



THE PBA FLYER

Volume 1, Number 1

Fall 1980

This is the first of a series of Newsletters prepared by the management of PBA to acquaint passengers, organizations, government bodies, interline carriers, travel agencies, and others interested in the activities of PBA. This is a very exciting period of expansion within the commuter airline industry and its service to small communities of the United States. THE PBA FLYER reports PBA's part of this nationwide network. Comments and suggestions from readers will be most welcome. To be placed on the mailing list for future issues, please leave your name and address at any PBA ticket counter or write to: THE PBA FLYER, P.O. Box 639, Provincetown, MA 02657



PBA's NEW BANDEIRANTE FLEET. A fourth aircraft is scheduled for delivery January 10, 1981.

The New Bandeirante

In early May PBA ordered two 19-passenger Brazilian built prop-jets that cruise at 230 mph. Although made in Brazil by the Embraer Company, the Bandeirante has 65% of its components manufactured in the United States.

The name "Bandeirante" is hallowed in Brazil. In the second half of the sixteenth century expeditionaries, or "bandeirantes," ventured forth from the city of Sao Paulo searching for gold and precious stones. They traveled in horse-drawn wagons with a flag mounted in a whip-socket next to the driver. The flag, in Portuguese, was a "bandeirante." The expedition of bandeirantes expanded the nation's frontiers. The word in modern Brazil means

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New Key West Service

New PBA service connecting Key West with Tampa, Miami, and Naples started on October 24, 1980. To kick off the new service PBA held a cocktail party at the Casa Marina Inn in Key West on the night of October 23 with about 300 employees and invited guests. C. Bill Gregg, Eastern Air Lines' Vice President for Florida & The Bahamas, flew down from Miami with several of Eastern's key Miami personnel and spoke briefly at the celebration. Additional aircraft were operated with guests from Tampa, Marathon, and Naples.

The new Key West service features Bandeirante jet prop service on four round trips between Key West and Tampa

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Key West Service

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each day. Flying time in the 230-mph aircraft is an hour and ten minutes with convenient departures from Key West at 6:30 A.M., 9:45 A.M., 2:00 P.M., and 5:00 P.M. Flights leave Tampa for Key West at 8:15 A.M., 12:25 P.M. 3:30 P.M., and 8:50 P.M. In addition, PBA is offering two round trips daily between Key West and Miami at prime times. To position the Miami aircraft Naples Airlines is flying from Naples to Key West at 9:00 A.M. each day, and returning from Key West to Naples at 7:15 P.M. With a low fare of \$20.00 each way, this Naples/Key West service has been extremely popular with residents of southwest Florida who wish to spend a day or a weekend at the tip of the Keys.

The new Key West/Tampa service, which arrives and departs the Eastern Air Lines' terminal at Tampa, opens a new gateway to Key West with joint fares and convenient interline connections. PBA looks forward to rapid growth in this new market. During the first week of operation PBA carried 832 passengers in and out of Key West. In the old established market of Key West/Miami PBA is already being very well received. The first Sunday after the start of service there were 56 passengers booked on one flight from Miami to Key West. Similar large loads are frequently flown, and looking ahead to the holiday season there are up to 100 passengers booked on popular flights. Commenting on the new Key West service, PBA Chairman John C. Van Arsdale, Jr. stated, "We feel very good with respect to the passenger acceptance of our new Key West service and expect PBA to be a very popular carrier in and out of Key West in a very short time. We are building a new terminal building at Key West, which should provide excellent passenger convenience. Additional telephone lines will be added, and we fully expect PBA's characteristic friendly service to be very popular."

The New Bandeirante

(Continued from page 1)

"pioneer," and that is what the Embraer Company ("Empresa Brasileira de Aeronautica") became when it moved into the field of aviation. It was truly pioneering.

The president of Embraer, Colonel Ozires Silva, confessed long ago as the first plane took shape, "This is the product of a miraculous birth. It arrived before we established the industry that would produce it." Brazil in those years faced problems in air transport. In the 1950's 350 Brazilian cities were served by scheduled airlines. By 1970 the number had shrunk to 80, most of them on the coast. Then the Ministry of Aeronautics studied the creation of a "third level" airline system . . . a system of commuter airlines. The vast country was divided into five areas, each served by a Commuter system. They were successful within five years, and the mechanism they used to win was the Bandeirante.

