



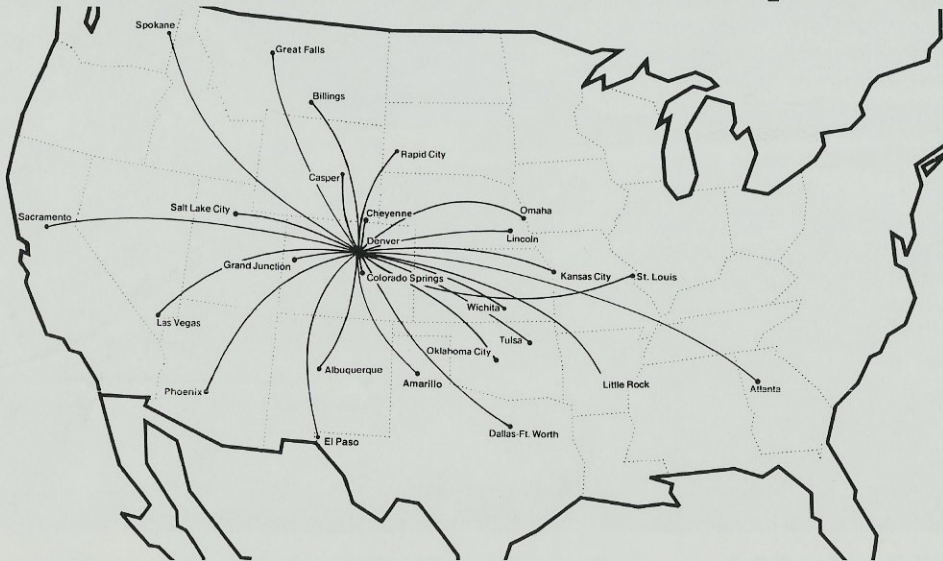
Frontier Holdings Inc.

# Frontier News

Published for the employees of all divisions  
and subsidiaries of Frontier Holdings Inc.

October 1982

## Airline faces increased competition at Denver hub

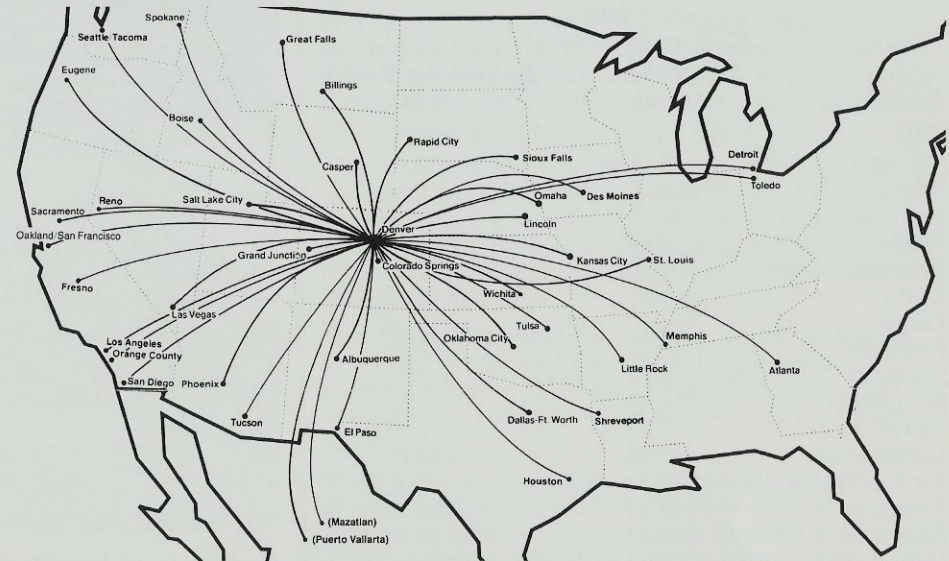


**1978: FRONTIER COMPETED WITH ONE OR MORE OF EIGHT OTHER AIRLINES ON 25 ROUTES FROM DENVER.**

Competition among the airlines serving Denver has intensified in the four years since the airline deregulation act gave carriers the freedom to enter new routes virtually at will.

