



Vanguard Eagle

San Diego Chapter **AA TWA** **U-S AIR** June 2017

Annual Membership Donation (per single or couple - includes newsletter subscription) _____ \$ 20.00

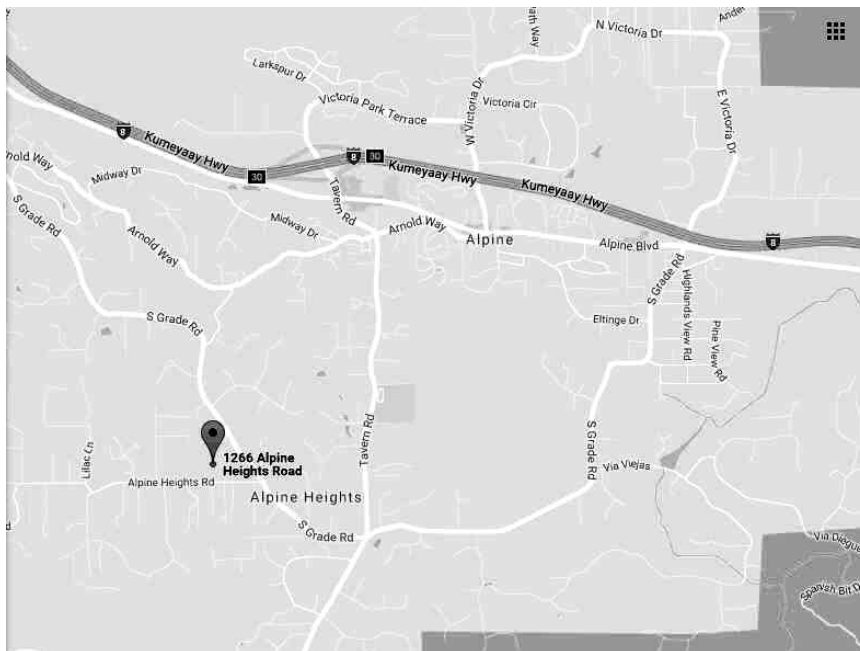
Please submit membership donations to Kay Bays, Vanguard Treasurer, 5038 September Street, SD, CA 92110

---The 2nd of May Vanguard Meeting---

The guest speaker scheduled for our 2 May 2017 meeting had a meeting in northern California and was not able to give us a presentation, so Bruce Craig, who had talked to him, gave the presentation himself. Leroy Athey was the scheduled speaker and he is the owner-operator of the Descanso, Alpine and Pacific Railroad, which is located at his home at 1266 Alpine Heights Road, in Alpine, California. Leroy initially started his railway with an 18 inch utility lumber car and track. He paid to have the axels of the cart lengthened to 24 inches, which is a standard for many small trains around the country. Next he found an add for an old, now inoperative Locomotive, in Hemstead Texas. It had originally been the work horse for a crushed limestone quarry in Missouri in 1935, and was later sold to the Texas location. Athey paid a thousand dollars for the inoperative Brookville locomotive but had to completely disassemble it and replace many of the broken parts with used ones from around the country. When he got done with the restoration in 1992, the engine looked and performed like new. He bought more track to extend his railway and now offers free rides every Sunday from 1

to 3 pm to those who find their way to his station. The circuit features a 120 ft long wooden trestle rated at 18 tons, and a beautiful view of the mountains in the background. Bruce Craig took a railroad trip with his mom and brother in the 1940's from Chicago to San Diego which actually used the Campo Railway route going through Mexico and over the Carizzo Gorge with its high trestles and many tunnels and reentering the US at Tecate and finally terminating at the Santa Fe Station in San Diego.

Bruce was very impressed with Leroy Athey's construction effort and his station routine, which he likened to his 1940's train trip. If you want to ride the Descanso, Alpine and Pacific Railroad, come out to 1266 Alpine



Heights Road in Alpine between 1 and 3 pm on **any Sunday**.

