

The history of delta air lines essay sample

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Founded in 1924, Huff Daland Dusters began as a crop dusting service in Macon Georgia. Once moving to Monroe Louisiana in 1925, the modest crop dusting company was taken over by the former vice president C. E. Woolman and two partners. That was the beginning of what would become the world wide airline corporation Delta Air Lines. In the span of 82 years Delta has gone through numerous changes, more positive than negative. Delta has been the leader in commercial aviation, being the first, time-and-again, to try new corporate strategies and technology.

After changing Huff Daland Dusters to Delta Air Service in 1928, C. E. Woolman began a passenger service the following year between Dallas, Texas and Jackson, Mississippi. The Travel Air S-6000B was a small plane featuring room for five passengers and one pilot. Things began to move quickly for Delta Air Service. After a few name changes, the airline operated as Delta Air Lines, beginning in 1934 after winning a contract from the United States Postal Service. After moving headquarters to Atlanta, Delta made the first of many mergers. It was 1953 when Delta gained routes in the Midwest and south by merging with Chicago and Southern Airlines (MSN Encarta Standard).

This initial merger led to several more through the decades. 1972 brought the merger of Delta and Northeast airlines, a major carrier in New York and Boston. This gave Delta direct routes from the Northeast and New York to Florida. Delta was rapidly expanding. It was when Delta merged with Western Airlines in 1987 that Delta becomes the fourth largest U. S. carrier and the fifth largest world carrier (Delta. com). It is at this time that Delta begins its first transpacific service; a service bringing passengers from

Atlanta to Portland Oregon and then to Tokyo. 1991 began with the acquisition of the majority of the bankrupt Pan Am. Delta took over the transatlantic routes as well as the Pan Am Shuttle. This was the largest acquisition of flight in airline history; (Delta. com)

Delta gaining routes between the United States and Europe. Unfortunately, the transatlantic routes were not profitable because of fewer passengers, higher fuel fares and the competitors' low prices. This cost Delta more than 2 billion dollars from 1991-1994. Delta was hit hard because of this merger, it was no surprise then that Delta launched an extensive cost-cutting program in which ten thousand employees lost their jobs either by straight lay-offs, early retirement and attrition. After these drastic cuts, Delta proved profitable again in 1995. Not long after the failed acquisition of Pan Am, Delta forged with Swisscargo in 1998; creating the first International cargo alliance. (Delta. com)

Airline mergers were common in the 1990's which caused some unease amongst the airline industry. The Journal of Management Studies viewed these mergers as such:

In the 1990's, the number of alliances in the airline industry grew each year, and the scene also became very volatile; alliances were broken, new ones were formed very frequently, and airlines left one alliance group to join another. Such turbulence seemed to bring a measure of cautiousness and perhaps fear, if not paranoia, into the way airlines are willing to discuss alliances. Indeed, in the alliance frenzy of the late 1990's it was sometimes

difficult to tell whether an airline was a competitor or a partner” (January 2004).

As mentioned earlier, Delta is an airline that has established numerous firsts. In 1925, before the crop dusting company became Delta, Huff Daland's was the largest privately owned fleet in the world with eighteen planes. In 1935, with the Stinson Model A airplane (First delta plane with two pilots), Delta offered the first night service. With new plane models being added to the fleet every few years Delta was quickly multiplying in size. With the introduction of the Douglas DC-2 and the DC-3 service, Delta added stewardesses to the flight crew. Delta was the first airline with non-stop flights from Chicago to Miami (Delta. com). Many services in the aviation industry were established by Delta Air Lines; such as the interchange service which was established in 1948, the Douglas DC-8 jet service in 1959 and the Convair 880 jet service. These are only a few of Delta's developed services and models. One record holding accomplishment held by Delta was the flight from Los Angeles to Atlanta in less than three hours with the DC-8 commercial plane. Delta holds that record to this day.

While holding a record number of firsts, Delta developed many technological advances in the aviation industry. In 1964 Delta introduced the Deltamatic Reservation System using IBM 7074 computers. A decade and a half later Delta developed the Computer Reservation System (CRS). The 1980's was a big time for Delta in creating consumer programs. Delta launched the Frequent Flyer Miles (Sky Miles since 1995) in 1981 (Delta. com). To strengthen relations with regional airlines, Delta developed the Delta

Connections Program. It is at that time they began service to Hawaii and astonished flyers with the introduction of the Airfone on the L-1011.