Since October 1978, Frontier has made significant incursions into routes once dominated by other airlines, having added service to 29 cities from Denver. During the same time other airlines have entered 24 routes served by Frontier from Denver.

that United served at the onset of deregulation, while United has entered seven routes served by Frontier. Since 1978 Frontier has entered Denver-Los Angeles, Seattle, Oakland / San Francisco, Reno, San Diego, Detroit, Des Moines, Eugene, Boise and Fresno, and started nonstop flights to Memphis. United has entered Denver-Albuquerque, Dallas / Fort Worth, Oklahoma City, Tulsa, Tucson, Phoenix and Wichita. Both airlines started service to Houston and Sioux Falls.



**1982: FRONTIER COMPETES WITH ONE OR MORE OF 13 OTHER AIRLINES ON 42 ROUTES FROM DENVER.**

Francisco, San Diego and Seattle. Frontier discontinued its Denver-Amarillo route in 1981, on which it competed with TI.

**Western** and Frontier compete on nine routes from Denver, versus seven in 1978. This does not include the competition between Frontier's hub-and-spoke operation at Denver and Western's similar operation at Salt Lake City. **Republic** and Frontier compete on six routes from Denver. In 1978, Frontier competed on one route with Southern.

Today Frontier offers flights to 78 cities from Denver. The airline competes on 42 of these routes with nonstop and one-stop service offered by up to 13 other airlines. By comparison, in October 1978, Frontier competed with up to eight airlines on 25 of the 82 routes it served from Denver.

This increased competition at Denver — the hub of Frontier's operations — impacts the way new routes are selected. Frontier officials choose new cities they believe will make up — and add to — passenger revenue lost to other airlines, while maintaining the airline's steady course for long-term growth.

**Frontier News** compiled statistics of nonstop and one-stop flights offered by the airlines serving Denver to illustrate the changes in competition faced by Frontier since October 1978:

**United** and Frontier currently compete on 28 routes from Denver, increasing to 29 on Oct. 31 when United resumes Denver-Grand Junction service. United and Frontier competed on only eight routes from Denver in 1978. Frontier has entered 11 routes

## Passenger traffic drops in September

As Frontier officials predicted, the airline's passenger travel dropped sharply after the Labor Day weekend, a situation experienced throughout the industry. Frontier management anticipates weak traffic until the Thanksgiving-Christmas holiday season begins in late November.

Frontier Chairman Glen Ryland projected the weakness in traffic when he announced second quarter earnings to employees in July. "I don't see a strong indication of fundamental improvements in the economy," Ryland said in a management bulletin, "so we intend to keep a tight rein on the operation. The fall is normally sluggish."

Ryland continues to monitor operating expenses closely, but has not projected the necessity of further employee furloughs. The effect of upcoming aircraft purchases on employment figures is

continued on page 2

started service to Houston and Great Falls. The combined operations of **Continental** and **Texas International** compete with Frontier on 23 routes from Denver. In October 1978 Frontier competed with Continental on seven routes and with Texas International on two. Since then Continental/Texas International have entered 10 routes served by Frontier, while Frontier has entered five routes served by Continental or Texas International. CO/TI has entered Denver-Billings, Casper, Grand Junction, Great Falls, Las Vegas, Little Rock, Omaha, Phoenix, Rapid City and Tucson. Frontier has entered Denver-Houston, Los Angeles, Oakland/San

competed on one route with Southern, a predecessor of Republic. **Delta** and Frontier compete on five routes, up from two in 1978. **TWA** and Frontier compete on four routes, up from one. **Ozark** and Frontier, which did not compete in 1978, now compete on one route. **Mexicana** and Frontier compete on two routes. Four airlines that have inaugurated service at Denver since 1978 — **American, Eastern, Northwest and Wien Air Alaska** — each compete with Frontier on one route.

In 1978, **Braniff** and Frontier competed on five routes. Braniff ceased operations in May 1982.

## Frontier Services Co. starts two operations

Two major projects started by Frontier Services Co., a division of Frontier Holdings, illustrate the strong potential of this new company. The firm was established in May to provide contract services and training in aviation- and travel-trades.

In late August, Frontier Services announced an agreement to purchase the Braniff Education Systems of Dallas, a subsidiary of Braniff International Corp. In early September, the company announced the establishment of a contract flight training department to specialize in pilot training for Convair 580 propjets.

Braniff Education Systems, established in 1972, provides vocational training for careers in aircraft maintenance and customer service for the travel and transportation industries. Completion of the \$1.2 million purchase is pending legal and property audits by Frontier Services, as well as a review by the Braniff International Credit Committee and the bankruptcy trustee. Under law, the acquisition must also be reviewed by the U.S. Bankruptcy Court, although Braniff Education Systems — a profitable firm — is not involved in Braniff International's Chapter 11 bankruptcy.

