

THE NEW FRONTIER: A CASE STUDY



by Paul Stephen Dempsey

Former Vice Chairman, Frontier Airlines Holdings, Inc.

Former Chairman, Lynx Aviation, Inc.

Some material borrowed from Frontier web site.

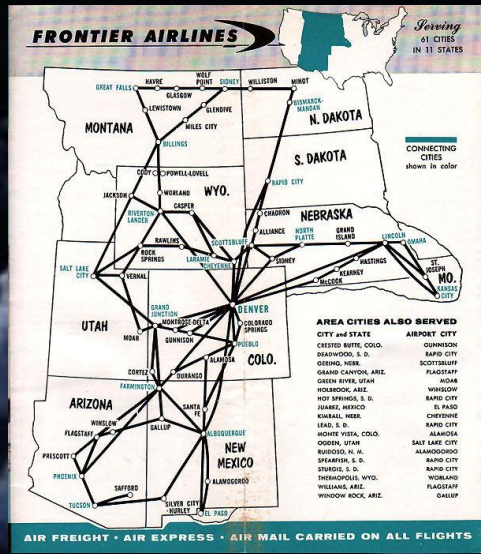
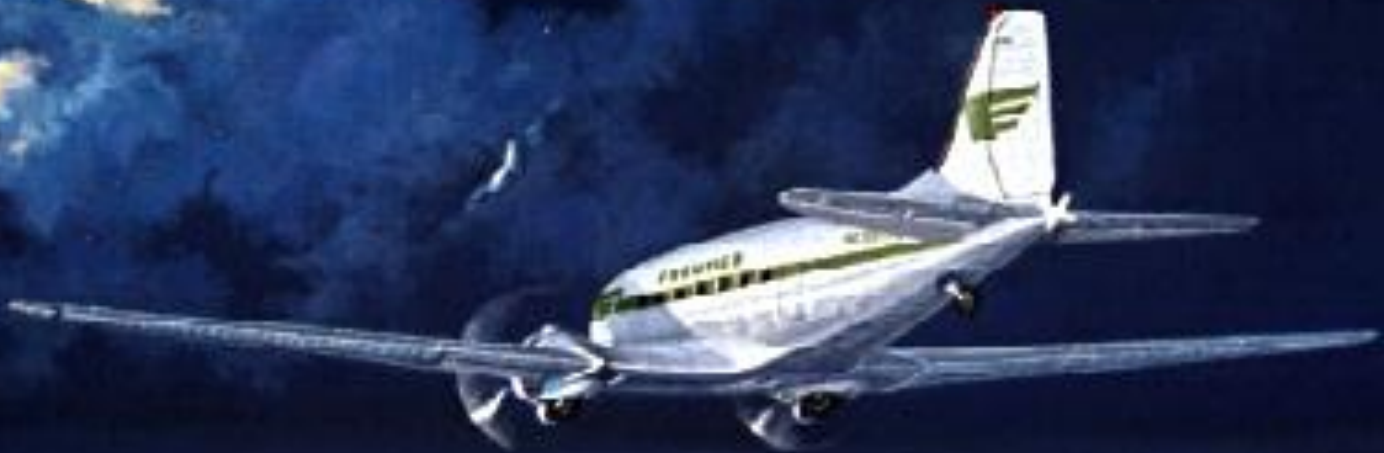


Issues to be Addressed

- Different roles of management/board
- Evaluation of Senior Management
- Setting of Corporate Strategy
- Decisions such as reincorporation or restructuring
- Director's Liability/ Responsibility
- Insider trading restrictions

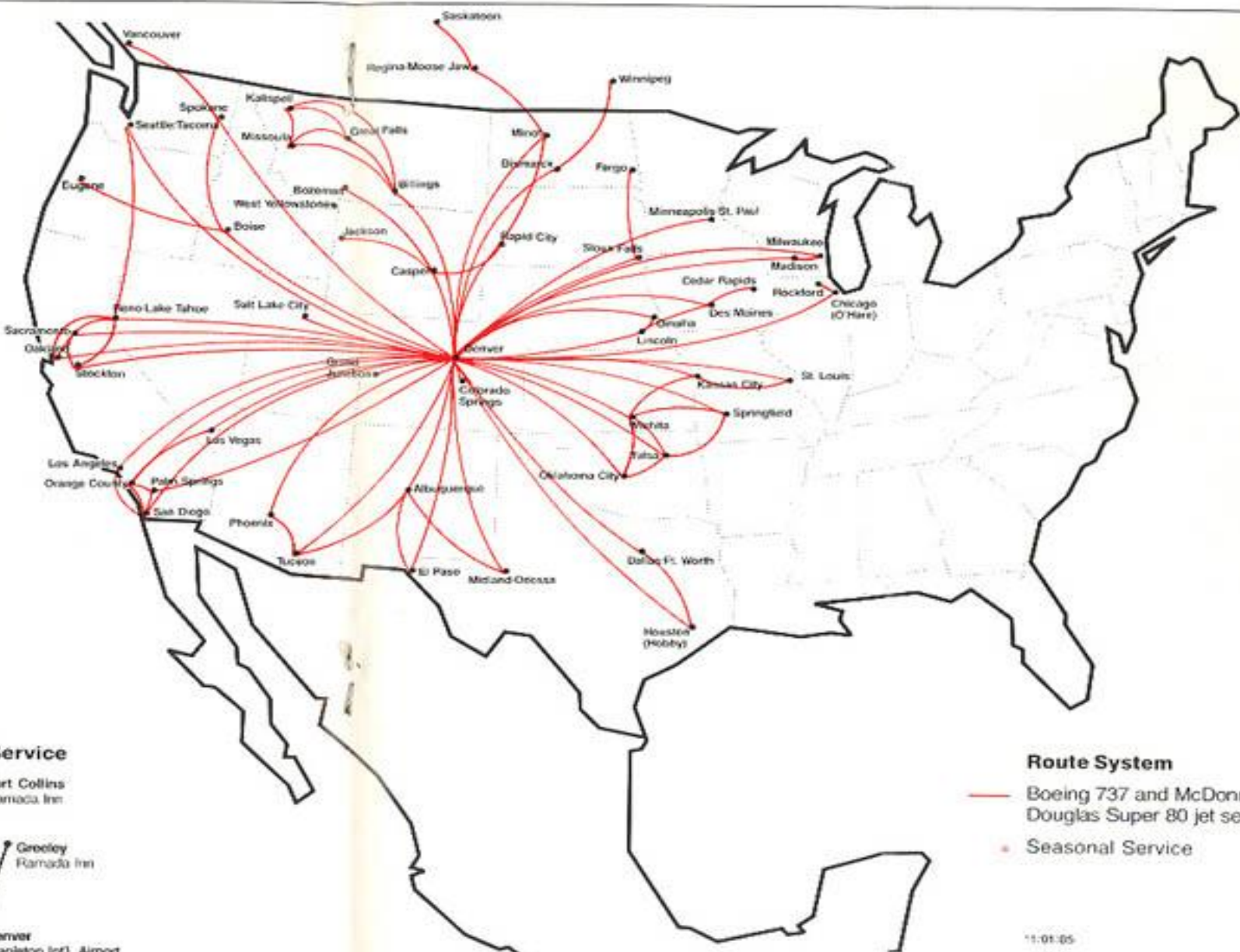
The original Frontier Airlines operated from 1946-1986







Frontier Route System





1994

- 1993 – Continental Airlines began to draw down its Denver hub
- Feb. 1994 – Frontier Airlines incorporated and filed an application with the FAA for a Part 121 Operating Certificate. Founders put up \$516,000 in "seed money." **Former Frontier Horizon President, Hank Lund, appointed CEO.**
- Mar. 1994 – Application filed with USDOT for a Section 401 Certificate of Public Convenience and Necessity.
- Apr. 1994 – Private stock placement nets \$1.3 million.
- May 1994 – **IPO nets \$7.6 million, completing startup financing.**
- June 1994 – **FAA and DOT Certificates approved.**
- July 1994 – **Service inaugurated** with two Boeing 737-200s on routes from Denver to Bismarck, Fargo, Grand Forks and Minot, N.D. Frontier has 180 employees.
- Remainder of year – Frontier launches service to Bozeman, Missoula, Billings and Great Falls, MT, El Paso and Tucson. Frontier carries 145,412 passengers with a fleet of five Boeing 737- 200 aircraft and 330 employees.

1995



- New routes added from Denver to: Omaha, Las Vegas, Chicago/Midway, Phoenix, Los Angeles, Minneapolis/St. Paul, Salt Lake City, and San Francisco
- Service discontinued from Denver to Minot, Grand Forks, Tucson, Billings, Bozeman, Great Falls and Missoula.
- **CFO Sam Addoms appointed CEO.**
- Fleet: seven 737s;
- employees: 430;
- traffic: 613,878 boardings



1996

- Mar. 21 – Frontier boards its one-millionth passenger.
- New routes added from Denver to Seattle/Tacoma, San Diego and St. Louis.
- Service discontinued from Denver to Fargo and Bismarck, N.D.
- **After second consecutive quarterly profit, United launches predatory price lock-down in Frontier markets from Denver on August 27**
- Fleet: ten 737s
- employees: 725
- traffic: 1,118,082 boardings.



1997



- New routes from Denver to Boston, Baltimore/Washington, New York-LaGuardia, and to Bloomington-Normal, IL, via Omaha
- Service discontinued to St. Louis and San Diego
- Revenue exceeds \$100 million during fiscal year ending March 31, 1997, which qualifies Frontier as a "national" carrier.
- After Congressional hearings, DOT and DOJ investigations, and bad publicity, United aborts predatory pricing.
- June 30 – Frontier **announces plans to merge with Western Pacific Airlines**, pending regulatory and shareholder approvals.
- Sept. 29 – merger with Western Pacific is aborted
- Fleet: thirteen 737s
- employees: 900
- traffic: 1,315,728 boardings.

1998

- Service resumed to San Diego and Las Vegas.
- New routes from Denver Atlanta and Dallas/Fort Worth
- Brought ground-handling “in house”, adding 100 employees
- Fleet: 17 737s
- employees: 1,200
- traffic: 1,530,873 boardings.

