

EXECUTIVE EDITORIAL



LEWIS W. DYMOND

Our merger with Central Airlines became effective October 1. Many flights now directly link our two systems serving 114 cities in 14 states. We now serve more cities than any United States airline except United, the world's largest air carrier.

Many changes have already been implemented — integrated schedules, lower fares, stepped up advertising, new uniforms, modified labor agreements and merged seniority lists, etc.

But a change of names and the above accomplishments represent but a part of that intended to result from the merger. The increased traffic flow—up 49% in November over the combined traffic of last year—has brought about new problems. The telephone companies, our employment and training departments, and our employees have all been overly taxed in providing the added facilities and manpower with which to adequately meet the stepped up demands. This, coupled with the always heavy holiday traffic occurring at this time of year, has resulted in abnormal phone delays and

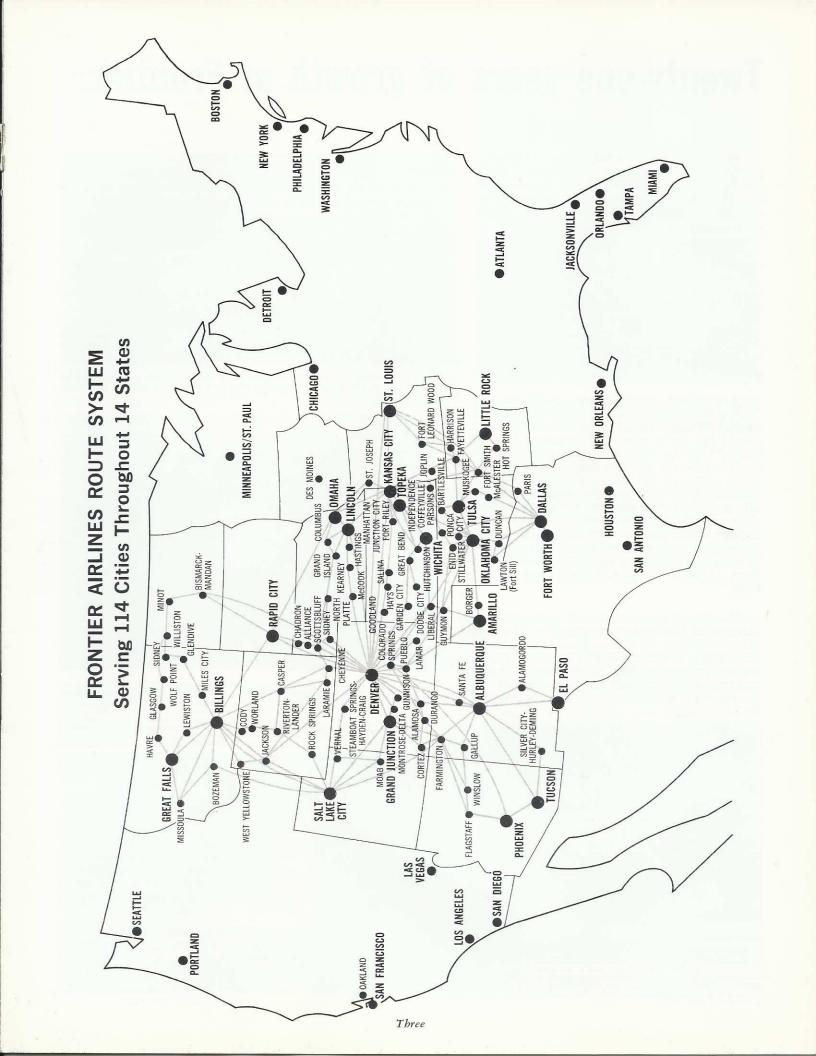
substandard handling at times. Corrective measures, including substantial added personnel, vastly increased phone lines and decentralized reservations control, are now in effect and should shortly alleviate these problems.

New aircraft to be delivered in 1968 will permit us to continue our program of replacing the smaller DC-3 and the 40 passenger Dart 600's with our 53 passenger 355 mph jet prop equipment. Three of the larger 141 passenger Boeing 727-200 aircraft will see service in March, hopefully on new service to Las Vegas and within portions of the former Central Airlines area.

This is a time of great promise to each of us. I know I can count on the continued loyal support of all employees.

