Agent/YAK

Traci Hansen
Reservations Sales Agent/SEA

Michelle Hendrix
Customer Service Agent/ANC

Ronald Hensel
Captain/ANC

Jeffrey Johnson
Line Aircraft Technician/SEA

Herbert Johnson
Aircraft Technician/SEA

Gregg Jump
First Officer/SEA

David Kern
Line Aircraft Technician/PDX

James Lancaster
Captain/LAX

Aaron Lippert
Line Aircraft Technician/MWH

Bart Lipton
Line Aircraft Technician/LAX

Ryan Long
Line Aircraft Technician/SEA

Kristin Martin
Reservations Sales Agent/PHX

Misty McCormack
Customer Service Agent/ANC

Robert McCoy
Line Aircraft Technician/SEA

Valerie Pace
Customer Service Agent/SEA

Gary Powell
First Officer/SEA

Margaret Reese
Customer Service Agent
- Air Freight/JNU

Kathleen Reeves
Flight Attendant/ANC

Julio Rendon
Ramp Service/ANC

Virginia Riddle
Customer Service Agent
- Air Freight/KTN

Denise Roach
Customer Service Agent/SEA

William Rose
Line Aircraft Technician/JNU

Maryjane Rzegocki
Reservations Sales Agent/SEA

Tad Santino
Captain/SEA

Carol Selby
Cargo System Control
Agent/SEA

Romit Singh
Line Aircraft Technician/SEA

Savorng Svay
Flight Attendant/SEA

Alexis Tackett
Human Resources
Coordinator/SEA

Andre Taylor
Line Aircraft Technician/SFO

Helen Thomas
Lead Customer Service
Agent/OTZ

Timothy Thompson
Manager, Line
Maintenance/ANC

Victor Timpauer
Line Aircraft Technician/PHX

Laurie Wise
Customer Care
Representative/SEA

5 YEARS

Steven Bingham
Senior Systems Analyst/SEA

Lanara BuEhler-McGhee
Flight Attendant/ANC

Lloyd Estep
Powerplant Vendor
Representative/ICT

Deborah Ferronato
Customer Service Agent/OME

Heather Hofmeister
Flight Attendant/ANC

Virginia Lindsey
Flight Attendant/LAX

Marc Loreau
Flight Attendant/LAX

Kurt Mason
Flight Attendant/LAX

Mohammed Shakeel
Field Systems Specialist/LAX

Ashley Stanfield
Flight Attendant/SEA

Angela Turletti
Flight Attendant/ANC

15

Coming Up

Thu, May 15	M&E Tour / Seattle Hangar
Mon, May 19	Blood Drive / Seattle Flight Ops
Tue, May 20	AAG Annual Meeting / Seattle
Mon, May 26	Memorial Day
Mon, May 26	Alaska Airlines Mariner's Game / Seattle
Wed, May 28	M&E Tour / Seattle Hangar
Tue, Jun 3	History Book Reception / Seattle
Tue, Jun 10	Health & Wellness Fair / GCC Rm. 109
Wed, Jun 11	Health & Wellness Fair / Sea-Tac Airport
Sat, Jun 14	Summer Picnic / Anchorage
Tue, Jun 17	History Book Reception / Anchorage
Wed, Jun 18	Employee Reception / Seattle
Wed, Jun 25	Blood Drive / Seattle Hangar
Thu, Jun 26	M&E Tour / Seattle Hangar
Fri, July 4	Fourth of July
Thu, Jul 10	M&E Tour / Seattle Hangar
Thu, Jul 24	AAG Q2 Earnings Announced
Thu, Jul 31	M&E Tour / Seattle Hangar
Sat-Mon, Aug 2-4	Courage Classic
Wed, Aug 13	M&E Tour / Seattle Hangar
Mon, Aug 25	Blood Drive / Seattle Flight Ops
Thu, Aug 28	M&E Tour / Seattle Hangar
Mon, Sep 1	Labor Day

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

Alaska's World

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Editor: Paul McElroy Layout/Sr. Correspondent: Don Conrard

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Voice: (206) 392-5057 Co-mail: SEAEC
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Being smart about where Alaska flies

Continued from Page One



between Seattle and San Francisco.”

But he notes that fares “absolutely must go up.” At the end of 2007, Alaska estimated it would need to raise fares by only \$15 per passenger to cover the increase in fuel costs and \$25 to achieve its goal of an average 10 percent profit margin.

Although rising oil prices mean those numbers have gone up, Schaefer says, “Given the cost of alternate forms of transportation, I hope fare increases of that magnitude won’t discourage too many people from flying.”

Neidl agrees. “The bright spot is that despite economic uncertainties, demand (for air travel) remains high, which demonstrates to us that the industry has been under pricing its product.”

He estimates average fares will need to rise at least 20 percent for the industry to reach the breakeven at current oil price levels.