1999

- New routes from Denver to Portland and Orlando.
- Brought heavy-maintenance operations “in house” adding 105 additional employees.
- Maintenance Department receives the Federal Aviation Administration's Aviation Maintenance Technician Employers Diamond Certificate
- Named "Best Domestic Low-Fare Carrier" by Entrepreneur Magazine.
- Began offering special discounted fares and email notification of these fares, coined "Spirit of the Web" fares, via website.
- Received authorization to move from NASDAQ's SmallCap Market, a smaller capitalization tier of NASDAQ, to the National Market.
- **Reported first profitable year**, posting net income, excluding a one-time tax benefit related to the valuation allowance on deferred tax assets, of \$25.1 million. Distributed performance bonus checks to eligible employees, totaling approximately \$1.8 million.
- Stock is named to the Russell 2000® Index of small-capitalization stocks.
- To transition the fleet from Boeing to Airbus, Frontier signs a Letter of Intent to purchase **11 firm and nine option Airbus A318 and A319 aircraft** Sign a Letter of Intent to **lease 15 A318 and A319 aircraft** from GE Capital Aviation Services and one A318 from International Leasing Finance Corporation.
- Fleet : 20 737s
- employees: 1,800
- traffic:
- 2,181,911 boardings





Frontier Means Business

Frontier Airlines named
"Best Domestic Low-Fare Air Carrier"
in *Entrepreneur Magazine's* 1999
Business Travel Awards

Our Fares Won't Blow Your Budget.

If you're serious about cutting travel expenses, fly Frontier. Our business plan is to keep fares low, especially for business travelers flying on short notice. We have fewer restrictions, like no Saturday or overnight stay required. And while you buy low, you still fly high. We provide the services business travelers like—advance seat assignment, inflight snacks/sandwiches, one-way fares, and Continental OnePass® frequent flyer miles.

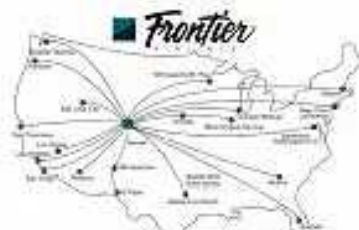
	Round One-Way*	Major City to One-Way*
Atlanta to San Francisco	\$ 466	\$ 601
Baltimore/DC to San Diego	\$ 514	\$ 651
Chicago to Los Angeles	\$ 397	\$ 531
Dallas/Fort Worth to Seattle	\$ 441	\$ 580
Minneapolis to Salt Lake City	\$ 344	\$ 464
New York to Denver	\$ 324	\$ 416

*Sample fares shown are one-way based on short notice reservations as of 7/20/99. \$2 air segment taxes and up to \$12 in passenger facilities charges also apply. A flight segment is defined as one take-off and one landing. Segment tax increases to \$1.25 for travel after 9/30/99. Fares are subject to change and other restrictions may apply.

Call our Corporate Accounts Desk at 800-952-7637 for information on our money-saving Corporate Travel Program which is even kinder to your bottom line. For general information or reservations, call your travel agent or Frontier.

800-432-1359

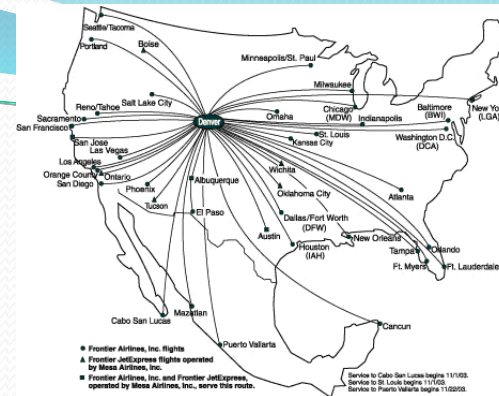
For online bookings and information
www.frontierairlines.com



ALWAYS AFFORDABLE

Service to Orlando begins 9/2/99.

2000



- **Frontier reports second consecutive profitable year**, posting pre-tax income of \$43.4 million and net income of \$27.0 million. Employees earn company performance bonus checks, totaling approximately \$2.6 million.
- New routes from Denver to Kansas City, MO, and Washington Reagan the 21st and 22nd markets served
- Brought reservations “in house” with new reservations center in Las Cruces NM, adding 100 employees
- **Frontier Airline Pilots Association (FAPA) formed** ratifies a five-year contract that was negotiated and ratified in less than nine months.
- Transport Workers of America, representing the dispatchers ratify their first contract with Frontier, a three-year contract that was negotiated and ratified in less than six months.
- Fleet : 25 737s
- employees: 2,300
- traffic: 2,893,604 boardings.



2001

- New route from Denver to Houston, Reno, and Austin.
- Service eliminated to Bloomington-Normal, IL.
- General offices move from the company's original start-up location (12015 Peoria Street) to a newly-built headquarters located at 7001 Tower Road.
- **Mileage program, EarlyReturns[®], launched**, allowing free travel at 15,000 miles..
- 3-for-2 stock split of the Company's common stock.
- **Code-share with Great Lakes Aviation.** During the next five months, the service is expanded to 35 regional markets in seven states
- **Third consecutive profitable year**, net income of \$54.9 million for the fiscal year. Employees earn record company performance bonus checks, totaling approximately \$5.7 million.
- **First Airbus aircraft delivered, beginning the transition from an all-Boeing fleet to an all-Airbus fleet. New livery rolled out**
- **Frontier mechanics vote for representation by the International Brotherhood of Teamsters (IBT).**
- **Sept. 11 – Service suspended for three days.**
- Capacity cut by 20 percent, furloughing approximately 400 employees and implement three- to 40-percent pay reductions for most remaining employees.
- Fleet : 25 737s, four Airbus A319
- employees: 2,400
- traffic: 3,000,067 boardings.



2002



- New Routes from Denver to New Orleans, LA, San Jose, Fort Lauderdale, FL, Sacramento, CA, Ontario, CA, St. Louis, Boise, Tampa, Indianapolis, Fort Myers, Oklahoma City, Oakland, and Tucson. First international service launched to Cancún International Airport in Cancún, and Mazatlán, Mexico. As of Dec. 21, we Frontier flies from Denver to 37 U.S. cities and two cities in Mexico.
- Service discontinued to Boston and St. Louis.
- EarlyReturns® mileage program celebrates its first anniversary with more than 240,000 members.
- **Jeff Potter appointed CEO.** Former Frontier CEO Samuel D. Addoms retires from the post, retaining his title as Chairman of our Board of Directors.
- **Fourth consecutive profitable year,** posting net income of \$16.5 million for the fiscal year. The company's results included an after-tax gain of \$7.7 million in Federal grant monies as part of the Air Transportation Safety and System Stabilization Act. Employees earn company bonus checks for the fourth consecutive year.
- **Maintenance employees vote to ratify the contract agreed upon between the airline and the International Brotherhood of Teamsters (IBT).**
- Frontier signs a Purchase and Services Agreement with LiveTV to Bring DIRECTV® Service to its fleet, becoming only the second airline to offer DIRECTV®.
- New York-based Sticky Grey - originators of the "talking animals" campaign – chosen to provide creative content for our advertising and marketing initiatives
- Approval from the **Air Transportation Stabilization Board (ATSB) for a \$63 million federal loan guarantee of a \$70 million commercial loan facility.**
- Fleet: 22 737s, 15 Airbus A319;
- employees: 3,000; traffic: 3,712,589 boardings

2003



- New routes from Denver to Rapid City, SD, and Grand Junction, CO, Milwaukee, Orange County, St. Louis and Cabo San Lucas and Puerto Vallarta, MX.
- Frontier receives \$15.6 million from the Emergency Wartime Supplemental Appropriations Act, as reimbursement for security fees collected from Feb. 1, 2002 through April 16, 2003
- **Frontier becomes the first airline to repay in full its post-9/11 U.S. government guaranteed loan**, repaying \$11.6 million outstanding balance of the \$70 million commercial loan facility as a result of a loan guaranty from the Air Transportation Stabilization Board (ATSB).
- Fleet: 12 737s, 23 Airbus A319s and four Airbus A318s;
- employees: 3,800;
- traffic: 5,152,498 boardings

2004



- New routes from Denver to Ixtapa/Zihuatanejo, Anchorage, AK, Billings, MT, Spokane, WA, Nashville.
- New routes from Los Angeles to Kansas City, MO, St. Louis, Minneapolis/St. Paul, and Philadelphia and from Denver to Washington Dulles
- New routes to Cancun from Austin and Nashville
- Brought catering “in-house”, adding 49 agents and managers.
- Fleet: six 737s, 35 Airbus A319s and six Airbus A318s;
- employees:

2005

- New routes from Denver to Detroit, Tulsa, OK, and Akron-Canton, OH, Dayton, Fresno, and San Antonio, and Cozumel and Acapulco.
- Frontier serves Cancun from St. Louis, Denver, Salt Lake City, Kansas City, MO and Nashville, TN, and Puerto Vallarta from Kansas City.
- Four-year transition to an all-Airbus fleet completed, reducing \$11 million in training and maintenance costs, and providing mainline passengers with 33 inches of legroom, 24 channels of live DIRECTV® programming and three pay-per-view movie selections in every seat.
- **Flight attendants vote against union representation.**
- Fleet: 42 Airbus A319s and seven Airbus A318s;
- employees: 4,600;
- traffic: 7,469,095 boardings.