WINTER SCHEDULES

In both Massachusetts and Florida during the winter months PBA will be offering a frequency of flights greater than any time in its history. In addition to the Key West service mentioned above, Marathon will have six round trips per day to Miami. Naples will have five round trips to Miami and eleven round trips to Tampa. Punta Gorda will have five daily round trips to Tampa.

In Massachusetts PBA's winter schedule will show six daily round trips between Hyannis and Boston with an extra round trip Friday evening. Between Provincetown and Boston there will be three daily round trips with extra flights on Friday and Sunday. Most of the Massachusetts service will be provided with the popular 9-passenger Cessna 402. Additional aircraft will be based at both Provincetown and Hyannis in order to provide extra sections as required by passenger demand.

FLORIDA SCHEDULE CHANGE

Effective December 15 PBA is slightly changing its Florida schedule, particularly between Naples and Tampa, in order to allow a little more turn around time in Tampa. The heavier loads of passengers that are characteristic of peak season operation require more time to load and unload the larger aircraft normally operated.

In addition, the Key West to Naples evening flight will change flight numbers and continue on to Tampa after stopping Naples. This will give Key Westers another flight to Tampa in addition to the four Bandeirante Prop-Jets on the current schedule.

The schedule will be in the Official Airline Guide of December 15, and there will be a new printing of the Florida Schedule to reflect the slight changes in the Naples-Tampa market.

PERFECT INTERLINE CONNECTIONS

Betty Van Arsdale, in order to be on hand for the arrival of her seventh grandchild (Lauren Michal Ferrone, born October 26, 1980), flew in record time from Naples to Hyannis on what PBA personnel call an "Eastern Sandwich."

Taking a PBA Bandeirante prop-jet departing Naples at 12:30 P.M., she arrived Tampa at 1:20, departed on Eastern 178 at 1:40, arriving nonstop in Boston at 4:26, walked across the Eastern terminal in Boston to catch PBA's 4:45 flight, and arrived Hyannis at 5:15 P.M. Four hours and forty-five minutes Naples to Hyannis has to be a record, and PBA personnel do it on a regular basis any day; although the interline connecting time is actually less than the minimum required.



Street side of new Hyannis terminal



Rampside



SUMMER ON CAPE COD

Aided by an hourly schedule between Hyannis and Boston with 16 round trips per day, plus an efficient new \$360,000.00 terminal building, PBA became a very popular carrier on Cape Cod during the summer of 1980. Using the 1980 Cessna 402C as the backbone of the frequent service, and adding the 44-passenger Martin 404 and the 32-passenger DC-3 during weekends and periods of peak demand, PBA during July and August alone carried 14,603 passengers between Hyannis and Boston. This represented a 205% increase over the number of passengers carried in the corresponding months of 1979.

The Provincetown/Boston commuter route, the oldest in the United States, saw 19,370 passengers carried during the months of July and August. The Provincetown Airport was a very busy place as the good weather brought many private aircraft owners to the tip of Cape Cod, in addition to the ever-popular sightseeing flights over Provincetown.

HYANNIS STATISTICS

During a recession period, when most airports were reporting a decline in traffic, the Barnstable Municipal Airport in Hyannis experienced a 22% increase in boarded passengers during the third quarter of 1980. PBA increased its share of the boarded passengers from 8.9% of the market in 1979 to 24.6% in 1980. Hyannis passenger boardings, with share of market, and change from 1979 to 1980, as reported by CAB and Barnstable Airport Commission are as follows:

3rd Quarter 1979

Carrier	July	August	September	Total	Market Share
Air New England	8,611	8,093	4,579	21,283	64.5%
Gull Air	2,233	2,789	2,148	7,170	21.7%
Hyannis Aviation	336	808	485	1,629	4.9%
PBA	600	1,592	748	2,940	8.9%
TOTAL				33,022	

3rd Quarter 1980

Carrier	July	August	Sept	Total	Market Share	Yr. to Yr. Change
Air New England	6,044	7,287	4,468	17,799	44.2%	-16.4%
Gull Air	3,090	3,527	2,645	9,262	23.0%	+29.2%
Hyannis Aviation	264	338	285	887	2.2%	-45.5%
PBA	3,473	4,099	2,349	9,921	24.6%	+237.4%
Will's Air	744	1,018	676	2,438	6.0%	*
TOTAL					40,307	+22.1%

*No statistics reported by Will's Air in 1979

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life

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The Friendly Skies of Naples... and Tampa...

and Miami...

and Key West...

and...