Type this link into your browser to get more information: <http://tourguidetim.com/descanso-alpine-and-pacific-railway/> or: <https://www.youtube.com/watch?v=QCScAjFQdtw&t=51s>

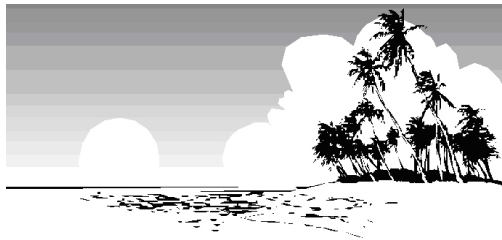
You can also view the Railroad on You Tube: Just type in **Light Rails Squealing - The Story of the Descanso, Alpine & Pacific** into the You Tube search slot.

---June 6th Meeting---

Irene Garrett told us that the June 6th meeting would be in the basement of the Air and Space Museum. If you have enjoyed the picnics of past years behind the Air and Space museum, you would have seen the entrance to the museum basement across from the picnic area unde the pine trees. You can enter the museum basement there or if you would rather come into the museum at the front entrance, you would go through the rotunda and go in the rear door towards our former classroom, and then turn left towards the elevator. You would then use the elevator to go down to the basement.

---No July Meeting---

Since our meeting for July falls on Tuesday, 4 July 2017, many members asked if we would be holding it on that date or move the meeting back a week, or just cancel it. The members present at the May 2nd meeting voted to cancel the meeting. So the next Vanguard event will be our picnic in August 2017 near the Bayside Hilton location.



---June 20th Beach Clean-up---

We encourage any Vanguard members to get some fresh air, and sunshine by attending our June beach clean-up. It will be the 3rd Tuesday of the month, June 20, 2017, at Ventura Cove across from the Bahia Hotel. A mystery chef will provide the entree. We meet at 10 a.m. You will need to bring with you gloves and a plastic bag or bucket for trash plus a plate and silverware and a beverage of your choice. Bring your favorite treat and join us for Lunch. This is an opportunity for some outdoor activity and a chance to share a little gab with your fellow airline retirees and taste some of their favorite dishes. We recommend getting a Pick-up Stick to avoid bending excessively while cleaning the beach. . Hope to see you there.

---Overdue List---

The following members still have not made their yearly donations. All retirees are Vanguards, but only those who make the \$ 20 dollar donation will receive the newsletter. We need the money from this fee in order to pay our yearly rent to the Air and Space Museum in Balboa Park.

Bracken	Burnett	Carlin	Cape	Daniels	Ellison	Evans
Kaptain	Will Larsen	Mccarthy	Rieder	Phifer	Vock	Weese

---Lower Service Charge on myIDtravel---

After American Airlines dropped its service charge on non rev travel about 6 months ago, (except for government taxes or local fees) it looks like they have also either lowered or eliminated their portion of the fee for the myIDtravel charges on other airlines. My wife recently took a Lufthansa flight to Munich which formerly cost us \$ 125 dollars in years past. Now we were charged \$ 92 dollars for the same flight. So unless Lufthansa has lowered its fee, it appears that American has lowered its administration fee for flights on other airlines. If you have taken flights on other airlines over the past years, check out the new rates and compare it to your past charges.

Happy Birthday Vanguards



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|---|--|
| June 3 - Harry Williams | June 19 - Deanna Ayers, Suzanne Parsons |
| June 4 - Ginger Hill | June 20 - Carol Holt, Betty Butler |
| June 5 - Marlene Slagle | June 23 - Luise Juhnke |
| June 7 - June Caldwell, | June 24 - Bob Solsbak, Sandy Peterman |
| June 10 - Mary Kennedy | June 25 - Nancy Conklin |
| June 12 - Beverly Taylor, Norman Flamion | June 27 - Donna Myers |
| June 13 - Fran Steinberg | June 29 - Carolyn Broady |
| June 15 - Marion Bracken | June 30 - Lyle Turner |



---Vanguard Anniversaries---

- | | | |
|--|--------|--------|
| June 5 - Bruce and Claudette Craig | (1958) | 58 yrs |
| June 21 - Bill and Gerry Sherlock | (1958) | 58 yrs |
| June 22 - Fred and Julie Chabot | (1985) | 31 yrs |
| June 29 - Richard and Marge Doremus | (1962) | 54 yrs |



April 9 - **Wendell Q. Price**, retired Passenger Service Supervisor and a former president of the Vanguards had a well attended service at Miramar National Cemetery on 26 April 2017 which many of our Vanguards attended. I counted some 60 automobiles in line to the service site, so Wendell had made a lot of friends. An after service Celebration of Life was held at the Miramar Officers Club located on the Miramar Marine Air Station Base.