Goal: Positioning Frontier as Carrier of Choice

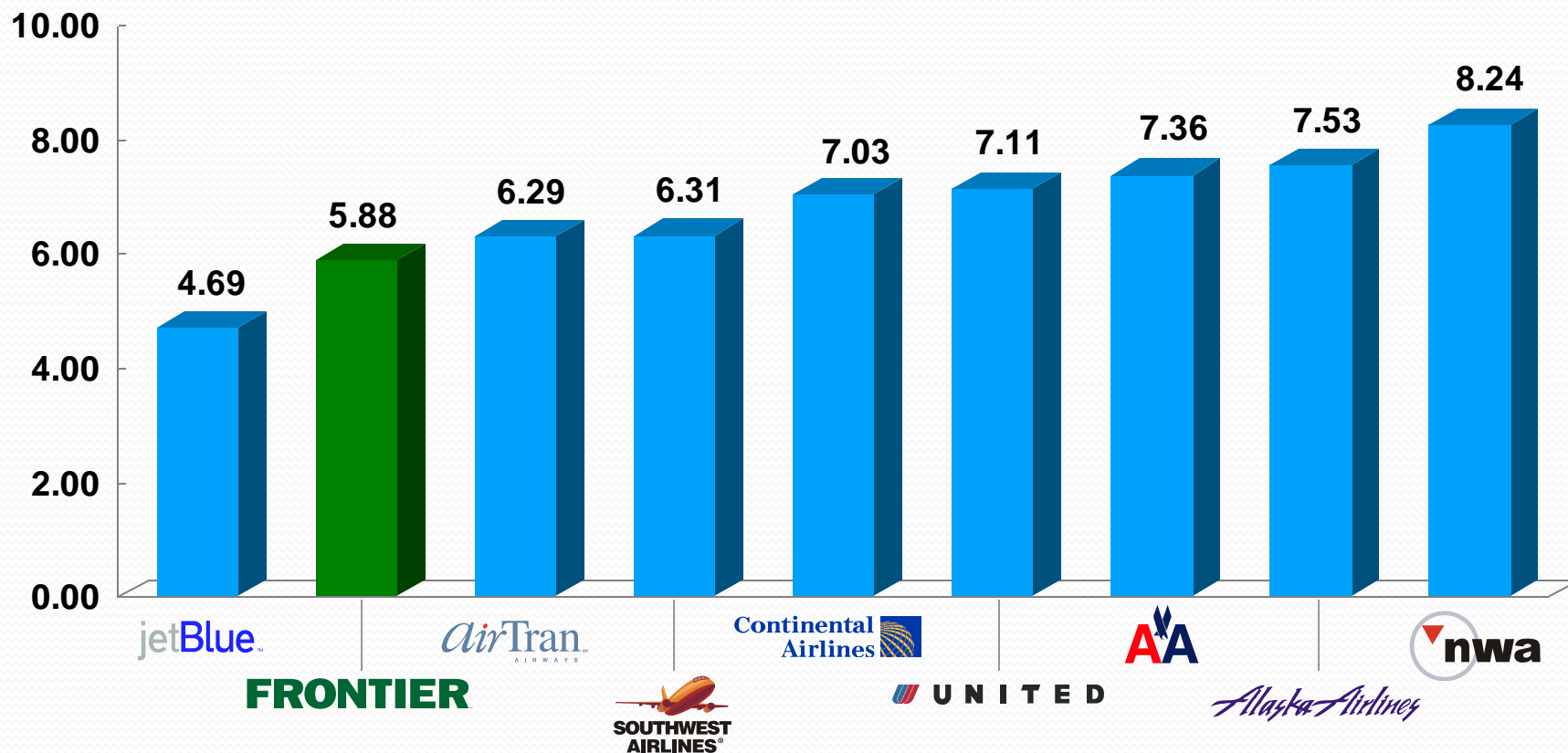
- All Airbus Fleet as of April 2005
 - Youngest fleet in US airline industry
- Inflight Entertainment with:
 - 24 channels of DIRECTV
 - 3 channels of pay-per-view
- Frequent flyer and affinity card membership exceed 1 million and 100,000, respectively, and growing



Mainline Operating Cost per ASM (ex-Fuel) of Selected Airlines ⁽¹⁾

Quarter Ending September 30, 2005

(Cents/ASM)

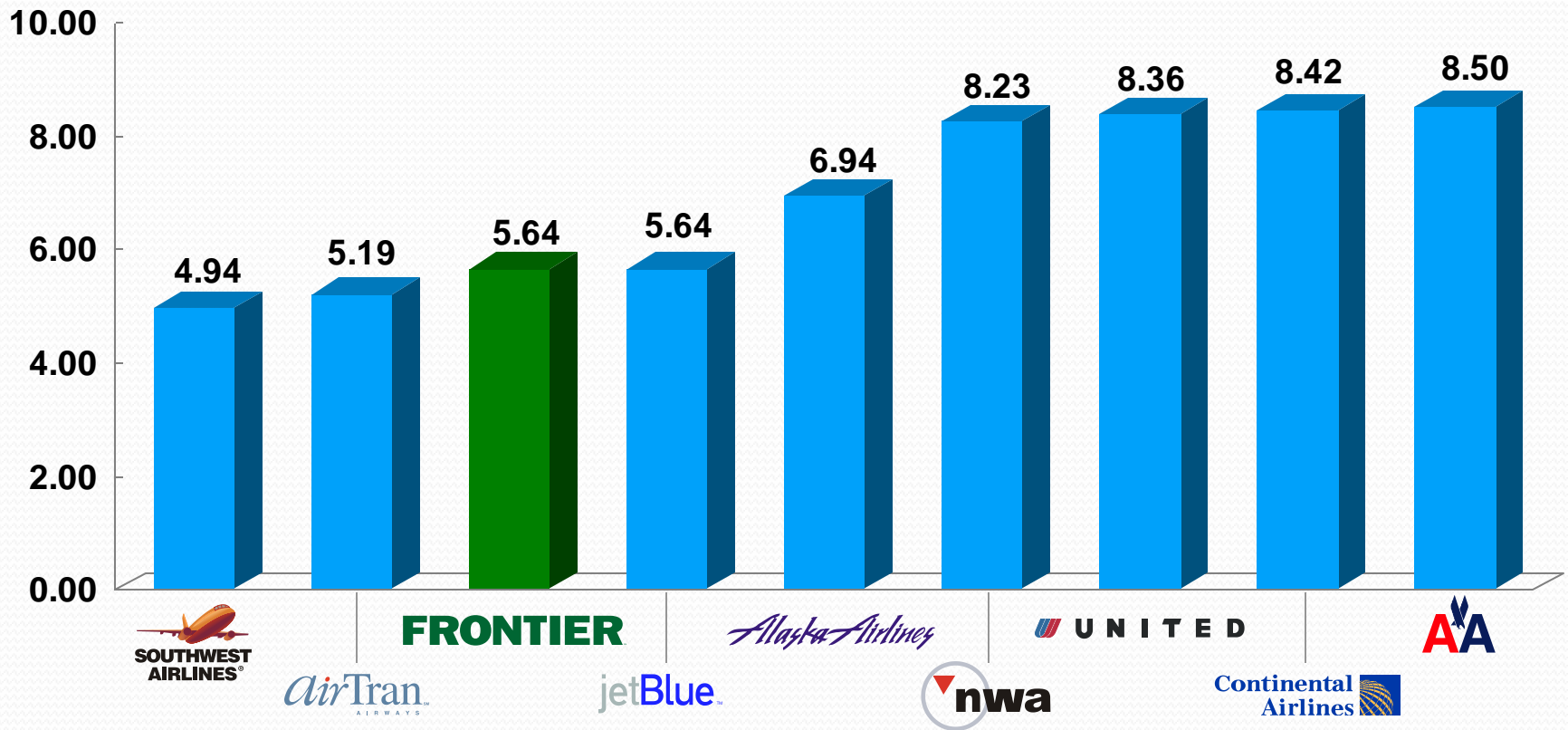


Note: (1) Excludes special items.

Mainline Operating Cost per ASM (ex-Fuel) of Selected Airlines ⁽¹⁾

Quarter Ending September 30, 2005

(Cents/ASM)

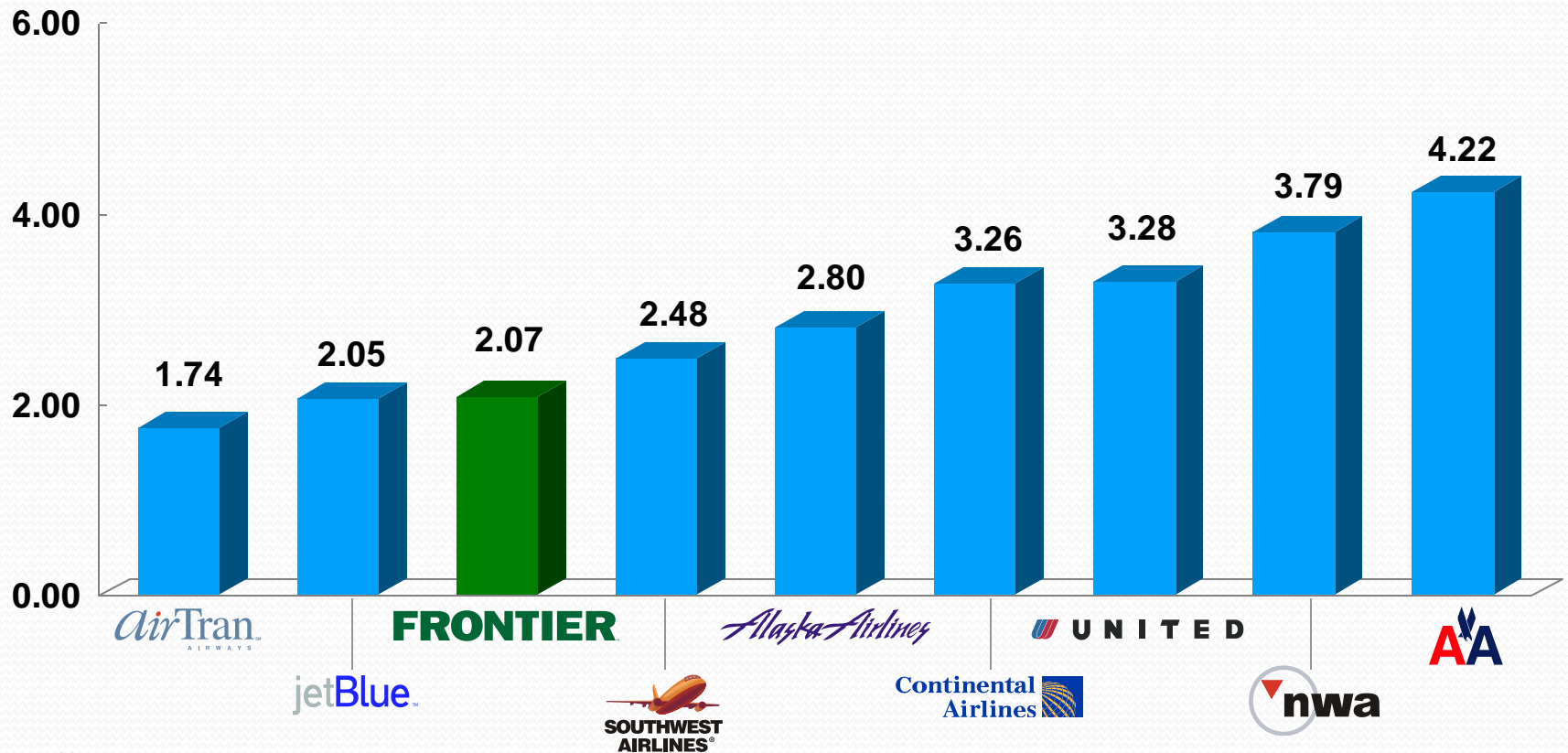


Note: (1) Excludes special items.