Lewis W. Dymond

President and Chairman of the Board



Twenty-one years of growth at Frontier

On November 27, 1946, a lone 24-passenger DC-3 converted from its use as a C-47 by the Army Air Corps flew the markings of Monarch Air Lines, one of the predecessor companies of Frontier Airlines. That flight carried just one passenger, a few sacks of mail and the hopes of a struggling new company to develop the first airline on a route between Denver and Durango, Colorado. The following spring, another post-war airline, Salt Lake City-based Challenger Airlines, began service between Salt Lake City and Denver by way of cities in Southern Wyoming. At the same time, Arizona Airways was beginning its operations in Arizona between the Mexican border and the Grand Canyon area.

After three years of continuous struggle by the three small airlines, the Civil Aeronautics Board (CAB) approved a plan to merge the three into one company. This new airline would provide through, one-carrier service North-South between Canada and Mexico in seven states of the Rocky Mountain West and Southwest. It was hoped that this merger would effect certain economies and make possible an airline that could provide twice daily round-trip flights with DC-3 aircraft in an area long on geography and short on population. Approval to merge the three airlines was granted and on June 1, 1950, Frontier Airlines was officially born.

Realizing that improved transportation throughout the West was needed to attract sufficient numbers of air travelers to make the airline strong, Frontier busied itself developing an ever-expanding system of improved schedules and routes. During this period of the early 50's, the carrier stepped in stride with the expanding



DURING THE MID-FORTIES, passengers walked onto hard-packed dirt runways to board their flights operated by Arizona Airways. At that time, the airline operated in Arizona between the Grand Canyon area and the Mexican border.



CHALLENGER AIRLINES also began as a post-war carrier based in Salt Lake City. Its routes were operated between Salt Lake City and Denver by way of intermediate cities across Southern Wyoming.



FLYING THE MARKINGS of Monarch Air Lines, a lone DC-3 made its way above the Rocky Mountains on November 27, 1946 to establish the first air route between Denver and Durango, Colorado. It carried just one passenger and a few sacks of mail. Gunnison, Colorado is where the above photograph was taken.

development of oil, natural gas, uranium, reclamation dam projects and tourism to national parks to attract an increasing number of passengers. Growing use was made of the airline by businessmen, construction firms, suppliers, military and vacationists.

With the discovery of large oil reserves in the Williston Basin of North Dakota and Montana, a need for scheduled air service resulted in Frontier's extending its routes into seven new communities in these two states in 1954.

In late 1958, another route case decision in the Seven States Area Case expanded Frontier's operations some 70% and added 24 new cities to the airline's system in Nebraska, Mis-

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souri, Wyoming, Colorado, South Dakota and North Dakota. The following year, the CAB decision in the Montana Case added four more cities in Montana and provided service at Jackson, Wyoming, gateway to both Grand Teton and Yellowstone National Parks.

During the summer of 1959, Frontier introduced larger 44-passenger Convair 340 aircraft to its fleet until 14 were in operation to serve most of Frontier's system. The fall of 1962 saw Frontier's new management headed by Lewis W. Dymond begin an imaginative program to attract new air travelers with improved schedules and an array of money-saving plans, one of which was the "21" Fare Plan. One month after the introduction of this plan, the airline industry's most liberal Family Plan was introduced to the public to cut the cost of travel for families. The immediate result of these plans in addition to reduced fares for military personnel and clergy, reflected a 26% growth in passenger boardings in the last six months of 1962.

All-time records were established by the airline in 1963. Passenger boardings increased by 44% and exceeded the growth reported by any of the other 23 regional or trunk airlines in the United States. One of the additional innovations that aided this growth was a Vacationland Fare which permitted 30 days of unlimited air travel anywhere over Frontier's system for \$100. This, combined with highly successful package



R. E. HARDING, JR., Vice President of Central Airlines during the carrier's early beginning, stands proudly with the airline's first Beechcraft Bonanza. This aircraft carried four passengers including the pilot and a small amount of cargo and luggage.



ON DECEMBER 3, 1956, Central expanded the Northwest portion of its system and began service to Colorado. Routes awarded the carrier by the Civil Aeronautics Board (CAB) were Oklahoma City to Denver by way of Enid, Liberal, Guymon, Lamar and Colorado Springs. Also Amarillo to Wichita by way of Borger, Guymon and Liberal was awarded. Pre-inaugural ceremonies were held in each of the cities. Local and state dignitaries and even Santa Claus attended.

vacation plans to nine major national parks, attracted many air travelers to Frontierland.