Wendell Quentin Price was born April 28, 1930 in Toulon, Illinois. After graduating from High School, he knew that his career was not going to be a farmer. Learning how to fly his father's airplane at the age of 15, sparked his passion to see the world. Wendell moved to Seattle, Washington and attended the University. After completing some college and a Business Technical school, he returned to the Midwest. He was then drafted into the Army and served 2 1/2 years in the Korean War. After the war, the Army wanted him to stay in Korea and work as a court reporter. He chose not to relocate and settled in Cincinnati, Ohio, where he met the love of his life, Mary Louise Smith. In 1955 they were married at the Covenant First Presbyterian Church, Cincinnati. Wendell worked for the Pennsylvania Railroad. Moving to San Diego, in 1959, brought him the opportunity to pursue his passion for traveling and worked as a Supervisor of Passenger Service for American Airlines. After retiring from the airlines, he worked for Holland America Cruise Company and continued his love for adventure. Serving as a long time usher at First Presbyterian Church, San Diego, he was known for his warm smile and unforgettable greeting. Wendell was a loving husband, father grandfather and great-grandfather. His sense of humor will never be forgotten as it truly touched so many lives.

---Silk Way Orders 10 737 MAX 8s---

14 Apr 2017

Airwise

Azerbaijan's Silk Way Airlines has ordered 10 Boeing 737 MAX 8s in a deal worth \$1.1 billion dollars at current list prices. Delivery of Silk Way's first passenger aircraft is expected in late 2018. "Silk Way's success and profitability is a direct result of investing in its fleet and services and growing its regional and international footprint," group president Zaur Akhundov said. "I am confident we will maintain our rate of growth," he added. Silk Way currently operates a mixed fleet of cargo aircraft, consisting mainly of Boeing 747 and 767 freighters.

---Airbus Delivers First A321neo To Virgin America---

20 April 2017

Airwise

Airbus delivered the first A321neo to Virgin America on Thursday at a handover ceremony in Hamburg. The A321neo is the largest member of the A320neo family of single aisle aircraft, seating up to 240 passengers in a single class layout. Virgin America will operate it in a 185 seat configuration. The Virgin A321neos are powered by CFM International's LEAP-1A engines and add to the airline's existing 63 Airbus A320 family fleet. "After Virgin America having been the first customer signing for the A320neo back in December 2010, we are today delighted to deliver the first A321neo to them," Airbus chief operating officer Fabrice Brégier said.

The future of Virgin America's Airbus aircraft is in doubt **however after the carrier's takeover in December by Alaska Air Group** which operates an all Boeing fleet. Virgin is expected to take delivery of five A321neos this year, but a further five and an order for A320neos is in doubt as Alaska reviews its aircraft needs post merger. Alaska has already announced that it will drop the Virgin America brand in 2019 and rebadge the airline as Alaska Airlines. The new A321neo is expected to enter service on May 31 on the San Francisco to Washington Reagan National route.

---China Southern Orders 20 Airbus A350s---

26 Apr 2017

Airwise

China Southern Airlines has ordered 20 Airbus A350-900s in a deal worth \$6.2 billion dollars at current list prices. The aircraft will be delivered between 2019 and 2022, China Southern said in a submission to the Hong Kong Stock Exchange. Six will be delivered in each of 2019 and 2020, and four in 2021 and 2022. China Southern's president Tan Wangeng said the A350 "is the ideal choice for our international long haul routes. The introduction of the A350 XWB will help to strengthen our position as one of the world's leading international carriers." China Southern operates a fleet of over 300 Airbus aircraft, including over 250 A320-family planes and five A380s.