Mainline Labor Cost per ASM of Selected Airlines ⁽¹⁾

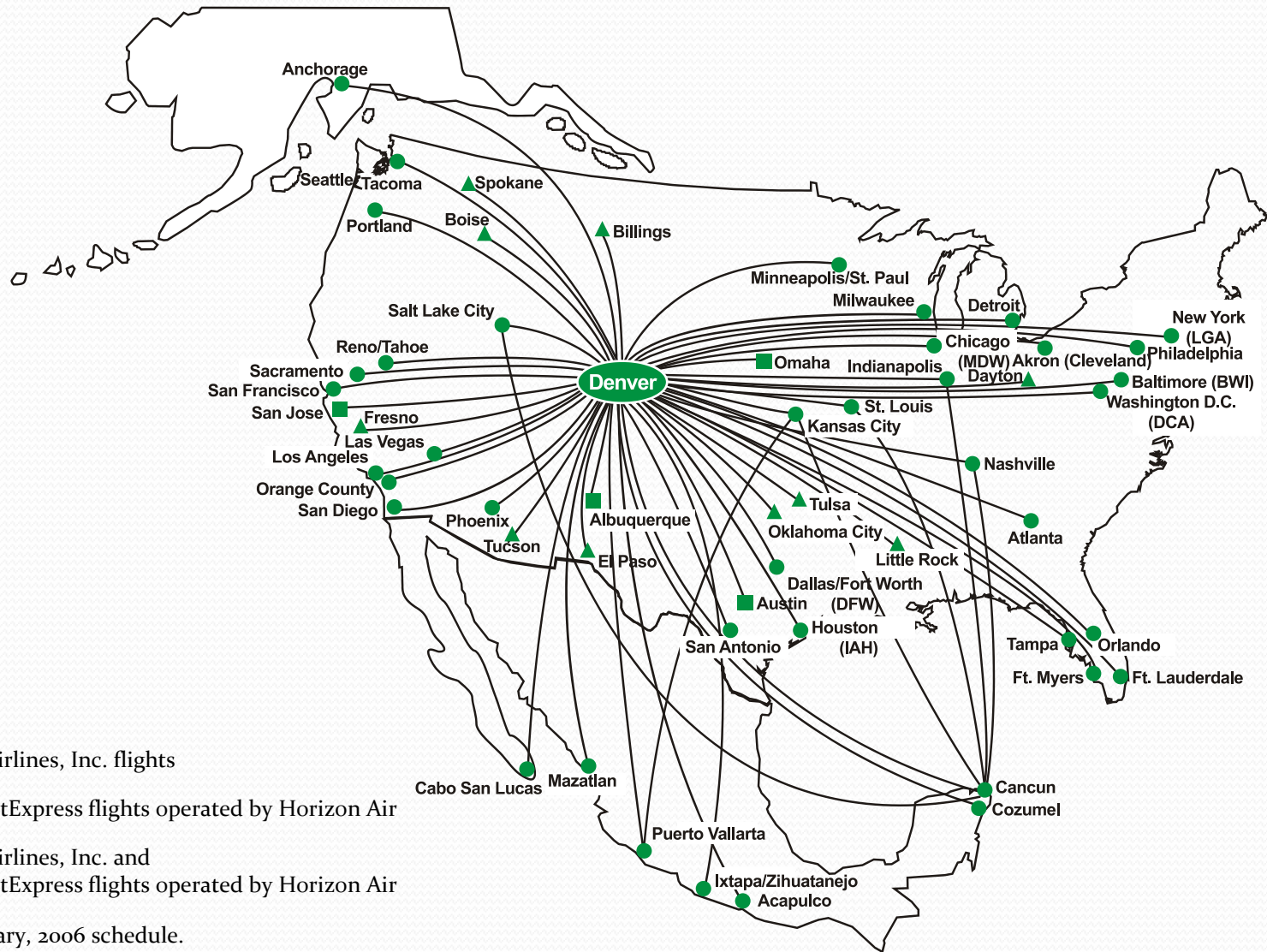
Quarter Ending September 30, 2005

(Cents/ASM)



Note: (1) Excludes special items.

2006 Route Network



- Frontier Airlines, Inc. flights
- △ Frontier JetExpress flights operated by Horizon Air
- Frontier Airlines, Inc. and Frontier JetExpress flights operated by Horizon Air

Based on January, 2006 schedule.
 Service between Indianapolis and Cancun begins March 6, 2006.

2006



- New routes from Denver to Calgary.
- Agreement to expand Airbus fleet by 10 Airbus A320s and four Airbus A318s by 2011.
- **Frontier becomes wholly-owned subsidiary of Frontier Holdings, Inc.**
- Frontier signs agreement to purchase 10 Bombardier Q400 turboprop aircraft, with option for 10 more.
- 4,892 employees

Strategy

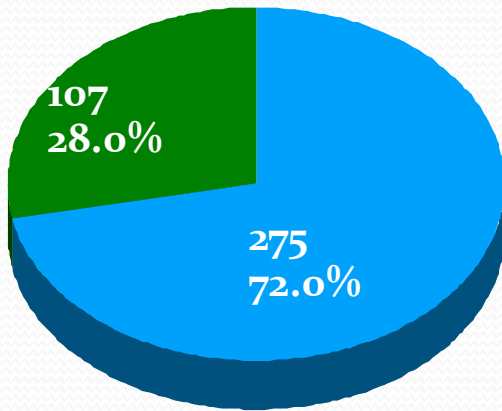
- Safety and Operational Integrity
- Denver-Centric Growth (“Own” Denver)
- Single Fleet Type
- Carrier of Choice
- Low Cost Provider
- “Whole Different Animal” (*Affordable, Flexible, Comfortable, Accommodating*)
- Maximize Return to Shareholders
- Employee-Oriented
- Opportunistic Growth (Outside of Denver)

Organizational Strengths

- Company Culture and Leadership
- Colorado Based Concourse A Hub and Spoke System
- Brand Awareness in Colorado
- Product (*New Aircraft; Live TV; Crews; Customer Service Agents*)
- Operational Excellence
- Low Cost Structure (Ex-Fuel)

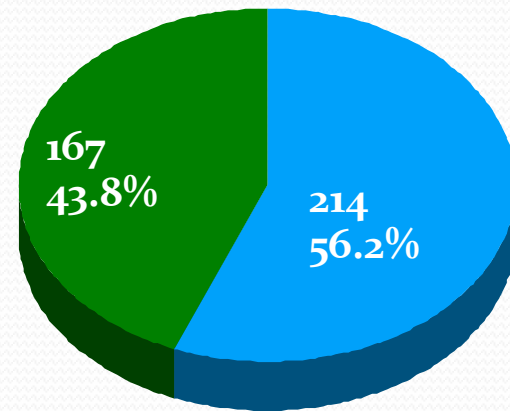
- From 2001-2006, United's reduced capacity 10.8% in Denver as it shifted departures from Mainline to Regional Jets