“In order to accomplish this, capacity would probably have to come down at least 20 percent, a difficult challenge in an industry where there are too many airlines and little price discipline,” Neidl says.

Too much capacity

Many carriers have already cut capacity aggressively on marginal routes to save money. Alaska reduced flying by MD-80s in several markets where fares no longer cover fuel costs. And Horizon recently announced plans to reduce the size of its fleet by as many as 17 aircraft through the retirement of its Q200s and CRJ-700s during the next 18 to 24 months.

“We expect to see even more reductions in seat supply (by the industry) as we approach the seasonally weaker fall if oil prices remain high,” says Linenberg of Merrill Lynch. “This will give carriers the ability to raise fares.”

Alaska, however, is sharply increasing capacity in its Seattle-Southern

California and Seattle-Bay Area markets to fend off competition by Virgin America, JetBlue and continued expansion by Southwest.

“We’re trying to ensure that Alaska Airlines is going to be around for a long time,” Schafer says. “To do that, we need to defend our markets.”

At the same time, Alaska has scaled back 2008 growth plans from 6 percent to 2 percent in available seat miles (ASMs). Most of the growth is from replacing MD-80s with larger 737-800s.

The airline will end 2008 with 116 aircraft, one more than in January.

California and Seattle-Bay Area markets to fend off competition by Virgin America, JetBlue and continued expansion by Southwest.

“We won’t see an increase in fleet size until 2010,” Schaefer says. “At that time we will have a lot of aircraft purchase options available, giving us the ability to grow or not grow.”

Growth will depend on profitability.

“Remember, the goal of the Alaska 2010 Plan is an average 10 percent profit margin over a business cycle,” Schaefer says. “That level of profitabil-

ity will allow us to grow the airline an average 8 to 10 percent a year. The lower our profit margin, the slower our growth will be.”

Schedule changes

With the addition of one more jet this year, Alaska is “working to redeploy aircraft from markets where fares are unable to cover the cost of fuel to places where we have a chance to generate more revenue and strengthen our network,” says **Andrew Harrison**, managing director of planning.

Earlier this week, Alaska announced plans to end service in six markets—Portland-Orlando, Vancouver-San Francisco, SFO-Cancún, SFO-Mazatlán, SFO-Zihuatanejo and Los Angeles-La Paz—in order to support the airline’s new service to Maui and other unspecified markets where they can generate more revenue.

“At today’s high fuel prices, we need to be smart about where we fly because the cost of unproductive flying is huge,” Harrison says.

More schedule changes may be on the way this fall as the Planning Department keeps studying Alaska’s schedule.

Even as stronger airlines reduce capacity by grounding less fuel-efficient aircraft, weaker airlines like Aloha and ATA are no longer flying.

“Both of those scenarios have a positive effect on our revenues because they take seats out of the market, allowing us to raise prices,” says **John MacLeod**, managing director of revenue management.

But with direct competition by Southwest in half of its markets and a fare war with Virgin America between Seattle, San Francisco and Los Angeles, Alaska has had limited success in raising fares.

MacLeod notes that Alaska will need to attract business travelers willing to pay higher fares than leisure travelers.


“That’s why it’s so important for us to run a good operation,” he says. “Business travelers want a convenient schedule, flights that arrive on time, friendly, helpful employees, a great Mileage Plan and a speedy check-in process—all of which we have.”

Alaska Air Group’s first quarter results skid on soaring fuel costs

Strong passenger traffic and higher revenues failed to offset soaring fuel costs for Alaska Air Group during the first quarter of 2008, pushing the company to a net loss of \$35.9 million for the quarter, compared with a net loss of \$10.3 million for the same period in 2007, under generally accepted accounting principles.

Excluding mark-to-market fuel hedge adjustments, AAG would have reported a net loss of \$36.3 million, compared with \$15.8 million a year ago.

High fuel prices, which are not being offset by revenues, were the main reason for the loss, said Chairman and CEO **Bill Ayer**. In response to the industry conditions, the company is taking aggressive action to lower costs and raise revenues, including transitioning Horizon to a single-type fleet of fuel-efficient Q400 aircraft over the next two years.

 **On the Web**

Read more about Air Group’s first quarter financial performance in the April News Archives on alaskasworld.com

How Air Group’s first quarter compared with other airlines

	Q1 2008 net results	Adj. earnings per share
Profit		
Southwest	\$34 million	6 cents
Loss		
JetBlue	- \$8 million	- 4 cents
AirTran	- \$34.8 million	- 38 cents
Delta *	- \$6.4 billion	- 69 cents
Northwest *	- \$4.1 billion	- 73 cents
Continental	- \$80 million	- 86 cents
Alaska Air Group	- \$35.9 million	- 98 cents
American	- \$328 million	- \$1.32
US Airways	- \$236 million	- \$2.36
United	- \$542 million	- \$4.45

* After accounting for restructuring charges, Delta reported an adjusted loss of \$274 million while Northwest reported an adjusted loss of \$292 million.

Key information

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