

Arizona company essays example

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US Airways was originally an airmail service carrier for the Ohio River Valley named All American Aviation Inc, a creation of brothers Stephen Gardener, Richard DuPont and Alexis DuPont in 1939. It was renamed All American Airways in 1949 and, was changed to a passenger airline an airmail carrier in 1953 and became Allegheny Airlines. By 1973 Allegheny Airlines had become one of the leading airlines in North America, especially after the absorption of Lake Central Airlines in 1968 and Mohawk Airlines in 1972. In 1979 Allegheny Airlines rebranded to USAir as it expanded its services into the southeastern US, especially to Florida where it had an increasing market. By early 1990 USAir had expanded to Europe including Paris, London and Frankfurt, transforming it into a transatlantic airline. The airline again changed its present name to US Airways in 1996.

US Airways is a domestic and international carrier operating in over 230 destinations and 3800 flights to Europe, the Latin American, Caribbean, Middle East and the US. The airline operates a fleet of mainline jet aircrafts, regional jets and turbo-prop aircrafts which offer different services in their business, first and economy classes. Business class is found in its longer distance flights into Europe, South America and the Middle East; with personal video on-demand screens, an AC outlet and complementary food and drinks for passengers. First class services are found on all mainline aircrafts and some regional jets with over 50 seats, here free beverages and snacks are offered as well as pillows and blankets with meals being provided if flights are 3.5 hours or longer. Economy class is found on all flights where short flights offer free snacks and drinks while meals are by-on-board for longer flights, apart from transatlantic travels which offer free standard meals

and drinks although premium service is paid for.

The price earnings ratio and stock price range of US Airways have been unavailable since 2009 when the company reported a \$205 million loss. US Airways was affected by the September 11th attack which led to a significant reduction in air travels, this led to the company declaring bankruptcy in 2002 which it never fully recovered from due to soaring fuel prices and tough labor debates. In order to save itself, it merged with American West in 2005. Since the mid 1990's, US Airways has been facing tough competition from low-cost carriers which, it responded by introducing its limited single class metro-jet service which made little difference since its major business model remained the same. US Airways is also anticipated to suffer from the new Federal Aviation Administration (FAA) safety regulations, as it would have to incur addition costs to ensure that its fleet and staff comply with them. This will likely result to increased expenses, at a time when the company is struggling with reducing its cost of operation so as to regain profitability.

The Chief Executive Officer of US Airways is Dough Parker aged 52 while, the company's Chief Financial officer is Robert Isom aged 50.

UniSource Energy Corporation (UNS) was incorporated in 1995, whose subsidiaries are Tucson Electric Power Company (TEP), UniSource Energy Services Inc. (UES), UniSource Energy Development Company (UED) and Millennium Energy Holdings Inc. (Millennium); it however operates as three sectors TEP, UNS Gas and UNS Electric. UNS Energy began as the holding company of TEP in 1998 and later, renamed Citizen Communications to UES after a 2003 acquisition.

TEP is tasked with the wholesaling of power to utility and electricity marketing companies. TEP has a distribution network from its generation plants in Navajo, San Juan, Springerville and Luana to provide both solar and coal generated power to its retail customers. This include about 512 circuit miles of overhead transmission and 4389 circuit miles of underground distribution. UNS Gas mainly provides gas to residential areas and about 30% to retail customers, purchased from the San Juan Basin and distributed through the EPNG and Transwestern pipeline systems at a mean rate of 126100 therms per day. UNS Electric is produces power from gas and diesel powered turbines from its two 150 megawatt facilities and, distributes the electricity mainly to residential areas and several commercial light and heavy industries.

Prices

P/E Ratio

201319: 15

201219: 11

201119: 19

UNS Energy revenues are highly dependent on the residential sector which, has been greatly affected by the raging economic crisis. The high rate of unemployment resulting from this has affected customer growth since the purchasing power of most individuals has substantially reduced, therefore reducing the demand for electricity by residents as they try to cut back on spending. Some of UNS Energy power generation pants depend on diesel and gas to operate their turbines and with increasing gas and oil prices, the company has faces significant challenges to this end, having to put this

burden on consumers by increasing the cost of power to reflect these changes. The increasing use of energy saving appliances by households has also been a challenge to the company, as this has led to a reduction in the levels of energy consumption by its retail customers. Households have even adopted the use of conventional generation units like solar, to reduce their reliance on costly electricity from UNS Energy.

UNS Energy management including the CEO, David Hutchens and its CFO, Kevin Larson are optimistic that the company's baseline is steady. This is attributed by the Arizona's extreme climate which dictates for air conditioning during summers and heating during winter, thus an interchange between electricity and gas keeps the company operational throughout the year.