January 2001
Total Departures = 382



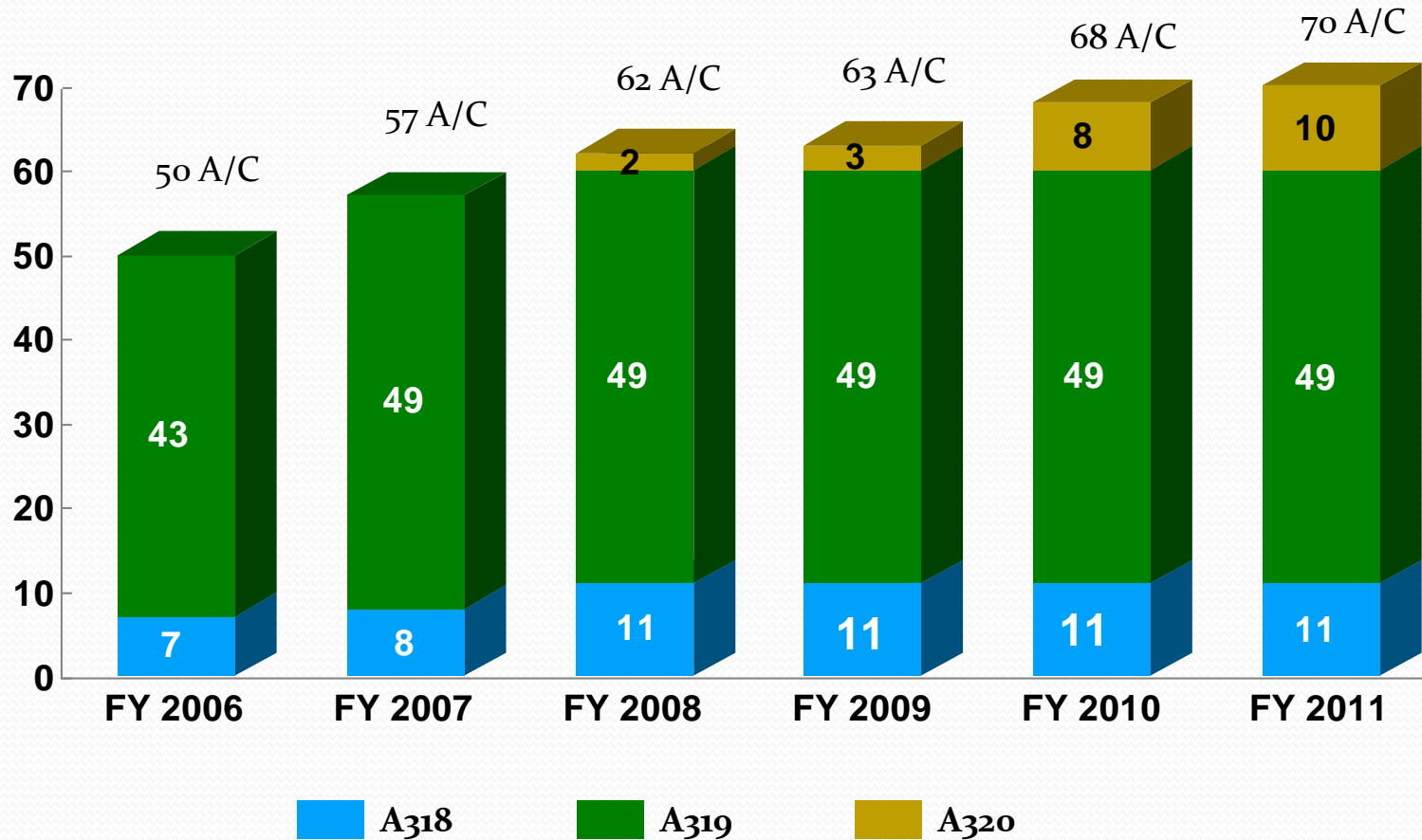
■ Mainline ■ Regional Jets

January 2006
Total Departures = 381



■ Mainline ■ Regional Jets

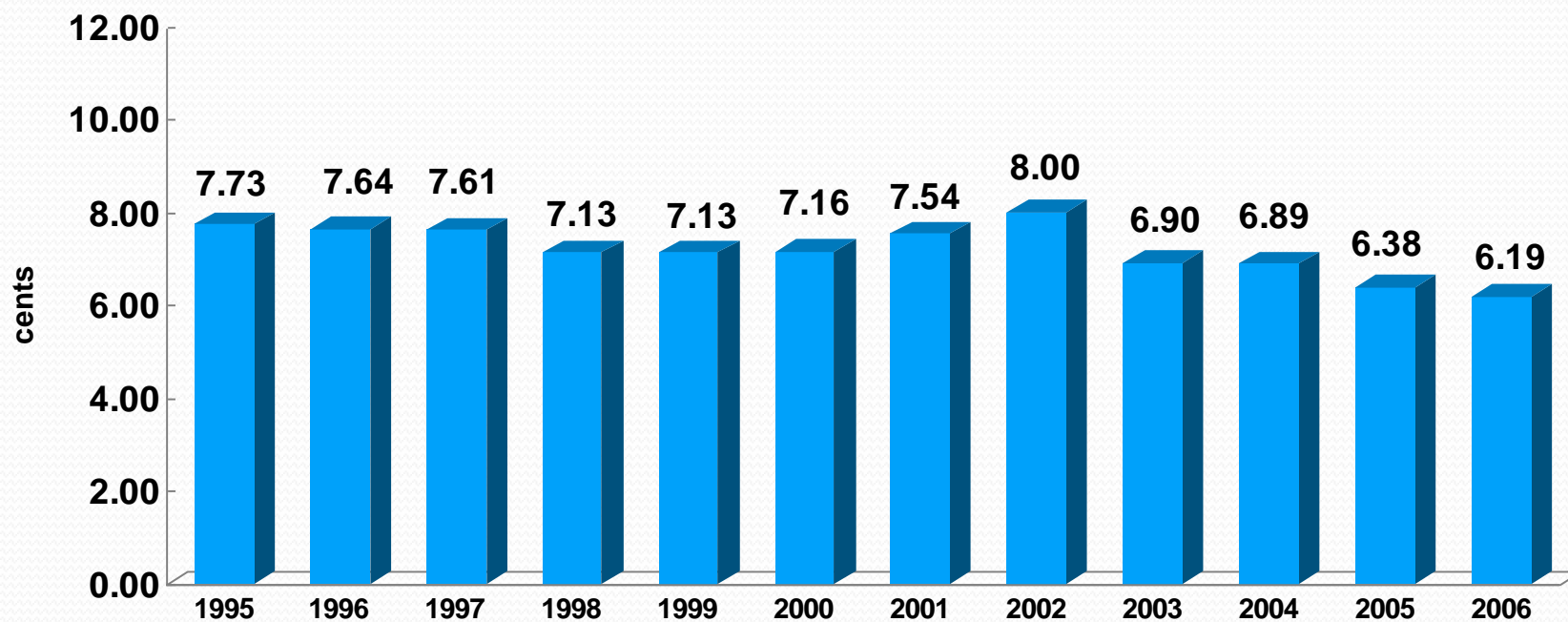
2006 Mainline Fleet Plan



■ Table excludes an additional 23 Airbus purchase options

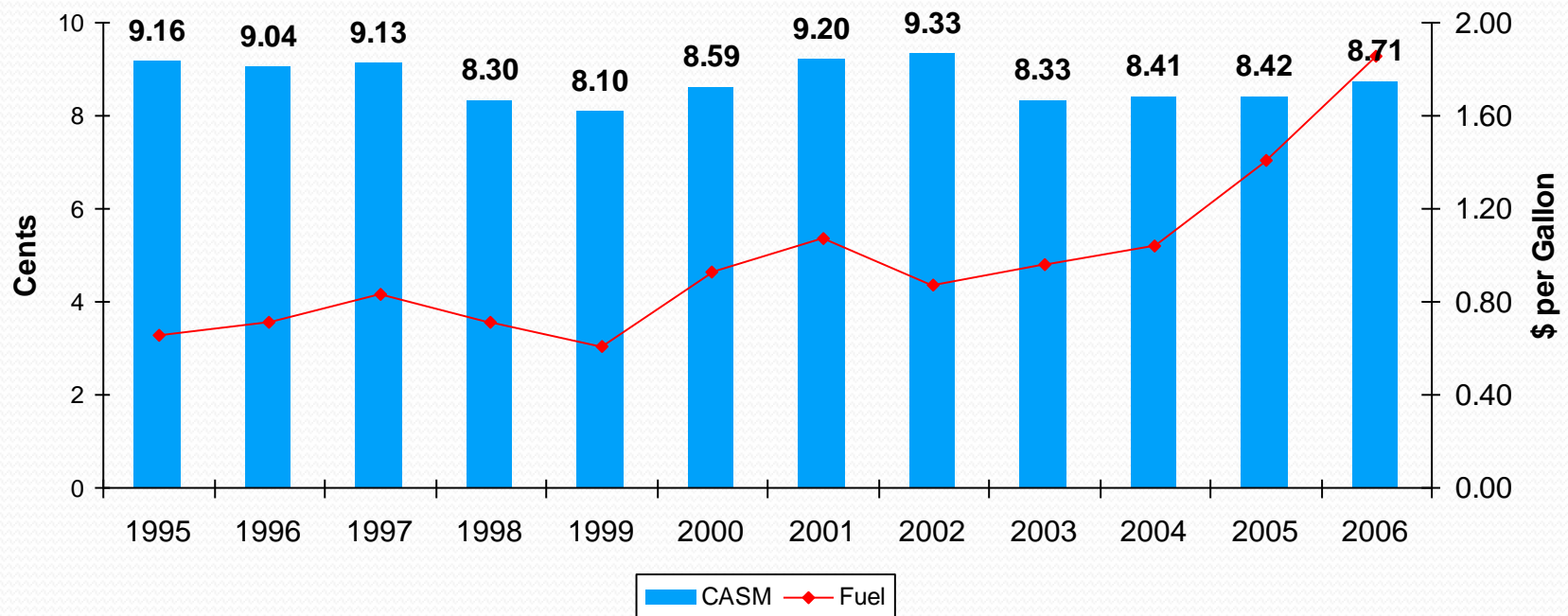
CASM Trend

Mainline Cost Per ASM (ex-fuel) Fiscal Years 1995 - 2006



CASM/Fuel Comparison

Mainline Cost Per ASM and Average Fuel Cost Per Gallon Fiscal Years 1995 – 2006



Seattle

Phoenix



FRONTIER

Product Differentiation

	Alaska Airlines	SOUTHWEST AIRLINES®	AMERICA WEST AIRLINES® US AIRWAYS	SOUTHWEST AIRLINES®	FRONTIER
Business Class	Yes	No	Yes	No	No
Frequent Flyer Program	Yes	Yes	Yes	Yes	Yes
FFP Partners:					
Airlines	13	0	6	0	0
Hotels	16	6	14	6	1
Car Rentals	7	4	7	4	1
Codeshares	Yes	Yes (ATA)	Yes	Yes (ATA)	Yes (GLUX)
Advance Seat Assignment	Yes	No	Yes	No	Yes
Inflight Entertainment	Yes - DigE	No	No	No	Yes
Web-Site (1-5)	5	5	4	5	3
Kiosks	Yes	Yes	Yes	Yes	No

2007



- New routes from Denver to Hartford, Jacksonville, Baton Rouge, Wichita, Kan., Rapid City, S.D., Sioux City, Iowa, West Palm Beach, FL, and Vancouver, Canada, and San Jose, Costa Rica.
- New routes from Memphis, Tenn. to Denver, Las Vegas, Nev. and Orlando, Fla.
- New routes from Sacramento and San Jose to Cabo San Lucas, Mexico.
- New routes from Dallas-Fort Worth to Mazatlán, Mexico.
- Frontier Airlines signs an **11-year service agreement with Republic Airlines**, pursuant to which Republic was to operate 17, 76-seat Embraer 170 aircraft for Frontier JetExpress operations. Republic Airlines, provides the first two of 17 Embraer 170 aircraft as part of Frontier's regional jet service.
- Former Frontier Senior Vice President and COO, **Sean Menke, appointed Frontier's new President and CEO.**
- **New subsidiary, Lynx Aviation, formed, as Frontier Airlines Holdings subsidiary.** On December 5, 2007, Lynx Aviation received its operating certificate from the FAA. Lynx began passenger operations on the morning of December 6, 2007, with service to Billings, Mont.
- Fleet: 49 A319s, 10 A318s
- 5,854 employees



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graph TD; A[Frontier Airlines Holdings, Inc.] --- B[Frontier Airlines, Inc.]; A --- C[Lynx Aviation, Inc.]
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Frontier
Airlines
Holdings, Inc.

Frontier
Airlines, Inc.

Lynx Aviation,
Inc.



2008

- Lynx adds seven new destinations: , Colorado Springs, Colo., Durango, Colo., Grand Junction, Colo., Fargo, N.D., Jackson Hole, Wyo., and Bozeman, Mont.
- New route added from Denver to Steamboat Springs/Hayden, Colo.
- April 10, 2008, **Frontier files for Chapter 11 bankruptcy** due to its credit card processor, First Data, attempting to withhold 100% of the carrier's proceeds from ticket sales beginning May 1. Contract with Republic Airlines cancelled.

Frontier Overview

Frontier, founded in 1994, has been a successful LCC

- **Leadership position in Denver: #2 Carrier**
 - Frontier nearly dominate player in its own footprint

- **Well-established market position**
 - Denver seat share growth from 5% to 26% over the last 10 years
 - Successful defense of market position
 - Denver is the sixth largest airport in the US

- **Attractive fleet with valuable mainline and regional assets**
 - Late model Airbus fleet A318/319/320 aircraft
 - 22 owned and 38 leased aircraft (TTL 60 aircraft)
 - Growing regional fleet with valuable order book of fuel-efficient Q400 aircraft
 - 5 owned and 5 leased aircraft (TTL 10 aircraft)

- **Loyal customer base and exceptional brand**
 - 2007 Freddie Award for best frequent flyer program
 - 2006 Best LCC according to *Business Traveler* magazine



Business Changes

- Management has eliminated unprofitable routes

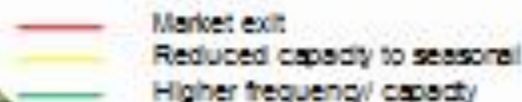
- Cancellation of operations between 11 city pairs