---Boeing Boosts Profit On Lower Revenue---

26 Apr 2017

Airwise

Boeing reported a first quarter net profit of \$1.45 billion dollars, a 19 percent increase on the previous year. Total revenue came in at \$20.98 billion dollars, a 7 percent drop from 1Q16. In the commercial aircraft division, revenue edged down 1 percent to \$14.3 billion dollars as fewer 737s were delivered. Boeing is transitioning to 737 MAX production, with entry into service of the new aircraft expected in May. The first quarter operating margin increased to 8.5 percent, from 7.2 percent, reflecting improved performance on production and services, the Chicago-based company said.

Boeing took \$27 billion dollars of net orders in the quarter as the value of its backlog rose to \$480 billion dollars, up from \$473 billion dollars at the start of the period. The commercial aircraft division booked 198 net orders during the quarter, with the backlog now standing at more than 5,700 planes valued at \$417 billion dollars. Boeing's chief executive Dennis Muilenburg said that milestones achieved during the quarter included certification of the 737 MAX 8 and first flight of the 787-10 Dreamliner. "We remain on track to achieve our full-year revenue, earnings and cash flow targets," he said in a company statement. Boeing delivered 169 commercial aircraft during the quarter, a drop of seven from last year. The 737 saw the biggest fall in deliveries as Boeing ramps up production of the 737 MAX. Wide-body deliveries were broadly similar to the first quarter 2016.

---Airbus First Quarter Net Profit Jumps 52 Percent---

27 April 2017

Airwise

Airbus posted a first quarter net income result of €608 million euros (\$660.5 million dollars), a 52 percent increase from last year's quarter. Group revenue for the quarter to end March came in at €12.99 billion euros, up 7 percent from 1st Q 2016. Revenue at the commercial aircraft division was 13 percent up at €9.82 billion euros. Adjusted EBIT (Earnings before Interest and Taxes) for commercial aircraft fell 31 percent to €281 million euros, however.

Airbus delivered 136 commercial aircraft during the period, up from 125 in the previous year's quarter. Thirteen A350s went out to customers as the production ramp up continues and it moves towards its monthly production target of 10 aircraft by the end of 2018. Airbus delivered 26 A320neo-family aircraft, including the first A321neo to Virgin America in Q1. Delivery delays of the A320 are easing but "customers are experiencing a number of in-service issues which need to be resolved, in particular with the Pratt & Whitney GTF engine," the company said.

Net commercial aircraft orders dipped to six from last year's ten, in what is generally a quiet part of the year for sales. At the end of the quarter, the order backlog stood at 6,744 aircraft, valued at €1,030 billion euros. "New order activity was low in Q1 as predicted but let's not forget that our strong order book of over 6,700 commercial aircraft supports our ongoing production ramp-up," Airbus chief executive Tom Enders said in a statement. Looking forward, Airbus expects to deliver more than 700 commercial aircraft in 2017.

---Embraer Profit Down As Deliveries Drop---

2 May 2017

Airwise

Embraer reported a first quarter net profit drop of almost 60 percent as aircraft deliveries fell by a quarter. Revenue was down 21.6 percent to \$1.03 billion dollars in what is seasonally a quiet period for deliveries. Operating costs were down 16.8 percent at \$871.8 million dollars, giving a \$154.5 million dollar gross profit. Net income came in at \$44.4 million dollars, a 58.1 percent drop from 1st Q 2016's \$106 million dollar profit.

The main cause of the lower profit was the drop in deliveries, with three fewer commercial aircraft and executive deliveries down by eight. The Brazilian plane maker delivered 18 commercial and 15 executive jets in total during the quarter, down from 21 and 23 respectively in the same period of 2016. Embraer's largest division, commercial aviation, reported a 10.5 percent drop in net revenue to \$636.4 million dollars, but it was the executive jet segment which saw the biggest revenue fall, down from \$401.8 million dollars in 1st Q 2016 to \$226 million dollars this year. Looking forward, Embraer said it "remains confident in its 2017 guidance for 97 to 102 total commercial jet deliveries and 105 to 125 total executive jet deliveries."