During its 10 years of operation, Braniff Education Systems has graduated more than 6,000 students. Some 500 trainees are presently enrolled. Operations produced revenues of \$2.3 million in 1981. It operates two training facilities, located near Love Field in Dallas.

The name of the school will be changed to the International Aviation and Travel Academy, according to M. C. "Hank" Lund, senior vice president and general manager of Frontier Services, although there will be no interruption of activities. No immediate changes are expected in the school's current staff of 50 employees. All school operations will remain in Dallas.

Course work at the school includes maintenance: power plant license, air frame license, or both; travel/tourism: reservations, ticketing and computers.

The contract flight training department will offer ground school, simulator and aircraft training for pilots of Convair 580 propjets. An estimated 170 Convair 580s are presently in service worldwide. Facilities of the training program will include a fully instrumented Convair 580 flight simulator — the only equipment of this type in the world — acquired from Frontier Airlines.

During the 18 years it operated Convair 580s, the airline provided contract training for some 2,500 pilots on the aircraft representing other airlines, military, corporate and private customers, in addition to training its own pilots. Heading the pilot training program will be Boyd Stevens, a veteran pilot and flight training executive, and former director of flight operations training for Frontier Airlines.

## Frontier: One of the profitable airlines

The airline industry lost \$342 million during the first half of 1982, with eight principal carriers reporting net profits (totaling \$180.1 million) and 10 principal carriers reporting net losses (totaling \$528.8 million).

Frontier's financial performance during the first six months of the year was among the strongest in the industry.

### How the airlines did in the first six months of 1982

(Dollars in millions)

Airline	Net Profit (Loss)	Operating Profit (Loss)
TWA	\$ 84.7	\$ 102.3
US Air	30.8	35.1
PSA	25.3	(4.4)
Southwest	13.5	18.3
Piedmont	8.8	14.2
<b>Frontier</b>	<b>8.1</b>	<b>12.2</b>
Delta	4.7	(10.8)
Ozark	4.2	10.8
Republic	(6.7)	49.3
Western	(7.8)	(14.0)
Northwest	(19.4)	(41.3)
Texas Air	(20.1)	(5.8)
Continental	(27.9)	(16.0)
Air Florida	(30.4)	n/a
American	(41.2)	(35.2)
Eastern	(54.4)	(4.9)
United	(134.1)	(83.8)
Pan Am	(186.8)	(146.9)

### How the airlines did in the second quarter of 1982

(Dollars in millions)

Airline	Net Profit (Loss)	Operating Profit (Loss)
TWA	\$ 25.6	\$ 4.6
PSA	25.1	.4

## Airline buys two more DC-9 Super 80 jets



Purchase of two McDonnell Douglas DC-9 Super 80 jets — at a total cost of approximately \$45 million — will bring Frontier's Super 80 fleet to five. Delivery of the new jets is scheduled for December.

Airline management is pleased with the early experience with the first three Super 80s, which entered service in May. The two new

Super 80s will initially be used to provide increased capacity on high density routes.

Additionally, four Boeing 737s are on order, two scheduled for delivery in December and two in the second quarter of 1983. Frontier has also renewed the long-term leases on eight Boeing 737s leased from GATX.

Delta	23.1	34.9
US Air	20.0	40.0
Republic	15.8	44.2
Piedmont	14.7	18.7
Southwest	10.0	13.3
<b>Frontier</b>	<b>5.8</b>	<b>8.7</b>
Ozark	5.1	10.8
Western	3.1	(7.7)
American	.5	17.4
Northwest	(1.5)	(5.2)
Eastern	(3.0)	16.6
United	(4.4)	22.4
Continental	(4.8)	(.6)
Air Florida	(6.3)	n/a
Texas Air	(8.0)	(.6)
Pan Am	(57.5)	(43.8)

## Traffic declines

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unclear. Approximately 400 employees are currently on furlough. Additionally, some 200 management positions were eliminated in February.

Passenger traffic increased a mere 0.4 percent in September from the same month a year ago. Traffic is measured in revenue passenger miles — one passenger paying to travel one mile. This small increase occurred despite a 6.5 percent increase in available seat miles — one seat available to be sold one mile — from last September. Frontier's load factor — the percentage of seats filled — dropped nearly 3.5 points from last September to 56 percent.