When John C. Van Arsdale, Sr. toured the airports of Southwest Florida during the winter of 1957, he could hardly have foreseen what he was getting into. He was looking for a winter operation to complement his summer business on Cape Cod. As owner and operator of Provincetown-Boston Airlines (PBA), he would run heavy loads of passengers all summer to and from the magnificent dunes at the tip of the Cape. In winter, the traffic would dwindle, and he would have to lay everyone off and mothball his aircraft.

Upon discovering Naples and leasing a tiny air service, Naples Airlines, the Van Arsdale family began its longstanding relationship with Southwest Florida. In 1959, the original Naples Airlines ran into financial problems, and John Van Arsdale placed the winning bid against 12 others to take over the struggling airline. With a lease on the Naples Airport, he then found himself in business in a location that was soon to



John C. Van Arsdale, Sr., 1952.

become one of the fastest-growing areas in the country.

During that first season, Naples Airlines was in operation only from February 1 to April 18, flying two round trips daily to Miami and carrying a total of 1,247 passengers. One banner week in March boasted

180 passengers. The airline had just four employees, including Van Arsdale, with Captain John Zate as pilot.

Twenty years later, Naples Airlines carries at least 1,247 passengers on any good day, and 180 on a single flight. The growth rate has been astonishing to everyone, especially the Van Arsdales. What the Van Arsdales had hoped would be a mere counterpoint to their Boston operation turned into a major small commuter and service airline all on its own.

"When Naples Airlines surpassed Provincetown-Boston Airlines in volume in 1963 or 1964, we were all amazed," says Vice-President John Zate, who has been with the airlines since the beginning. "We had to start year-round operation in 1964, and by the late sixties, the demand was so obvious we realized we had to go to more capacity."

In 1968 the airline bought the first two of many 32-passenger DC-3s that were to become its workhorse aircraft



Peter and John Van Arsdale, Jr., shown here with their wives, Judy and Mifa, form the next generation of Van Arsdale leadership at Naples Airlines.

for years. And later came several nine-passenger Cessna 402s and 44-passenger Martin 404s to complete the fleet and give it the versatility which has become its hallmark.

In 1968 Naples Airlines also began its first runs to Tampa. Later came expansion to Punta Gorda and Marathon in the Keys. Today, Naples Airlines runs 11 round trips daily between Naples and Tampa, four round trips between Naples and Miami, five round trips between Punta Gorda and Tampa, and five round trips between Miami and Marathon. It has come a long way since its beginnings two decades ago.

"This has been an incredible area, the way things have blossomed," exclaims John Van Arsdale, Jr., who has recently taken over as Chairman of the Board after his father stepped down. "Naples has obviously been very good to us."

But Naples Airlines has been good to Naples, too. And it is no wonder that Naples Airlines has thrived while so many other small airlines have failed in the face of increasing governmental regulation, inter-airline competition, and exploding fuel prices. Naples Airlines has always maintained a very conservative and positive philosophy of service and commitment.

"We've always been demand-oriented, not growth-oriented," says John Van Arsdale, Jr. "As long as

there are people who want to fly with us, we're going to take care of them."

Naples Airlines has always been sensitive and responsive to its markets, and that, more than anything else, has been the key to its success.

"We are very conscious of the market," says brother Peter Van Arsdale, President of the Airlines. "We concentrate heavily on the markets we are in, going into them with the philosophy of having something to sell. If we run reliably and have a seat to sell on every flight, then the other aspects take care of themselves."

In the 25 years he has been with the

airline, John Zate has watched its progress with much satisfaction. "Our concept starts basically with dedication to the community we are serving. We are not interested in becoming a giant. We know what we are doing as a commuter company or small service organization.

"If we start a new route, we dedicate people and material to that community and work from there. Equipment is the backbone of our service, and is a commitment to the community. We have learned to start small, get a nucleus of people into a market and have them become involved in the community and set roots. Demand is the key that we follow, and it lets us keep a handle on trends. We don't say 'no' to a passenger — that's always been our philosophy. And if we look back over the years, it's obvious that it works."

With the purchase of some exciting new 19-passenger Bandeirantes from Brazil, Naples Airlines will provide even more frequent service in the future. The expansion into several new markets is anticipated also. Daily flights to Key West begin this fall with Orlando, Venice, and Palm Beach as other possibilities. Service to Marathon began last winter.

To whatever new heights Naples Airlines will soar in the future, one thing is certain to remain the same . . . its commitment to the communities it serves.



Cape Cod Flying Service, 1947.