---China's C919 Takes Off On First Flight---

5 May 2017

Airwise

China's plans to tackle Airbus and Boeing's dominance of the single-aisle jet market moved a step closer with the first flight of the C919 on Friday. The maiden flight of the 168-seat C919, with five crew aboard, took off from Shanghai's Pudong Airport and lasted an hour and twenty minutes. The C919, manufactured by the Commercial Aircraft Corporation of China (COMAC) was initially scheduled for a first flight in 2014, but suffered a number of delays, with rollout of the first aircraft not happening until November 2015. Ground testing was completed in April in preparation for its maiden flight. China's desire to be more self-sufficient in aircraft supply has some way to go though, with C919 testing expected to take at least three years before airworthiness certification. It then has to gain certification from the FAA and EASA to fly in the US and Europe.

Boeing and Airbus are by far the largest suppliers of commercial aircraft. Boeing received net orders for 210 aircraft in the first four months of the year and delivered 221. Airbus delivered 182 aircraft in the year to end April, but received only 23 net orders. COMAC says it has taken 570 orders for the C919, but firm orders are probably a lot closer to a hundred, China still has some work to do.

---Alitalia in Administration, Government Approves Loan--- 2 May 2017 Airwise

Alitalia has applied for special administration (reorganization) after employees last month voted to reject the airline's latest rescue plan. Under the "amministrazione straordinaria" (extraordinary administration) the Italian government has appointed three commissioners to manage the airline. It wants the commissioners to preserve the value of the company either through restructuring or by a full or partial sale.

The government has approved a €600 million euro (\$655 million dollar) bridging loan to allow the carrier to continue operations while a solution is found. Alitalia said flights will operate normally during administration. Alitalia's largest shareholder Etihad said it would not invest further in the ailing carrier "without the support of all stakeholders."

Under the airline's latest business plan, employee numbers were to be cut by about two thousand and costs reduced by €1 billion euros (\$1.09 billion dollars). Two-thirds of the savings were due to come from non-staff related costs, with the plan leading to profitability by 2019. In a vote last month, staff rejected the business plan, expecting the company to be put into administration and hoping for a less drastic outcome than the proposed cuts. Alitalia has been losing over a million euros a day as competition from low cost carriers in Europe hit its business. The airline negotiated a €500 million euro rescue package in 2013, and received a further boost in 2014 when Etihad (of Abu Dhabi) agreed to take a 49 percent stake in the ailing Italian carrier.

---Qantas Forecasting Second-Best Annual Profit--- 4 May 2017 Airwise

Qantas is forecasting its second highest result ever for its full year to end June, as domestic operations show improved performance and international conditions ease. The Australian flag carrier said it expects a full year, pre-tax profit of between \$1.35 billion and \$1.40 billion Australian dollars (\$1 billion - \$1.03 billion US dollars). That would be a drop from the previous financial year's \$1.53 billion Australian dollars, but still the airline's second biggest pre-tax profit.

In an update for the third quarter to end March 2017, Qantas said the tough conditions in the international market had eased slightly, with unit revenue down 5.6 percent over the previous year's quarter. The airline increased international capacity by 2.2 percent in 3rd Q. Group revenue for the quarter fell 1.4 percent to \$3.96 billion, from \$4.01 billion Australian dollars. Qantas International increased capacity by 4.8 percent in the third quarter, but its low cost unit Jetstar saw a 1.8 percent decline as a Japanese route was transferred to Qantas. Unit revenue in the domestic segment rose 4.6 percent on a capacity drop of 3.7 percent as it reacted to the downturn in Australia's mining sector.

"Last year we posted the highest earnings in Qantas' history and our guidance today would make this year's underlying profit the second best in almost 100 years, Qantas chief executive Alan Joyce said. "Internationally it's still tough, with high levels of capacity growth pushing fares down, but we've seen those conditions ease slightly. Because of the work we've done to transform Qantas... our international businesses are navigating the headwinds better than our key competitors," Joyce added.

---Southwest Airlines Reports April Traffic--- 8 May 2017 Airwise

Southwest Airlines flew 11.1 million revenue passengers in April, a 7.3 percent increase on last year. RPM (revenue passenger miles) traffic stood at 11.23 billion, up from 10.36 billion in April 2016 - an 8.4 percent increase. ASM capacity rose at a slightly smaller rate, 7.6 percent, to 13.37 billion, with a resulting load factor of 84.0 percent, a 0.6 percentage point increase. Southwest, the second largest US airline by passengers carried, expects its second quarter 2017 operating revenue per ASM (RASM) to increase in the one to two percent range, compared with 2nd Q 2016.