August traffic increased 7.3 percent over the same month a year ago. Traffic over the Labor Day weekend increased 20 percent over 1981. So far in 1982, revenue passenger miles are 4.9 percent ahead of 1981. The load factor is 62.8 percent — versus 62.6 percent in 1981.

"We predicted a strong summer followed by a weak fall," Ryland says. "There was a demand for travel this summer which had been building for several months, despite the economic doldrums. It's as if travelers were saying, 'Okay, good times or bad, let's take our vacation trip.' This bubble didn't last long, however."

## New flight schedules highlight Fall 1982

### IND, CMH flights start Dec. 15

Frontier officials see strong long-term potential in the airline's new service to Indianapolis and Columbus (Ohio) slated to begin Dec. 15.

Two daily roundtrip flights will be scheduled on a Denver-Indianapolis-Columbus routing using Boeing 737 jets. Indianapolis, the state capital, will be Frontier's first destination in Indiana. Columbus, also a state capital, will be the airline's second destination in Ohio, along with Toledo.

Addition of Indianapolis and Columbus will bring to 82 the number of airports served by Frontier in 28 states, Canada and Mexico, and to 32 the number of cities added to the route system since the airline deregulation act passed in October 1978.

### Fly nonstop to Memphis

In a major marketing expansion, Frontier introduced nonstop jet service between Denver and Memphis on Sept. 8.

The airline had been operating two Denver-Memphis flights, one with a stop in Little Rock, and one with stops in Little Rock and Fort Smith. Frontier now schedules four daily departures from Memphis: two flights to Denver; one flight to Little Rock; and one flight with stops in Little Rock, Fort Smith and Oklahoma City.

### Fares cut at COS, CYS, LAR

Passengers in Colorado Springs, Laramie and Cheyenne are responding enthusiastically to a new pricing structure that bases air fares in those cities on the Denver fare level, providing a price incentive for passengers to fly to Denver rather than drive.

### PSP flights start Nov. 19

Palm Springs, Calif. — the popular warm-weather destination during the winter months — will be added to Frontier's route system Nov. 19.

Addition of Palm Springs will bring to nine the number of California cities linked to Denver by Frontier. The other points are San Diego, Los Angeles, Orange County, Oakland, Sacramento, Fresno, Redding and Stockton.

One daily flight will be scheduled in each direction between Denver and Palm Springs, both with an intermediate stop at San Diego. To be operated each year over the winter season, the new service will initially be provided through April 23, 1983. The Palm Springs service will be operated as an extension of Frontier's two current roundtrip flights between Denver and San Diego.

### Flights added for ski season

Special flights to Jackson Hole, Wyo., and Grand Junction and Gunnison, Colo., will be added to Frontier's regular flight schedule on Saturdays this ski season.

From Dec. 18 through April 2, the airline will add five roundtrips on Saturdays to Jackson (two to Los Angeles, two to Oakland, one to Denver) and two roundtrips on Saturdays to Grand Junction (one to Los Angeles, one to Oakland). One extra roundtrip to Jackson from Los Angeles, Oakland and Denver will be scheduled Dec. 11 and April 9.

From Dec. 18 through March 26, the airline will schedule four roundtrips on Saturdays to Gunnison (one to Atlanta, one to Dallas/Fort Worth, two to Denver). These special flights mark a resumption of Frontier's service to Gunnison. The airline ceased regularly scheduled service in April after serving the city for 35 years.

## FL 194 landing spotlights training importance

When the crew aboard Frontier flight 194 faced an emergency landing in Denver on Aug. 5, they used the skills and procedures acquired during many hours of ground and inflight training.

The Atlanta-bound Boeing 737 — with 97 passengers — blew out its two left tires on takeoff from Denver. Captain Duane Cook and First Officer Jim Rimer circled the jet for two hours to burn fuel before executing a textbook-perfect landing. Flight attendants aboard were Barbara Reynolds, Debe Fawson and Linda Sandos.

Training programs for pilots and flight attendants emphasize procedures to follow during an emergency situation. Hiring prerequisites for pilots center on flying experience. To be considered by Frontier, a pilot must have a current FAA first class physical certificate with no waivers, a multi-engine air transport pilot certificate, and have completed a minimum of 2,500 hours of fixed wing flight time.