NEW ILS AT PROVINCETOWN

Under the terms of an agreement and contract between the Town of Provincetown Airport Commission, the State of Massachusetts, and the Federal Aviation Administration, installation has started on a new Instrument Landing System at the Provincetown Airport. The contract for site and electrical work is \$213,000, and includes the clearing of an area about 500' x 800' and 17,000 sq. yards of fill, in order to install the glide path transmitter (the indicator to tell the pilot if he is at the proper distance from the ground at any given distance from the end of the runway).

Commissioning is expected in the Spring and will permit aircraft landing at Provincetown to do so under lower weather conditions. The result should be more reliable service, with fewer problems with weather. The tax on airline tickets helps pay for this modernization of facilities.

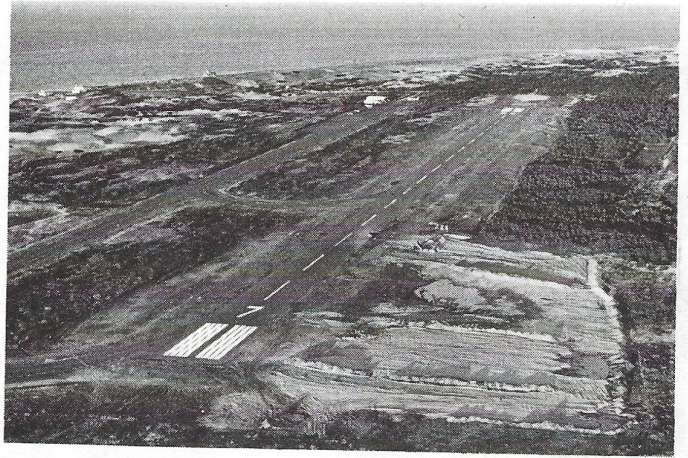
The major reason for the high cost of site work is the requirement by the Cape Cod National Seashore that the area be returned to its original, natural condition. Extensive planting is scheduled.

PBA MANAGEMENT CHANGES

After starting PBA's predecessor, Cape Cod Flying Service, in May of 1946 John C. Van Arsdale, Sr. stepped down as the President and Chief Executive Officer of PBA December 31, 1979. This decision was partly dictated by the provisions of the PBA Pension Plan, which provides for retirement at age 60, since airline pilots cannot fly after that age. On January 1, 1980 John C. Van Arsdale, Jr. became Chairman & Chief Executive Officer of PBA while Peter H. Van Arsdale became President. On April 30 OMV decided to step down completely and turn the business over to his two sons who have been working for the company since the age of twelve. Both John Jr. and Peter are rated Airline Transport Pilots; however, the administrative duties of these days make flying an incidental part of the job. Betty Van Arsdale, the wife of OMV and the mother of John Jr. and Peter, is continuing to work in the office for another year during this transition period.

NEW PHILOSOPHY

When John, Jr. and Peter Van Arsdale took over PBA on May 1, 1980 they decided to buy 4 new Embraer Bandeirante Prop-Jet aircraft at a cost of over \$1.3 million each. This was a marked deviation from former company policy adopted by John Van Arsdale, Sr. (OMV-Old Man Van). OMV bought airline surplus aircraft with low purchase price (relatively), low depreciation, immediate expensive overhauls to bring to PBA standards, low investment tax credit, no interest payment, low utilization, and HIGH maintenance costs. The younger generation is going for high purchase price, high depreciation, big investment tax credit, large interest payments, high utilization, and LOW maintenance costs gained by turbine power, modern engineering, and a new product.



KELSEY AIRVIEW

Provincetown Airport in the Cape Cod National Seashore at the tip of Cape Cod.

During May Peter Van Arsdale wrote to a Vice President of Eastern Air Lines, "The Old Man lasted thirty years without operating turbine engines. John and I lasted one week."

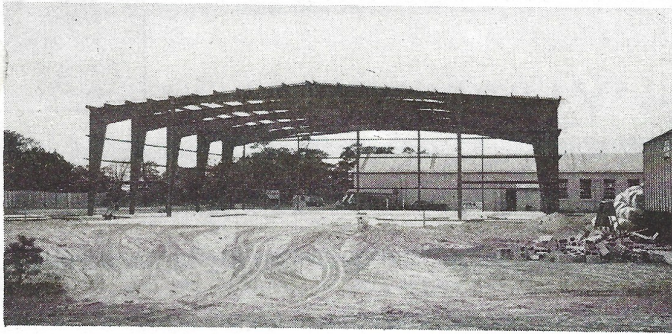
The major airlines went through this piston to turbine transition in the early 1960's with the acquisition of jet aircraft. It is part of progress in advanced technology. The operating reliability of the new Bandeirante has been phenomenal to PBA personnel. The aircraft have flown seven days per week since being placed in service in early June, without any major mechanical problems. This is in sharp contrast to the constant mechanical attention required by the DC-3 and Martin 404 in order to maintain mechanical reliability.