By the end of 1964, 635,000 passengers had flown Frontier Airlines, representing a 22% increase over the previous year's results. This growth was primarily attributed to the company's introduction of the Convair 580 aircraft, which brought a 100 mph faster flight for Frontier's passengers. Four of these 53-passenger jet-powered aircraft were introduced by June of that year and carried more than 40% of the year's total passengers.

Frontier's progress in 1965 followed closely the previously established three-year growth pattern with a 16% increase in passenger miles flown by more than 737,000 passengers. On August 9, the headline in the SEATTLE TIMES proclaimed, "Frontier Buys Five Boeing 727's" which proved the company's faith in the future growth of the area it serves. The airline's \$55 million purchase of Boeing 727 jets was a strong addition to the Company's Convair 580 jet-prop fleet. Also that year the carrier received an additional boost when the controlling interest of the line was purchased by RKO General,

Inc., a subsidiary of General Tire and Rubber Company.

Also highlighting 1965 was an exceptionally strong presentation before cities and the hearing examiner of the CAB in a bid for new major routes in the Pacific Northwest/Southwest Area Investigation. Frontier's management stressed that if awarded new routes between Seattle and New Orleans and be-

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AIRCRAFT PAINTERS IMMEDIATELY busied themselves painting Central's fleet with its new colors. Just hours before this photograph was taken, the aircraft on the left carried the Central markings as does the Dart jet-prop pictured on the right.

Growing Fleet of Larger, Faster Aircraft Help Build More Profitable Routes

FRONTIER PRESENTLY OWNS five Boeing 727 model 100's which have a seating capacity for 99 passengers with both first class and coach accommodations.

Within a few weeks, two of five Boeing 727 model 200 aircraft ordered by Frontier Airlines will be rolling off the assembly line at Boeing's Renton, Washington plant. Three more of these larger tri-engine jets will be completed and delivered to Frontier for regularly scheduled passenger and cargo service in early and mid-1968. Following this will be an encore with five twin-engine Boeing 737 model 200 aircraft.

Where will these aircraft be flying and just what will be expected of them? Frontier Airlines, largest of the regional air carriers is rapidly acquiring new long-haul routes which complete within its system an overall pattern permitting the carrier to provide all of the necessary air travel needs for passengers in both smaller and larger cities. This means that Frontier, with their service in 114 cities throughout its 14-state region, can better provide connecting service for passengers who originate in smaller cities served by DC-3 or jet-prop aircraft to its jets operating over the long-haul routes between major economic and industrial centers.

Within the next few months, Frontier will be an all-jet airline operating pure jet and jet-prop aircraft only. Plans call for the termination of air service with piston-powered DC-3 aircraft as soon as the remaining few airports on the carrier's system are able to accommodate the larger Convair jet-props.

It is the carrier's goal to maintain and improve its air service for the smaller communities on system as well as to continue its program of expansion through new service to cities in other areas. In the end product, the public will be best served when air travel can be provided by one airline between the smaller cities and the major terminal points throughout the United States.

DELIVERY OF THE FIRST TWO OF FIVE new Boeing 727 model 200's is expected in February, 1968. These aircraft have a seating capacity for 141 passengers with first class and coach seating.



NEWEST SHORT-RANGE pure jet from the Boeing family is the twin engine 96-passenger B-737. Having just completed its complex series of flight tests, this new pure jet will soon be providing service to many of Frontier's cities. Delivery date is expected in 1969.

MADE POPULAR WORLD-WIDE by Frontier Airlines, this twin engine jet-prop Convair 580 has proven itself to be a highly economical aircraft for Frontier. It has a seating capacity for 53 passengers with a cruising speed of 355 mph. The carrier presently operates 22 of the 580's with nine additional being added to service during the next few months.

NEWEST ADDITION TO FRONTIER'S jet-prop fleet are eleven Convair Dart 600 jet-props acquired from Central Airlines through the merger.