Frontier's standards for pilot training exceed requirements set by the FAA. When first hired, pilots complete five weeks of instruction in the classroom and the simulator. They must pass oral and written exams, simulator tests and inflight checks. Each subsequent year first officers return for two days of classroom instruction and simulator training, followed by oral and written exams, simulator

and inflight checks. Captains return twice each year. The \$3.5 million Boeing 737 simulator — located at the airline's general headquarters in Denver — provides pilots with the opportunity to fly and land a plane during all types of adverse conditions.

Likewise, flight attendant training emphasizes emergency procedures, beginning with the initial five week classroom and inflight instruction. Flight attendants return for a one-day recurrent training session each year. Flight service instructors emphasize the importance of maintaining communication with passengers during an emergency to reduce the potential for panic. Flight attendants are instructed on how to spot passenger panic, and how to treat a disturbed passenger during an emergency.

Crew members complimented the passengers for remaining calm during the landing of flight 194. National and regional television, radio and newspaper reporters congratulated the crew for landing the jet successfully, and commented on the effectiveness of the airline's training programs. Captain Cook commented to a reporter, "Our training program teaches us to react instinctively to any situation. We simply followed the procedures we had been taught."

## 'Capture the Arsenal' progress noted

After a 2½ year effort, Frontier is seeing some progress in the pursuit to "capture" the Rocky Mountain Arsenal for the expansion of Denver's Stapleton International Airport.

As long urged by Frontier, the Denver Regional Council of Governments passed a motion to go ahead with the first step of a phased expansion onto the arsenal: construction of a new east-west runway. The 17,500-acre arsenal is located adjacent to the current airport.

In a recent commentary in the **Rocky Mountain Business Journal**, Frontier Chairman Glen Ryland stated, "(The Arsenal) is a close-in, environmentally acceptable site of sufficient size to meet (Denver's) air transportation needs of the future.

"According to the Stapleton Master Plan, traffic demands by 1990 are expected to rise to 35 million passengers a year, which is close to today's volume at the busiest airport in the world (Chicago's O'Hare), and by the year 2000 to 57 million passengers.

"Confined to its present site, the airport is unable to handle demands like that. In fact, even at today's demand, Stapleton is fast running out of everything it takes to move people and machines on time."

Ryland has urged a phased expansion onto the arsenal — starting with the construction of a new east-west runway — rather than building a new airport outside Denver at a much higher cost.

Frontier's legal challenge to the rule — which placed a 500-mile limit on nonstop flights from John Wayne — was upheld by the U.S. District Court in Los Angeles on Aug. 16. The Denver-John Wayne route is 840 miles.

The perimeter rule was instituted by the county in the early 1960s as a noise abatement procedure. Airport officials believed limiting flight distance would hold down the amount of fuel on board, that would hold down aircraft weight, and hence the noise generated.

Frontier maintained that as long as aircraft stay within the John Wayne takeoff limitation (128,000

Since Frontier started flying to John Wayne on Dec. 15, 1980, it has had to schedule an intermediate stop at Las Vegas — 226 miles from John Wayne — to comply with the perimeter rule.

Seven of every 10 passengers flying between Denver and Orange County have been inconvenienced by the stop at Las Vegas. The extra fuel required to make the stop cost the airline approximately \$2.1 million annually.

Frontier will operate two daily nonstops in each direction between Denver and John Wayne starting Oct. 31 with Super 80 jets.

according to Ryland. Under Section 23 of the Airport-Airways Act, in such situations acquisition of land for airport construction has priority.

Meanwhile, DRCOG will conduct equal and parallel studies of the feasibility of expansion onto the arsenal as well as building a new airport in Bennett, Colo., east of the city.