PBA has already experienced a major reduction in maintenance costs, which offsets the substantial investment in these new aircraft.

The high density aircraft, like the DC-3 and Martin 404, will be required for some time to come in order to handle peak seasonal traffic in both Massachusetts and Florida. As a matter of fact, PBA bought its twelfth DC-3 early this year and it is now coming out of the shop as the most expensive aircraft in the fleet.

HAPPY BIRTHDAY

November 30th is the birthday of PBA. It was on November 30, 1949 that John C. Van Arsdale, Sr. piloted a Cessna UC-78 Bobcat on a morning round trip from Provincetown to Boston under the name Provincetown-Boston Airline. The airline was a division of Cape Cod Flying Service which Van Arsdale started May 8, 1946 at the Cape Cod Airport in Marstons Mills, Massachusetts, about nine miles west of Hyannis. PBA became incorporated January 1, 1954, and acquired the Naples Airlines division January 1, 1960 in Naples, Florida. Previously Naples Airlines had been owned by J.L. Brown, former operator of the Naples Airport, since December 15, 1957 when Van Arsdale helped Brown get the airline off the ground.



Steel in place in early November

PROPOSED SECURITY/SCREENING REGULATIONS FOR COMMUTERS IS NOT DEAD

Despite all of the comments and objections filed by commuter airlines and their passengers at the FAA proposal to require security/screening of commuter airline passengers, it appears that the issue is still alive in Washington. The August 25th Federal Register indicated that the FAA proposed to issue a final regulation on security/screening requirements in October of 1980. Commuters in the past have objected to the proposed regulation from both an economic point of view as well as the fact that history did not provide any information to confirm that the regulation is even necessary. Some Congressmen plus the Chairman of the Civil Aeronautics Board have requested that the Federal Aviation Administration issue a revised Notice of Proposed Rulemaking instead of a final regulation. This would give commuter air carriers the opportunity to comment on the revised Economic Impact Study. A poll conducted by the PBA last winter with respect to passenger reaction to the security/screening proposal overwhelmingly indicated that screening and security checks at commuter airports is both unnecessary and undesirable.

PBA FULLY HOSTED IN THE EASTERN COMPUTER

November 17 is the scheduled date for complete automation of all reservations information for PBA passengers in the Eastern Air Lines computer system. Interline bookings will automatically be generated and sorted with a complete passenger name record. PBA personnel will be able to pull up this information at any of its ticket counters or reservations officer. The result should be increased accuracy and speed, with a decreased work load in the handling of all reservations.

Previously, PBA used a pseudo-computer system that was not fully automated. This required manual entry by PBA reservations personnel of all data received from other carriers.

PBA personnel are very pleased at the excellent working relationship existing between PBA and Eastern. This is reflected in interline bookings and billings, where Eastern Air Lines is Number One with PBA.

NEW HANGAR AT HYANNIS

PBA has leased land, broken ground, and started construction of a new maintenance/storage hangar at the Barnstable Municipal Airport at Hyannis. The 100 x 100 facility will permit all aircraft operated at Hyannis to be under cover during the winter months, and during the summer months the large aircraft, such as the Martin and the DC-3, will be maintained in front of the hangar doors. A considerable amount of planning has gone into the construction of this facility. The contractor is the Ferrone Company, the same organization that built the Hyannis terminal building. It is expected that PBA will be occupying the new building before the end of the year.

NEW NAPLES MAINTENANCE HANGAR

Under the agreement between PBA and the City of Naples Airport Authority, construction was completed in early 1980 of a large new maintenance hangar at the northwest corner of the Naples Airport. This building, which measures 120' x 168' and is 48 feet high, tall enough to take in a Martin 404, is the "baby" of Vice President and Director of Maintenance Frederick R. Valentine. PBA now has 20 personnel working at this new facility and is able to accomplish much of the maintenance that was formerly contracted to outside facilities. In addition the efficiency of operation has greatly increased as aircraft are worked on through the night and ready to fly the following day. PBA spent over \$500,000 on this new facility, but management is confident that it will pay off in future years.