FAMED WORK HORSE OF THE SKY, which provided the base of operations for nearly all airlines, still plays a key role in today's transportation. Frontier currently operates 17 DC-3's throughout its system at airports which cannot accommodate the larger, faster aircraft.









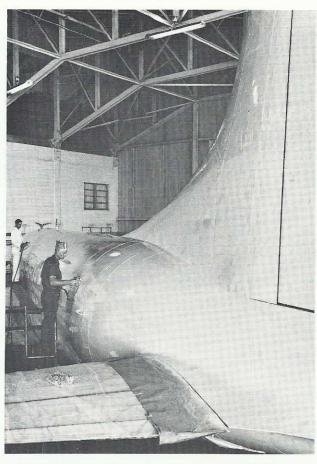


MERGER MEANS MORE THAN JUST NEW PAINT

Shiny new paint jobs are just a small portion of a merger. In the case of aircraft and supplemental equipment, there is detailed preparation for an increased inventory on thousands upon thousands of aircraft parts.

Members of each company as they existed prior to the official merger date are busied with indoctrinating each of the other company's employees to parts manuals, descriptions, identification numbers, new codes, suppliers, policy and procedures.

All in all, it provides each employee extra knowledge not only about another man's job, but about his own as he goes about the tedious task of briefing his new fellow employee on the many aspects of operation.



AT GREATER SOUTHWEST International Airport in Ft. Worth, Frontier's painters apply the initial coat of primer white paint to the first Convair Dart jet-prop to receive the new Frontier colors. Two days are required to paint each aircraft.



DETAILED PREPARATIONS must be completed prior to applying new paint. Here, a Ft. Worth-based crew work steadily at masking the aircraft with rolls of paper and tape.



AFTER TWO FULL DAYS in Frontier's Ft. Worth paint shop, this Convair Dart 600 jet-prop begins reqularly scheduled service as shown at Denver's Stapleton International Airport. Each weekend finds another aircraft carrying the new Frontier colors.



REPRESENTATIVES FROM NEWS MEDIA throughout Frontier's system captured the historic change of Central to Frontier.



DURING THE EVENING of September 30, the day before the Frontier/Central merger became effective, all Central ticket counters and boarding areas were made ready with the new Frontier identifications. Atop the ladder is Denverbased stewardess Ruth Brent.

HISTORY

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tween Seattle and St. Louis, the company would be able to reduce and eventually eliminate the need for \$7 million in annual subsidy.

The carrier's sound approach for new route awards worked. Frontier won new route authority in this case to operate non-stop service between Denver and St. Louis and between Denver and St. Louis by way of Kansas City. On June 13, Frontier began flying the new route with Boeing 727 and Convair 580 aircraft.

The remaining issues in this complex hearing are to be settled in what is named the Reopened Pacific Northwest/Southwest Case. Further consideration will be given for service between Denver/Salt Lake City and Texas-New Orleans on one hand and Denver/Salt Lake City and the Pacific Northwest on the other. Frontier has vigorously prosecuted its application to extend its routes from Denver and Salt Lake City to the Pacific Northwest and from Salt Lake City and Denver to the Southwest in this Reopened hearing.

Meanwhile, Frontier's management continued its leadership in new fare ideas by offering another unique fare to attract more passengers. The revolutionary Standby Plan was introduced in early 1966. This new fare made it possible for anyone of any age at any time to occupy an empty seat available at flight time and to fly for approxi-

mately half of the regular air fare. It was effective in stimulating high usage by new travelers.

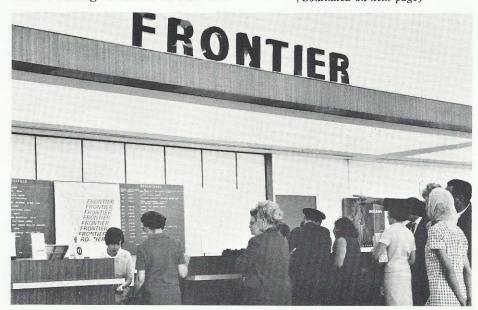
New route awards and CAB examiner recommendations continued Frontier's way. The scenic Yampa Valley area in Northwestern Colorado was awarded Frontier followed by new routes to West Yellowstone and Missoula and Bozeman in Montana. Then, the CAB granted authority for a new East/West Short-cut route between Great Falls and St. Louis by way of Billings, Rapid City, Omaha and Kansas City. This was followed closely by recommendations by CAB hearing examiners for new

non-stop service between Denver and Las Vegas and an extension from Wichita and Topeka to Chicago.