WORLDSPAN Travel Information services combine the reservation systems of TWA, Northwest Airlines and Delta in 1990. With the rise of the internet, Delta quickly introduced SkyLinks for online ticket purchases and reservations in 1996. This was later to become the Delta website, delta.com. That same year Delta Express was introduced for low-fare passenger service from Orlando, Florida. Other programs were developed by Delta in their constant strive for customer satisfaction.

Some of the most substantial firsts for Delta was the creation of the hub and spoke system which allowed flights to connect between traveling, the installation of Radar in all Delta aircrafts in the early 1950's as well as the addition of automatic defibrillators which were installed on all Delta aircrafts in 1998. They were also the very first airline to voluntarily stop smoking on all flights in 1995.

Delta is not only known for its numerous firsts in development and technology but for the honoring awards it has received. As early as 1945, Delta was awarded the National Safety Council Award for flying over 300 million passenger miles and having ten years of flight without a single fatality of passenger or crew. Delta Air Lines receives two more National Safety Council Awards, the last in 1960. When the founder, C. E. Woolman passed away in 1966, a memorial of a 1925 Huff Daland Duster was displayed in his honor at the Smithsonian Institute in 1968. In 1996 the J. D. Power Award was given to Delta for its role as " a major carrier for long and

short haul flights” (Delta. com). Aviation Week and Space Technology magazine gave Delta recognition for “ Best Managed Major Airline” and Air Transport magazine awarded Delta with Global Airline of the Year for 1998; both presented in 1999.

Some of Delta Air Lines’ recognition came from their extensive involvement in World War II and more recently the Desert Storm/Desert Shield conflict. In 1942 during World War II Delta modified aircrafts; overhauling engines and instruments and training Army pilots and mechanics. With the Desert Storm/Desert Shield conflict, Delta was involved in CRAF (Civil Reserve Air Fleet), along with twenty-three other civilian airlines. Delta and the others were responsible for carrying military personnel and military cargo.

Another recognizable contribution made by Delta was its involvement in the Olympics; first as the official airline of the Centennial Olympic Games in 1996, then as the carrier of the Olympic Flame from Athens, Greece to Atlanta, Georgia in 2002 and then again as a sponsor of the Olympic Winter Games in 2002.

Even after the financial difficulties after taking over the majority of Pan Am, Delta was a viable competitor in commercial aviation. It wasn’t until after the September 11 attacks that Delta joined the financial hardships of commercial airlines. The attacks on the World Trade Centers in 2001 caused many airlines to go out of business, Delta has survived. A statement made by the Vice President of Government Affairs Delta Air Lines, Inc. in 2002, given before the National Commission at a Chicago Field Hearing gave an outlook of Delta’s financial status. D. Scott Yohe states:

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Last year, U. S. airlines collectively lost 7. 7 billion—despite the federal emergency package enacted by Congress to prevent an industry collapse in the immediate aftermath of the attacks. Delta alone reported a financial loss of \$1 billion in 2001. The total aid package covered only a few short weeks of the tremendous losses that the airlines continue to sustain. (4)

After the year's first quarter in 2002, the industry reported an additional 2. 4 billion dollar loss.

A major cause of this financial crisis is the huge cost of complying with the waves of new taxes, government mandates, and other new costs that have been imposed on air travel since September 11. (4)

As of 2004, even with a financial rebound, delta found stiff competition with low-fare carriers. After Hurricane Katrina damaged much of Delta's oil providing rigs, a rise in the cost of jet fuel occurred. It was then that " in September both Delta and Northwest filed for Chapter 11 bankruptcy protection" (Yohe 2002).

Delta as in the past has a game plan for their survival; new programs, customer discounts and new technologies are being tested and utilized in order to keep Delta " one of the largest companies in the world" (MSN Encarta standard).

Delta has risen from a crop dusting to a major provider of commercial air travel. By targeting consumer interests, Delta provides outstanding service and a variety of programs. Delta Air Lines history proves its dedication to both Americans and customers around the world.

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