EASTERN COMMUTER TERMINAL AT BOSTON

Eastern Airlines has started construction at Boston's Logan Airport of a modern commuter airline terminal. The new facility, in the same area of the former ticket counters, will be occupied by PBA and Precision Airlines under terms of a ten year contract. The new facility will have an attractive ticket and lobby area with a couple of offices on the upper floor. Downstairs will be the boarding gates, on-line baggage claim, baggage makeup, operations and crew lounge, and storage areas. New belt loaders, new heating and ventilation, plus attractive furnishings should make this new facility very acceptable to passengers. Completion date is set for March of 1981.

SHUTTLE TO THE SHUTTLE

PBA's new Hyannis/Boston schedule effective October 24 changed the departure times from Hyannis to on the hour, with an arrival in Boston at half past the hour, in order to connect with the Eastern Air Lines New York Shuttle that departs on the hour. The Hyannis plane then turns around and returns at 45 past the hour, thereby making a convenient connection for New York Shuttle passengers arriving Boston on the hour. This slightly increased connecting time takes into account unusual traffic delays, which in the past have caused some anxious moments for interline connecting shuttle passengers.



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JUST CALL US 'PBA'

When John Van Arsdale, Sr. started scheduled service between Provincetown and Boston in 1949, he took a page from the railroads' book (like New York, New Haven, and Hartford Railroad) and decided to name the company Provincetown-Boston Airline. "I got tired of having people ask me 'Where do you fly?' and thought I'd answer that question in our name," he said.

But when the company went to Naples, Florida in 1960, a new name "Naples Airlines" was created for that operating division of the company.

But when service was started at Punta Gorda, Florida, then Hyannis, Massachusetts, then Marathon, Florida, then Key West, Florida, and now looking to Nantucket, New Bedford, and La Guardia, one name had to be arrived at to cover all locations. So the company just decided to have the three letters "PBA" as a name for scheduled service wherever it is offered by the company.

Now it's "PBA" All The Way.

NEW BEDFORD ESSENTIAL AIR SERVICE

During October, under the provisions of the Airline Deregulation Act of 1978, the Civil Aeronautics Board issued an invitation to commuter airlines to submit proposals for providing Essential Air Service between New Bedford and Nantucket and between New Bedford and New York. PBA management studied the requirements and submitted a proposal to provide the service. The next step will be a decision by the New Bedford community as to which carriers it prefers to provide them the service, and then a negotiation between the Civil Aeronautics Board staff and the selected carrier in order to determine if an agreement can be reached to select one for providing the Essential Air Service under mutually acceptable terms and conditions. A new carrier should be serving New Bedford by February or March of 1981. PBA's proposal includes service using a brand new Embraer Bandeirante, which has been ordered for delivery in January.

THE END OF JOINT FARES FOR COMMUTERS?

August 8 American Airlines filed a Petition with the Civil Aeronautics Board (CAB) for Rulemaking. In essence, American wants the Board to eliminate the requirement currently contained in the Airline Deregulation Act of 1978 making joint fares and division of revenues mandatory between large carriers and commuter airlines.

It was about 1969 that the CAB permitted joint fares with commuters. Small communities could enjoy the same benefits of reduced interline connections as had previously existed only between certified carriers. It was 1972 before PBA could get them at Naples and 1978 at Provincetown. Today joint fares are available to passengers at every small community served by PBA. Where ground transportation is quite competitive with air, like Hyannis, Massachusetts, over 80% of the passengers ride joint fares. Despite on-line promotional fares, such as PBA's "Crazy" fare, few passengers pay the published on-line fare HYA-BOS even though it is less than the Standard Industry Fare Level. The elimination of joint fares at Hyannis, as an example, would cost passengers money and reduce traffic.

Speaking before the Fall Convention of the Commuter Airline Association of America in Phoenix on November 12, Robert L. Crandall, President of American Airlines, clearly set forth the goal of his company. In the current deregulation environment commuters will have to bargain for joint fares, which will be written only if they benefit American. Long haul carriers, like American, feel they will get the passengers anyway, without joint fares. There is no longer the legal mandate for an integrated air transportation system, but rather the survival of each individual carrier.

CAB is currently taking American's Petition under advisement. Expression of passenger opinion objecting to the loss of joint fares at small communities can influence the final decision. To make their feelings known, passengers may write Docket Section, Civil Aeronautics Board, Washington, D.C. 20428 and refer to American Airlines' Petition to eliminate mandatory joint fares Docket No. 38585.