- Management has reduced capacity on weaker routes

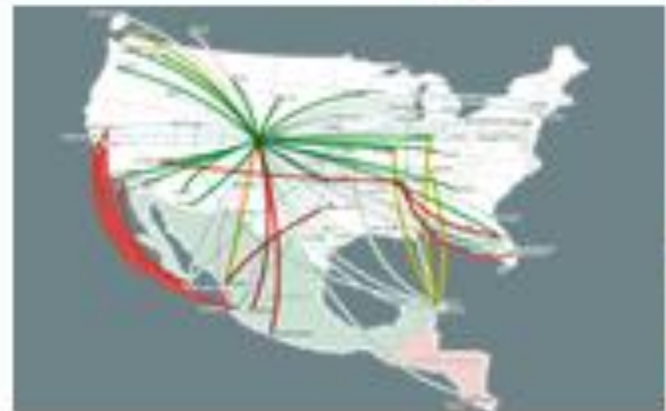
- Lower frequency on 5 city pairs

- Management has added capacity on strong Denver routes

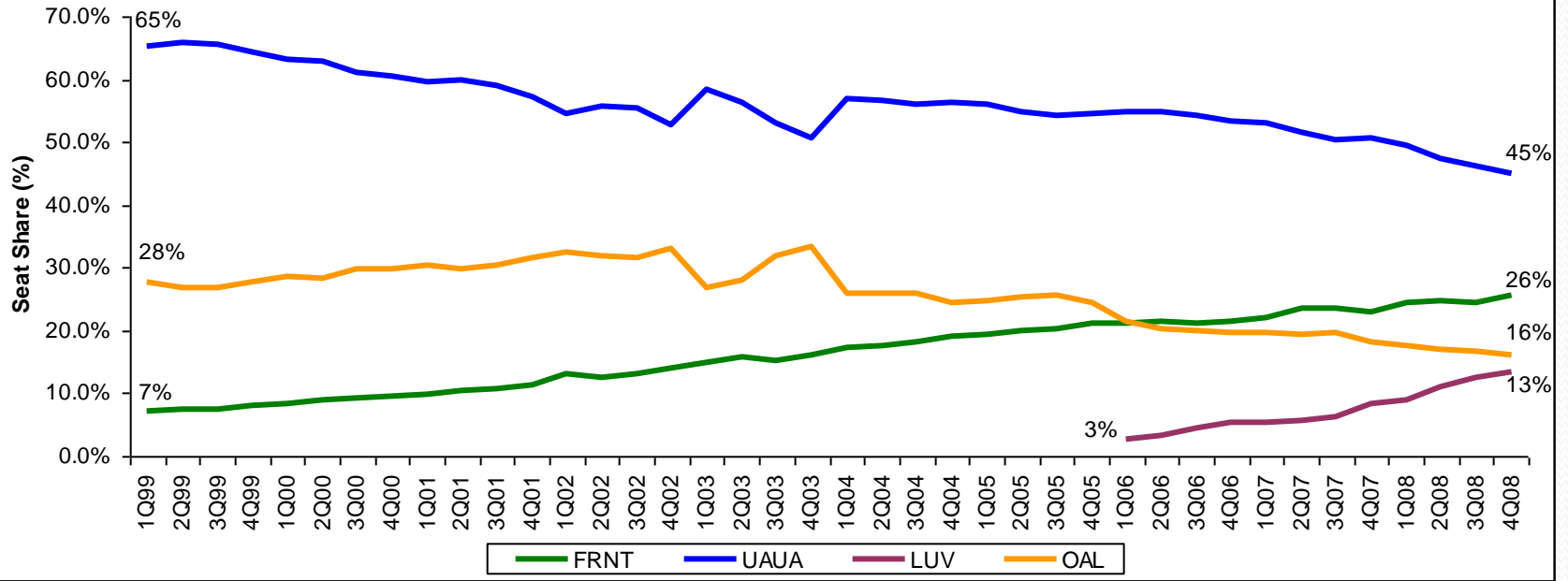
- Added capacity to 17 Denver markets

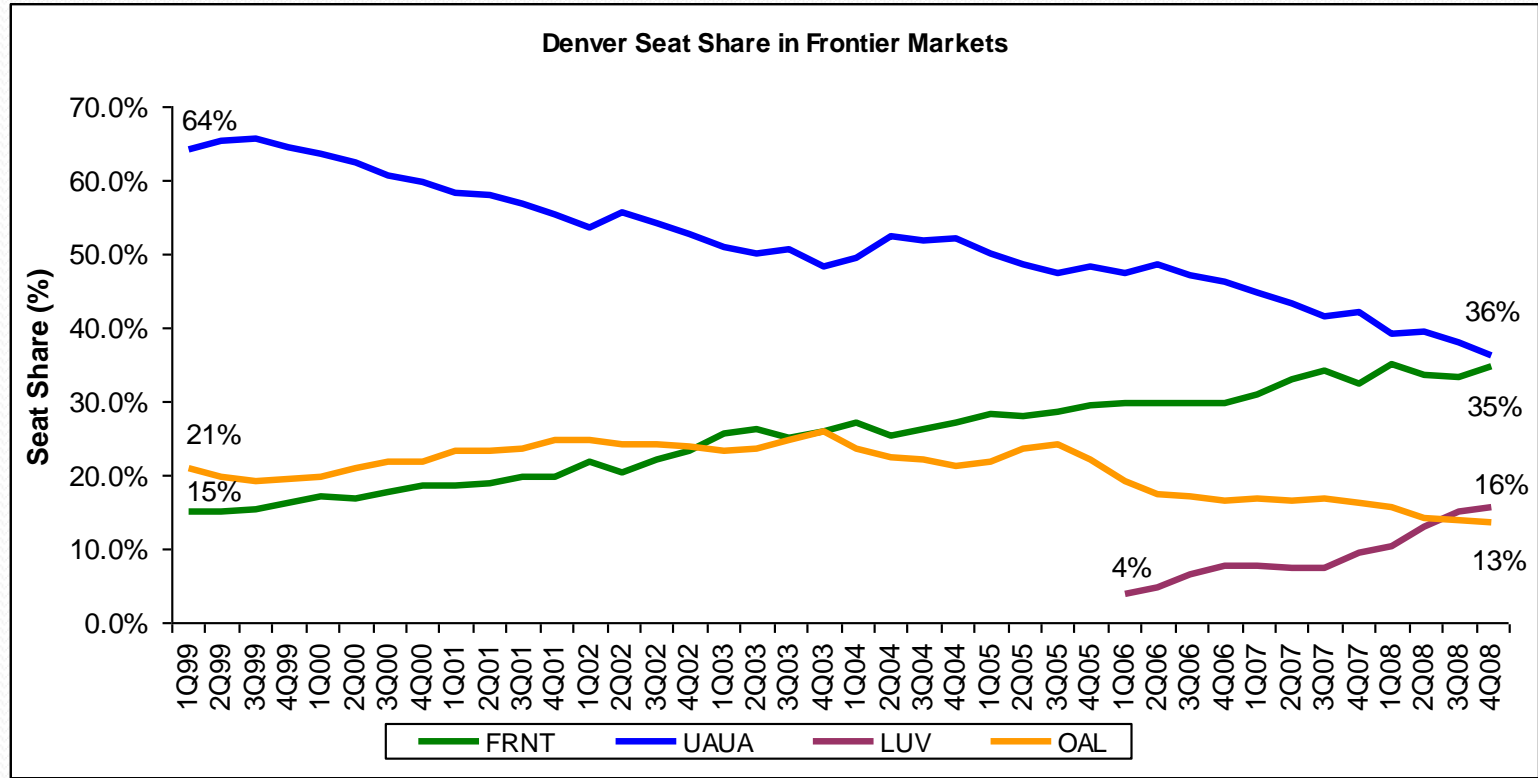


Source: Frontier Management

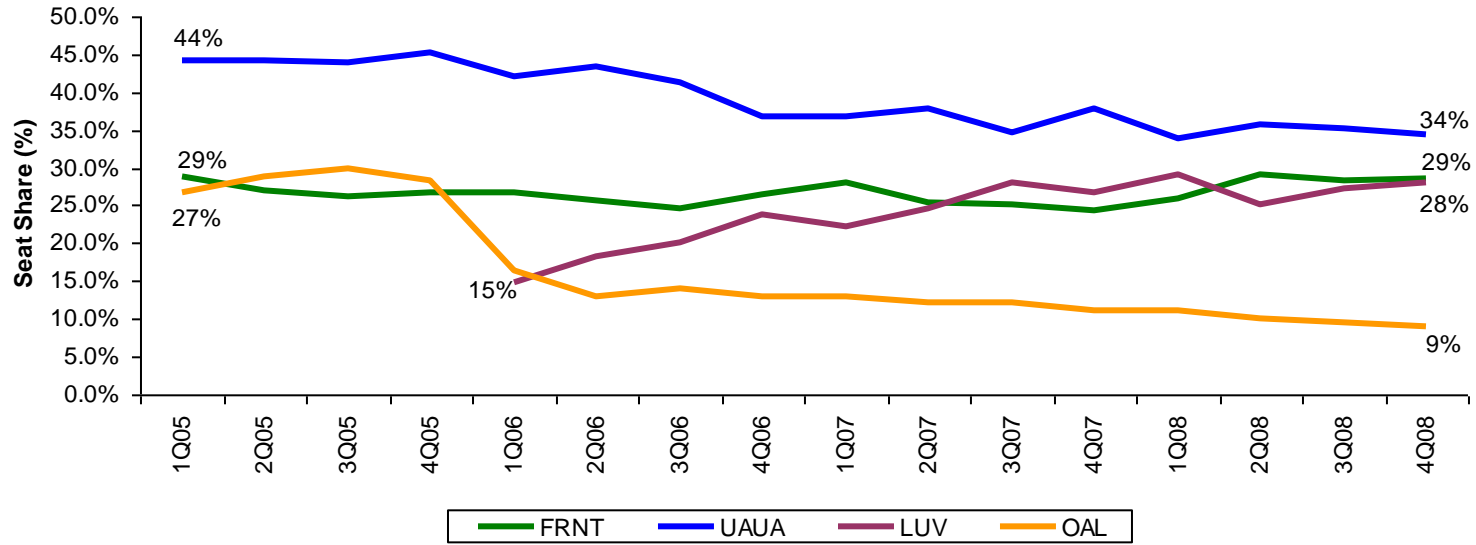


Denver Seat Share

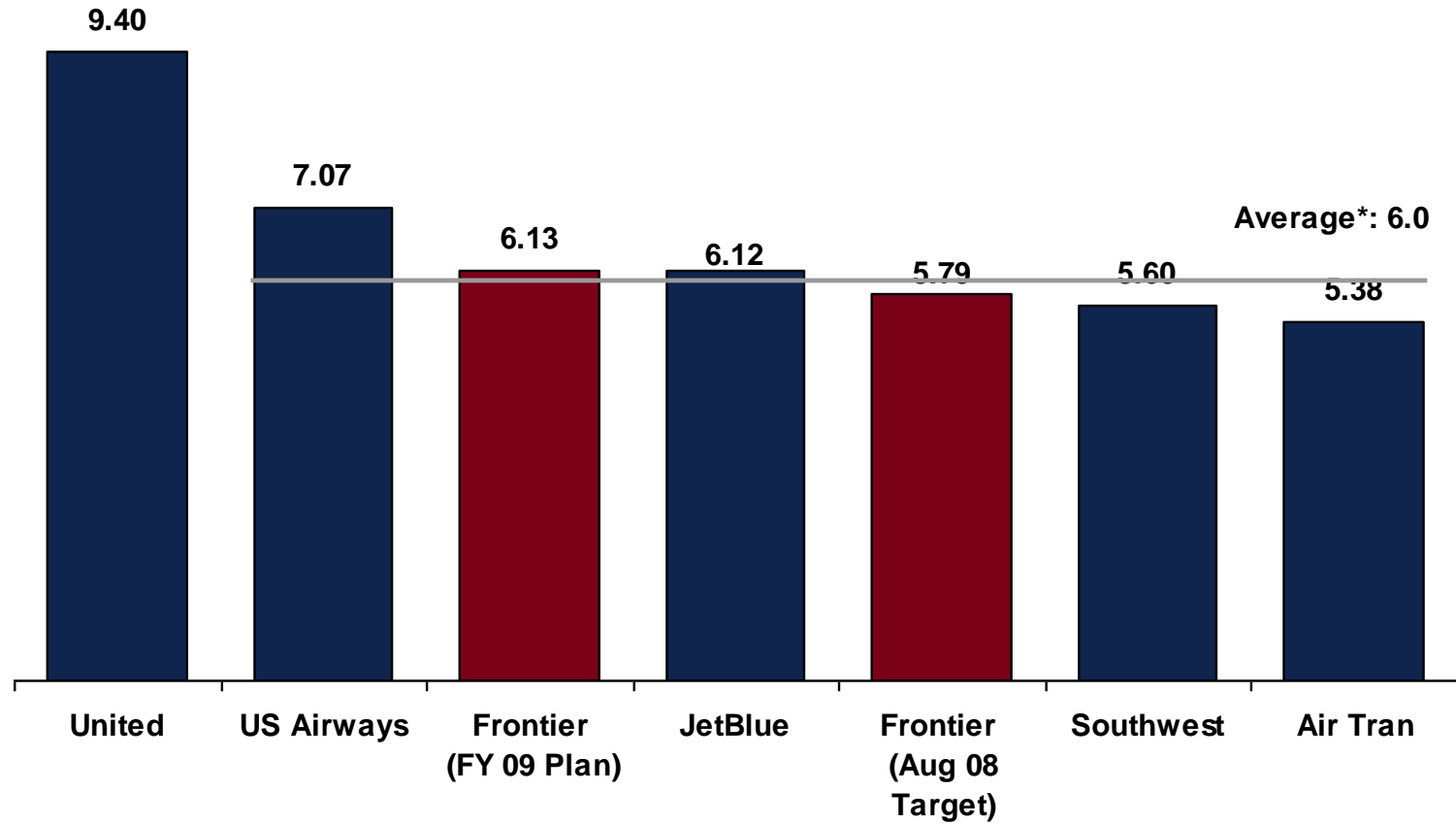




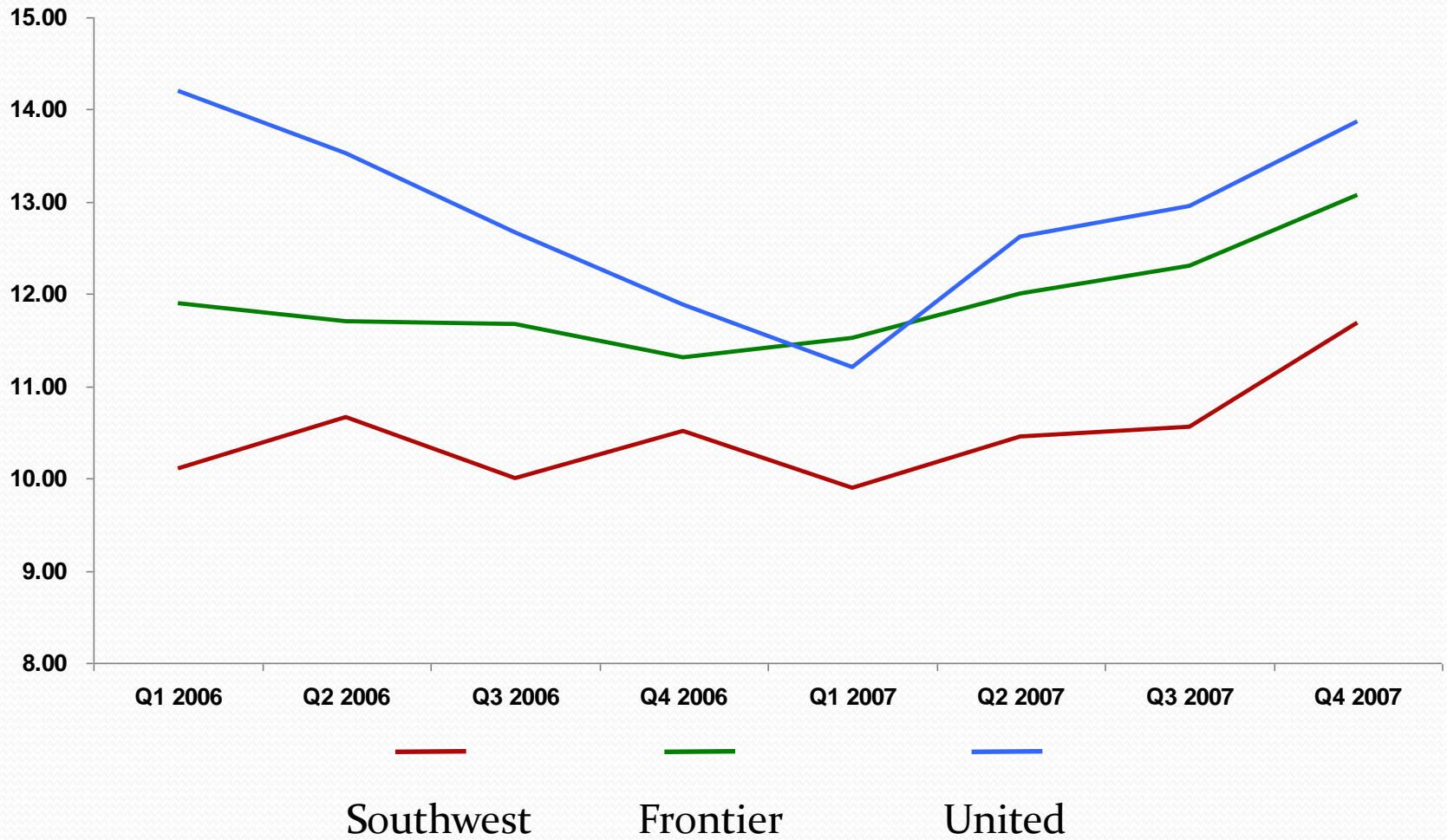
Denver Seat Share in Southwest Markets



Stage-Length Adjusted CASM excluding fuel



Yield – Southwest/Frontier Overlapping Markets



Average Air Fares: 1995 Q1 to 2008 Q1

— U.S Dom Avg Fare

— Denver, CO



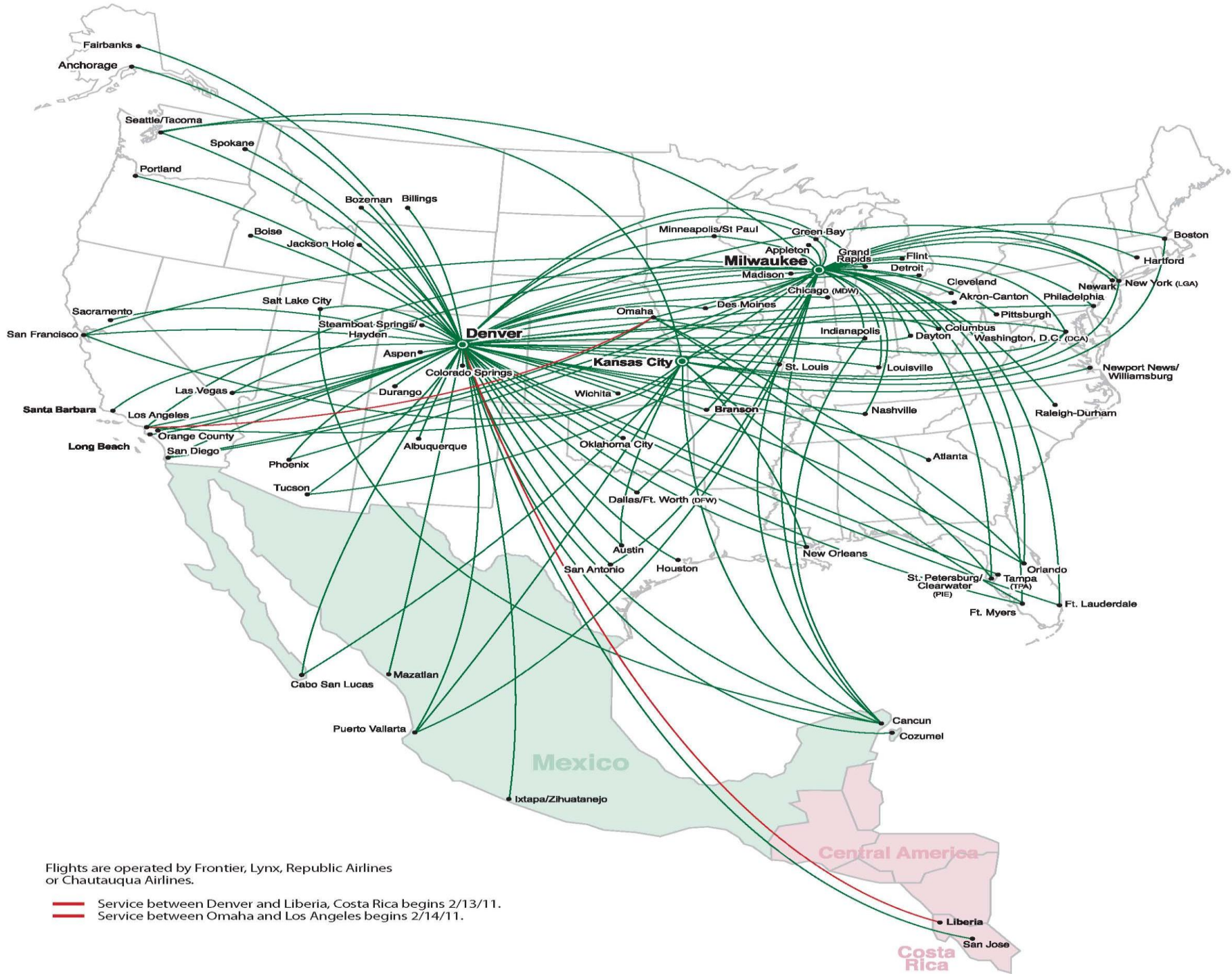
2009



- June 22, 2009, Frontier Airlines announced that pending bankruptcy court approval, Republic Airways Holdings would acquire Frontier Airlines \$108 million.
- Indianapolis-based Republic Airways Holdings is parent of regional carriers Chautauqua Airlines, Republic Airlines and Shuttle America.
- Five weeks later, Southwest Airlines offered \$113.6 million for Frontier.
- August 13, 2009, **Republic Airways Holdings acquired Frontier Airlines and its regional airline, Lynx Aviation**, as wholly owned subsidiaries. Republic completed the transaction on October 1, 2009 and Frontier officially exited bankruptcy as a new airline.
- **Brian Bedford, CEO of Republic, appointed CEO of Frontier.**
- Republic also acquired Midwest Airlines.

