## Deregulation made flying cheap, but for how long?

Since March 1985, there have been 12 major mergers involving U.S. airlines. Three West Coast airlines were gobbled up in the last four months of '86.

### A changing cast of characters

**Air Florida** - stopped service to New Orleans after filing for bankruptcy.

**American Airlines** - sold off its Trans World Airline (TWA) to Delta Air Lines.

**Continental Airlines** - acquired Trans World Airline (TWA).

**Delta Air Lines** - bought up Eastern Airlines.

**Eastern Airlines** - sold off its North American Air Line (NAL) to Braniff International.

**Piedmont Airlines** - sold off its Piedmont Airlines to Delta Air Lines.

**Atlantic Southeast Airlines** - stopped service to New Orleans.


**Continental Airlines** - stopped service to New Orleans.

**Delta Air Lines** - bought up Eastern Airlines.

**Florida Express** - started service to New Orleans.

**Midway Airlines** - changed its name to Midwest Airlines.

**New Haven Airlines** - stopped service to New Orleans.

**Piedmont Airlines** - changed its name to Piedmont Airlines.

**People Express** - bought up Eastern Airlines.

**Southern Airways** - merged with Delta Air Lines.

**United Airlines** - bought up TWA.

**US Air** - bought up Eastern Airlines.

**US Airways** - bought up Piedmont Airlines.

**Western Airlines** - changed its name to Western Airlines.

## Memphis has Republic's hub, thanks to lack of restrictions

Memphis has Republic's hub, thanks to lack of restrictions.
MONEY

Airport

From: H-T

The series plus passenger and freight traffic increased 4.7 percent last year to 30.5 million passengers and 3.2 million tons of cargo. This was slightly more than half the average growth for the nation, but after years of gains behind the rest of the nation, officials were pleased with it.

"I really believe New Orleans needs an airport," says Mayor Harold "Buck" Landry, president of the New Orleans Aviation Board. And so he says, the increase in air traffic last year, the second largest Medallion Group in the nation, and the continued growth of the city's aviation industry, will benefit the city's economy and future.

The airport itself is in the early stages of a $100 million rebuilding project. A new runway extension is in the works, and a new terminal is being planned. The growth of the city's aviation industry will be beneficial to the region's future.

A recent survey by Northwest Airlines in Van Nuys, Ill., shows that New Orleans is a major hub for the airline industry. Passenger traffic at New Orleans International Airport has increased 30 percent in the last year. Another survey by Northwest Airlines shows that New Orleans is now the fourth largest hub in the nation, after Houston, Dallas, and Atlanta.

The airline industry is growing, and New Orleans is poised to benefit. The city's location makes it a hub for flights to and from Latin America, the Caribbean, and the Gulf Coast. The airport has also been accurately described as a "hub of the future." The growth of the airport will benefit the region's economy.

James H. Chubbuck
Lobbying for more flights

"Geography is the key. If New Orleans were in Missouri, Kansas or Oklahoma, it would be a major hub today."

Al Becker
American Airlines

Memphis

From: H-T

It was a small town with a big heart. Memphis was a place where people could start over and build a better life. But in 1981, the city was on the brink of bankruptcy. The airport was empty, and the city was in debt.

"We were flying our passengers to and from the city, and we were losing money," says Clyde Fain, the airport's general manager. "But we knew we had to do something."

He approached Alaska Airlines and proposed a merger. The airline was in financial trouble, and it needed a new location. Memphis was a perfect fit. The city was growing, and the airport had potential.

"The Chamber of Commerce didn't do it. The good Lord put Memphis where it is."

Bill Boren
Memphis Chamber of Commerce

WHAT AN AIRLINE HUB DID FOR MEMPHIS

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Passengers</th>
<th>Total Revenue</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>1,000,000</td>
<td>$10,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>1982</td>
<td>1,500,000</td>
<td>$15,000,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>1983</td>
<td>2,000,000</td>
<td>$20,000,000</td>
<td>2,000,000</td>
</tr>
</tbody>
</table>

The merger was a success. Alaska Airlines was able to turn a profit, and Memphis was able to recover. The airport became a hub for the airline industry, and the city prospered.

"New Orleans' airport has been doing well for a long time," says Fain. "But we're not where we want to be. We need more flights and more passengers."

"We need to work hard to keep our customers and attract new ones," he adds. "But we're proud of what we've accomplished so far."

The city of Memphis is working hard to improve its airport. The city is expanding the airport, and it is working to attract new flights and airlines.

"We're working hard to make Memphis the best airport in the country," says Fain. "And we're making progress."

The future of the airport is bright. With the help of the city and the airlines, Memphis is poised to become a major hub again.