## Frontier merger with Central marks 15 years



**1967: FRONTIER AND CENTRAL AIRLINES aircraft line up at Stapleton Airport after the merger.**

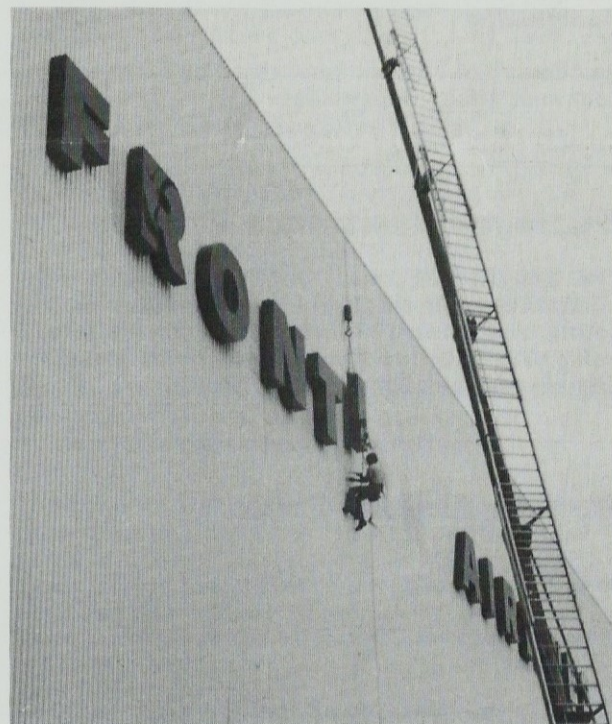
October 1 marked the 15th anniversary of the merger of Frontier and Central Airlines.

Both carriers were highly regionalized in 1967 — Frontier in the Rockies and Central in the Southwest. The merger created a large regional airline serving more than 100 cities in 14 states.

Central was founded in the late 1940s by Keith Kahle, who served as its president until 1964. Kahle developed the concept of an airline connecting cities in Texas and Oklahoma with major hubs in 1941, and after two unsuccessful applications secured a CAB certificate in 1946. Operations started in 1949 on a route linking Fort Worth to Dallas. The fleet initially consisted of 11 four-passenger Bonanza propeller planes, with DC-3s added in the early 1950s and Convair Dart 600s added in 1961.

During its 17 years as Central, the airline grew from serving a few cities in the Southwest to serving major cities on Frontier's current route system, including Dallas, St. Louis, Kansas City, Tulsa, Wichita, Oklahoma City and Little Rock. Initially based at Meacham Field in Fort Worth, the airline moved its headquarters in 1960 to Amon Carter Field in Fort Worth (later renamed Greater Southwest Airport). The bulk of operations moved to Denver in 1967 after the merger with Frontier.

## Western Annex labeled by Frontier



**WORKERS RECENTLY PLACED THE FRONTIER LETTERS on the 8080 Smith Rd. building — the Western Annex — located west of the General Office/Operations Base at 8250 Smith Rd. in Denver. Frontier took over the building in April from Western Airlines. Currently housed in the 10-acre complex are offices of Frontier Services Co., aircraft maintenance projects and technical training.**

# Around the system...

## Flight attendants honored



**FLIGHT ATTENDANTS** Jolie Larder (left), Cindy Allen (center) and Connie Daine are presented Frontier Presidential Awards by Glen Ryland. The flight attendants were honored for performing cardiopulmonary resuscitation on an elderly woman, and saving her life, on June 28.

## Tveten earns CPS rating

**Ruby I. Tveten**, secretary in base aircraft overhaul in Denver, is the first Frontier employee to receive the CPS (Certified Professional Secretary) rating from the Professional Secretaries International, formerly the National Secretaries Association.

## Geiberger wins Pro-Am

179 golfers — 47 professionals and 132 amateurs — representing cities served by Frontier participated in the airline's 10th annual Pro-Am Golf Tournament held Aug. 30 - Sept. 1 at the Hiwan Golf Club in Evergreen, Colo.

Al Geiberger, representing the Beaver Creek (Colo.) Golf Club, won the professional title, in a playoff with Billy Casper (Springville, Utah), Dow Finsterwald (Broadmoor, Colo.) and Ron Vlosich (Inverness, Denver).

## Employees donate blood

**Denver-based Frontier employees** donated 130 units of blood to the St. Luke's Hospital Blood Bank in Denver in August. According to a hospital representative, "The interest shown by the employees was tremendous. Without their support we would have had a hard time doing our job, which is supplying blood for those in need."

## Veterans return to China

**35 World War II veterans and their wives** visited the People's Republic of China in late July on a 17-day tour organized by former Frontier Captain C. A. "Chick" Stevens, editor of **Frontier Magazine**.

The trip commemorated the 40th anniversary of the Doolittle bombing raid on Tokyo (April 18, 1942), the first offensive action by the United States after the bombing of Pearl Harbor on Dec. 7, 1941.

For most of the trip's participants — mostly veterans of the Doolittle raid or the China-Burma theatre — it was the first return to China since the

## Frontier aids Laramie effort

**Frontier recently donated** roundtrip travel to a delegation of five Laramie, Wyo., citizens for travel to Seattle for a presentation before the National Municipal League. Laramie was one of five finalists in the All-American City competition. According to Greg Smith, Frontier's city manager at Laramie, "Frontier has operated in Laramie for 35 years, and we feel we should do our share for the community."