---Delta, Aeromexico Launch Transborder Joint Venture--- 8 May 2017 Airwise
Delta Air Lines and Aeroméxico on Monday launched their transborder cooperation agreement for flights between Mexico and the United States. The launch comes after the US Department of Transportation approved antitrust immunity for the alliance in December of last year. Delta said the partnership will allow the airlines to expand competition, add new destinations, and invest in airport facilities. The alliance will also see the introduction of joint sales and marketing initiatives in both countries.

“The ability to cooperate fully with Aeroméxico brings additional competition to one of the most dynamic transborder markets in the world,” Delta chief executive Ed Bastian said. “We are now well positioned to provide significant benefits to our customers, our businesses and our employees.” Aeroméxico CEO Andres Conesa said the agreement “represents an extraordinary opportunity for growth and the adoption of best practices that will make us the best alliance in the region.” Under the joint venture, Delta will provide service in the US through its Atlanta, Detroit, Los Angeles, Minneapolis-St. Paul, New York, Salt Lake City and Seattle hubs. Aeromexico will offer greater access to Mexico through its hubs in Mexico City, Monterrey and Guadalajara. Delta owns 36.2 percent of Grupo Aeroméxico and has options to acquire an additional 12.8 percent of its stock.

---American Reports Strong April Traffic--- 9 May 2017 Airwise
American Airlines reported its April traffic on Tuesday showing higher passenger numbers and traffic. American carried 16.5 million passengers during the month, a 0.8 percent increase from the same month last year.

RPM (revenue passenger miles) traffic was up 3.1 percent to 18.59 billion on an ASM (available seat miles) capacity increase of 0.8 percent to 22.6 billion. Resulting load factor was 82.2 percent, a 1.8 percentage point rise from 2016. Traffic on international routes rose 11.6 percent, with Pacific region traffic jumping 27.7 percent. Domestic passenger traffic by contrast fell 0.8 percent.

American grew ASM capacity by 29.5 percent on international routes, but eased it back by 1.6 percent for its domestic mainline network. **The Fort Worth-based carrier expects its 2nd Q 2017 total revenue per available seat mile (TRASM) to be up by about 3.5 to 5.5 percent over the second quarter 2016.**

---IndoGo To Go Regional With ATR Order--- 9 May 2017 Airwise
India’s IndiGo has signed a provisional order with ATR (*French-Italian aircraft manufacturer headquartered on the grounds of Toulouse Blagnac International Airport in Blagnac, France*). for up to 50 ATR 72-600 aircraft, in a deal worth over \$1.3 billion dollars at list prices. The agreement allows IndiGo to vary the number of aircraft under certain conditions. ATR said the first aircraft should enter service by the end of the year.
IndiGo, currently an all-Airbus operator, will use the ATRs to build a regional network in India as the government pushes to boost local economies by connecting small and remote cities. “We are embarking on a journey to build a nation-wide regional network and connect cities that have not benefitted from the growth in Indian aviation,” IndiGo president Aditya Ghosh said. “The ATR’s low operating costs will help us build a large regional air travel network with reasonable fares.”
The provisional order coincides with the launch of the Indian government’s Regional Connectivity Scheme, UDAN, that aims to boost economic development, employment and tourism in the regions. India’s domestic aviation market has been growing by more than 20 percent annually, reaching almost 100 million passengers in 2016. Under UDAN 100 new airports will be built over the next two-to-three years and airlines will receive financing and other incentives to support the plan. **Low cost carrier IndiGo is the largest airline in India by passenger numbers and fleet size.** It operates a fleet of over 130 Airbus A320-family aircraft, including 20 A320neos out of an order for over 400.

**San Diego Vanguard
c/o Kay Bays
5038 September Street
San Diego, California 92110**

**Next Meeting
June 6th, 2017
10:15 AM
SAN DIEGO AIR & SPACE
MUSEUM (Basement)**