2009

- Frontier Airlines became a wholly owned subsidiary of Indianapolis-based Republic Airways Holdings Inc.
- In its 18th year of operations, Frontier had more than 5,500 employees and operated more than 350 flights daily .
- Frontier served more than 80 destinations in the United States, Costa Rica, the Dominican Republic, Jamaica, and Mexico.
- Frontier operated 16 Airbus A320s, 37 Airbus A319s, and three Airbus A318s. Republic Airlines flew 16 Embraer E190s for Frontier.



Flights are operated by Frontier, Lynx, Republic Airlines or Chautauqua Airlines.

- Service between Denver and Liberia, Costa Rica begins 2/13/11.
- Service between Omaha and Los Angeles begins 2/14/11.

2010

- **Midwest and Frontier combined** under the Frontier brand.
- Midwest's former Milwaukee hub sharply downsized.



Aircraft	In Service	Orders	Options	Passengers	Notes
<u>Airbus A318-100</u>	3	0	0	120	
<u>Airbus A319-100</u>	37	0	0	138	
<u>Airbus A319neo</u>	0	20	0	TBA	Deliveries begin late decade
<u>Airbus A320-200</u>	16	0	0	168	
<u>Airbus A320neo</u>	0	60	0	TBA	Deliveries begin late decade ^[34]
<u>Embraer E-190</u>	15	0	0	99	Operated by <u>Republic Airlines</u> . 12 to exit service by Q1 2013
Total	75	80	0		

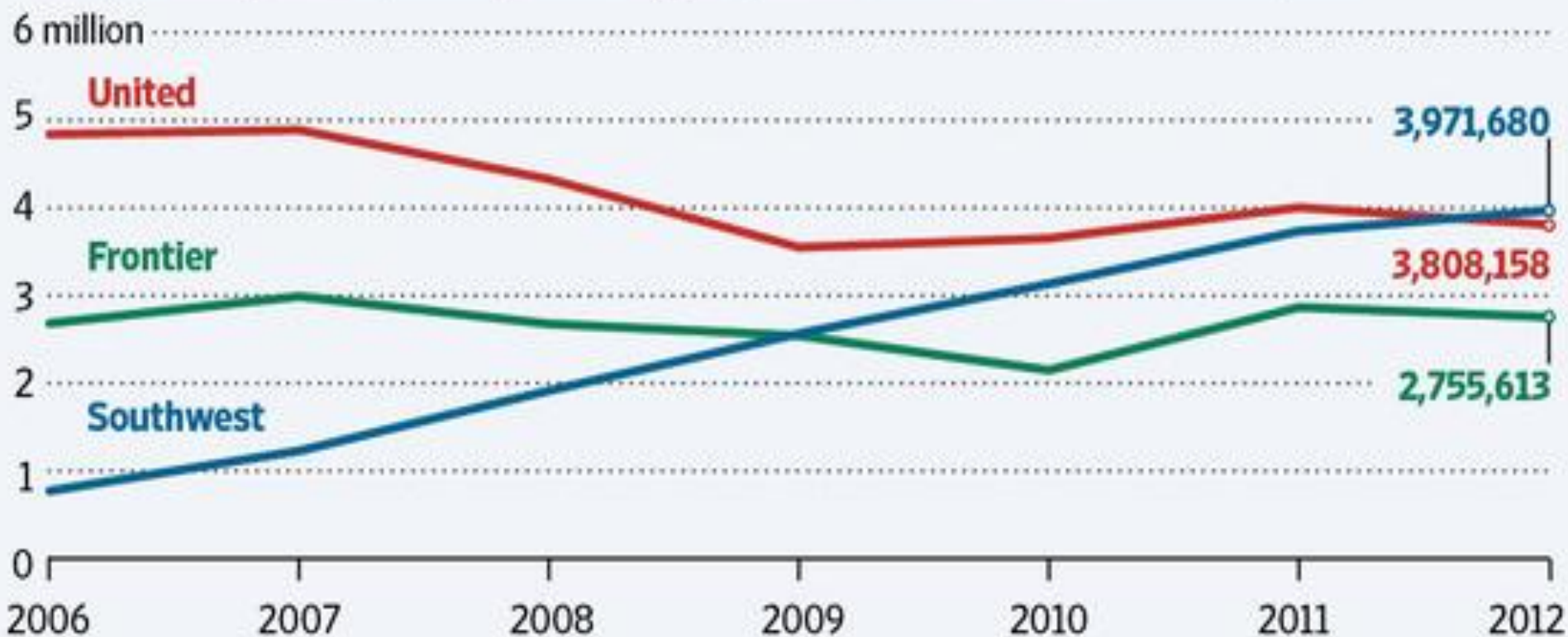
2011

- Southwest Airlines surpasses Frontier as the second-largest carrier in Denver.
- "Our growth is no secret," said Edward Shelswell-White, Southwest's market strategy and performance director. "We have grown at a record pace in Denver, which is the fastest-growing city in our network."
- Most of Southwest's growing market was taken from United, whose mainline operations at DIA dropped from 36% of the domestic market when Southwest re-entered the market in January 2006 to 27.5% in 2011.
- By mid-year, Southwest had 17 gates on Concourse C with 148 daily departures to 46 destinations.

Colorado Conflict

Southwest's rapid growth at Denver International Airport has made it No. 1 among local passengers.

Total passengers beginning or ending trips at Denver International Airport



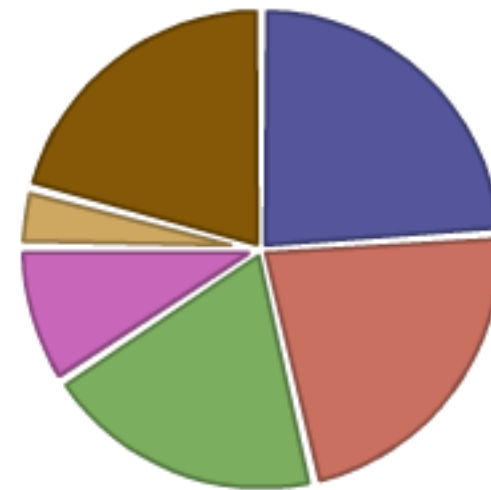
Notes: United includes Continental Airlines beginning fourth quarter 2010; Frontier includes Midwest Airlines beginning second quarter 2010; Southwest includes AirTran Airways beginning second quarter 2011

Source: Denver International Airport, based on U.S. DOT data

The Wall Street Journal

Carrier Shares for February 2011 - January 2012

Carrier	Passengers	Share
United	11,781	23.93%
Southwest	11,079	22.50%
Frontier	9,490	19.28%
SkyWest	4,648	9.44%
Delta	1,969	4.00%
Other	10,262	20.84%



United
 Southwest
 Frontier
 SkyWest
 Delta
 Other

Based on enplaned passengers(000) both arriving and departing.

2013

- Frontier employed more than 4,500 staff and operated more than 350 daily flights to more than 80 destinations in the United States, Costa Rica, the Dominican Republic, Jamaica, and Mexico.
- Frontier operated 17 Airbus A320s and 35 Airbus A319s. Republic Airlines flew four Embraer E190s on behalf of Frontier.

Spirit Airlines: Latest news



Spirit Airlines is based in Miramar, Fla., and operates 185 flights daily to 36 cities. Spirit parlayed rock-bottom fares and increases in service to Latin America and the Caribbean to become the busiest airline at Fort Lauderdale- Hollywood International Airport. But its controversial cost-cutting measures, including charging passengers for carry-on baggage, and its racy ad campaigns have drawn criticism.

**HAS THE
SPIRIT
EFFECT
REPLACED THE
SOUTHWEST
EFFECT?**

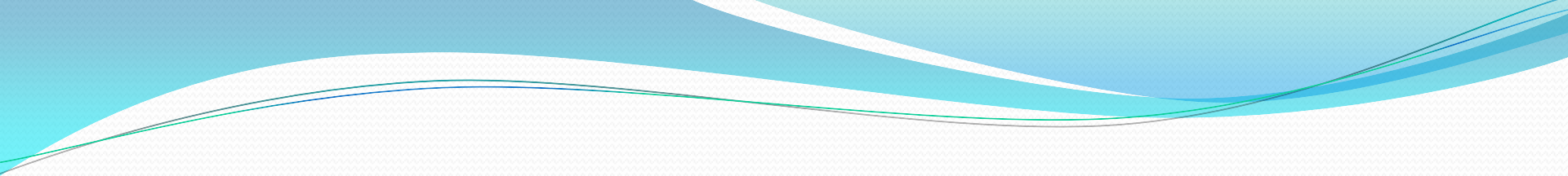


FRONTIER

2013



- In 2013, Bill Franke's Indigo Partners LLC agreed to purchase Frontier from Republic Airways Holdings Inc. \$36 million in cash, and \$109 million in assumptions of debt.
- Republic will assign to Frontier all of Republic's rights under agreements relating to Republic's Airbus A320neo order in exchange for reimbursement of pre-delivery deposits, which total \$32 million.
- Frontier is hubbed in Denver, with approximately 93% of its 7,000 monthly flights scheduled to begin or end in the city, where it's the third largest carrier after United and Southwest.
- Franke helped pioneer the ultralow-cost model with airlines in Singapore, Hungary, and Mexico. In 2006, he turned Spirit Airlines Inc. into one of the industry's stingiest but most profitable carriers, stripping it of costs and imposing new fees for such things as boarding passes and carry-on luggage. In 2013, after Indigo began exclusive talks for Frontier, Mr. Franke sold his stake in Spirit and resigned as its chairman.
- Spirit and Allegiant Travel Co. adopted the ultralow-cost model to become two of the fastest-growing and highest profit-margin carriers in the airline industry. Franke plans to turn Frontier into an ultralow-cost carrier.
- Frontier, the 10th-largest airline in the U.S. by seats, is roughly the same size as Spirit. Each has just more than 50 aircraft and about 1 million seats for sale in October, or approximately 1.5% of the U.S. domestic market.



The New Frontier: A Case Study



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