## GTF employees learn back care

**Frontier employees in Great Falls, Mont.**, were the first participants in a series of classes on care for the back at work and at home sponsored by the Montana Department of Physical Medicine and Rehabilitation.

## Schubert honored in ABQ

**Frank Schubert**, Frontier's city manager at Albuquerque, was recently named president of the Albuquerque Convention and Visitors Bureau. Schubert — the first representative of an airline to serve as president — previously held the post of first vice president for the bureau.

## Haynes honored

**Reservations Supervisor Stan Haynes** was recently awarded \$500 for developing a new work schedule for Frontier's reservations centers. The schedule, based on extensive study and analysis, has produced a significant savings. Sales and Service Vice President Ed Dunaway made the presentation to Haynes Sept. 9.

## 737 print given to Reagan

Tveten passed all six sections of the CPS examination at her first sitting in May. Of the 5,600 secretaries who took the examination in May, only 20 percent were certified, and only 8 percent were certified at the first sitting.

## Consumer comment box score

	August 1982	August 1981
<b>Compliments</b>	71%	55%
<b>Complaints</b>	29%	45%
	<b>Year-to-Date 1982</b>	<b>Year-to-Date 1981</b>
<b>Compliments</b>	57%	60%
<b>Complaints</b>	43%	40%

Percentage of comments received by Frontier's consumer affairs department.

## Employee Assistance Program

**THE EMPLOYEE ASSISTANCE PROGRAM — available to all employees — provides counseling and referral services. For assistance, call (303) 696-0051 in Denver — 24 hours a day — and ask for John Ed Smith.**

## Frontier Airlines Facts

**Employees: 5,250**

**Airports served: 79 in 27 states, Canada and Mexico**

**Boeing 737s in the fleet: 47. (30 with JT8D-9 engines; 17 with higher thrust JT8D-17 engines)**

**McDonnell Douglas DC-9 Super 80s in the fleet: 3**

**Jets ordered: 6. (2 DC-9 Super 80s, for delivery in December; 4 Boeing 737s, for delivery in late 1982 and early 1983.)**

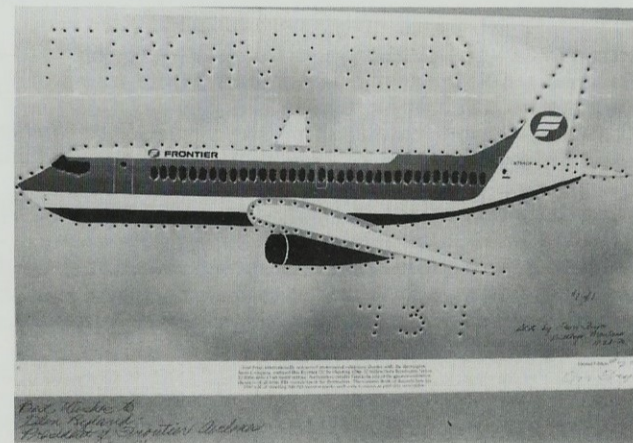
war.

Captain Stevens was a pilot of C-46 transports over the Himalaya Mountains — nicknamed 'The Hump' — during World War II. He flew soldiers and supplies into China over The Hump after the Japanese cut off supply routes through Burma.

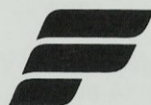
Prior to the trip, Stevens — along with the Confederate Air Force — sponsored a two-day air show in suburban Denver. Some 25,000 people inspected, and observed in flight, faithfully restored fighters, bombers and transporters used in World War II, including an F4U Corsair, P-51 Mustang, P-40 Warhawk, C-46 transport and a B-25 bomber.

## FL sponsors airline luncheon

**Denver station employees** recently hosted 50 representatives of airlines serving Denver at the First Annual Stapleton Secretaries' Luncheon. Guests included secretaries of directors and managers of the various airlines, and representatives of the City of Denver.



**U.S. REPRESENTATIVE RON MARLENEE (Mont.)** recently presented an inscribed print of a Frontier Boeing 737 jet to President Ronald Reagan. The art piece was 'shot' by noted artist/marksman, Tom Frye. Reagan commented, "As an admirer of Western memorabilia, I certainly appreciate the impressive marksmanship."



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