Another major boost came to Frontier on October 1, 1967 when the carrier merged with Ft. Worthbased Central Airlines. This acquisition boosted Frontier to 114 cities being served throughout a 14-state region of the Rocky Mountain West, Midwest and Southwest.

Central's early history dates back to September 15, 1949, just three years after Frontier had begun its operation formed by its three smaller predecessor compan-

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OKLAHOMA CITY AIR TRAVELERS were introduced to the new Frontier right on schedule—October 1, 1967. At Central ticket counters system-wide, the change was made overnight.

INAUGURALS HIGHLIGHT MERGER

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ies Arizona, Challenger and Monarch Air Lines.

Three single-engine four-place Bonanza aircraft provided the passenger and cargo airlift for Central, which by the end of the first month of operation had flown a total of 54 passengers. By the end of the first ten months of operation, Central's boardings had increased to 1,000.

24-passenger DC-3 aircraft converted from Army Air Corps C-47's were introduced to the operation in answer to the boarding increases. This was coupled in 1961 with an enlarged route system which added 14 new cities to the system in Colorado, Kansas and Missouri. With this route expansion, the airline added six 250 mph twin-engine 40-passenger Convair 240 aircraft.

On December 1, 1965, Central inaugurated jetpowered service with its first 40-passenger Convair Dart 600 jet-prop.

At the time of Central's merging with Frontier, it was providing air service for 46 communities throughout the six states of Arkansas, Colorado, Kansas, Missouri, Oklahoma and Texas. Frontier was serving 68 cities and towns throughout an 11-state area. Now with the merger completed and new horizons being sought, Frontier maintains a position as being the largest of regional air carriers. It is also second in size among all U.S. domestic airlines in terms of number of cities served and fourth largest in unduplicated route miles flown.

Presently, Frontier is operating five 99-passenger Boeing 727-100 aircraft, 22 53-passenger jet-prop Convair 580's, 11 40-passenger Dart 600 jet-props and 17 DC-3's.

On order are five Boeing 727 model 200's, with a seating capacity for 141 passengers and five twinengine Boeing 737 model 200's which have a seating capacity for 96 passengers. The carrier has an option for five additional Boeing 737-200's.

Delivery is expected in February, 1968 of the first two Boeing 727-200's while the first Boeing 737 model 200 will be received in early 1969.

At Denver, construction is nearing completion on a \$91/2 million Maintenance Base Complex. When completed in early 1968, the facility will house five Boeing 727 aircraft, maintenance and operations facilities, a flight and ground crew training center and a greatly enlarged Reservations Department.

Frontier is also maintaining its maintenance facility at Greater Southwest Field in Ft. Worth which was used by Central. Additional manpower and facilities are being added in order to better service Frontier's growing fleet of pure jet and jet-prop aircraft.

Greatly expanded marketing and sales programs, air routes to new areas, as well as non-stop authority over existing segments and larger aircraft in service or on order will all pull together under Frontier's present management to maintain its position as a leader within the industry.





Maintenance Complex Nears Completion



WITHIN SIGHT of Frontier's present maintenance facility at Denver is the carrier's new \$15 million maintenance base complex. Completion of the project is expected in early 1968. It will house a hangar area for five Boeing 727's, a highly computerized and expanded reservations system, maintenance and training facilities.



A LARGE WARM WELCOME greeted Frontier's new jet-prop service in Bozeman from city officials and residents of that new Frontier-served city.

Missoula and Bozeman Receive New Jet-Prop Service

Missoula and Bozeman, Montana received new jetprop air service from Frontier Airlines as the result of the Civil Aeronautics Board's approval for a direct North/South service in those cities for the first time.

These new flights give Bozeman and Missoula direct service to Salt Lake City and Denver as well as Eastward to Kansas City and St. Louis and from Denver to the Southwest — Oklahoma City and Dallas/Ft. Worth. With Missoula and Bozeman, Frontier presently serves eleven cities throughout the state of Montana.



MISSOULIANS TURNED OUT in large numbers to greet Frontier's first scheduled jet-prop flight for that city.

