

Stranded in New York and Cheyenne

A Tale of Two Cities

The JetBlue Post Mortem, Part 1: What Went Wrong?

February 22nd, 2007 @ 4:38 pm

Categories: [News](#), [Management](#)

Its been a little over a week since JetBlue's Valentine's Day [meltdown](#), and there's lots to learn from the airline's blunders. I'll be looking at the root causes of JetBlue's icy Valentine's Day nightmare, how the airline has been mopping up the mess, and what comes next for the rest of the airline industry.

The core diagnosis: An ineffective "[shoestring communications system](#)" caused the initial screwups on Valentine's Day, but the debacle also exposed key management shortcomings that compounded JetBlue's woes. Strategically, JetBlue wants to get big fast, but as the company has expanded, its management processes and communications didn't keep pace. From [Legal Ease](#):

"The airline grew rapidly, but its systems didn't keep up with the growth. There wasn't a good system for pilots and flight crews to communicate with the company. Emergency control personnel weren't properly trained. Management was weak, and, according to Neeleman, "lacking in depth." People were out of position and there was no good way to find them and redirect them to where they were needed."

Making matters worse, JetBlue never had to deal with a crisis of this scale, so the airline struggled to make basic operational decisions. From [A New Start](#):

"The airline is also known for not canceling flights even if that means severe delays. And that is where problems started...But the bigger problem was the fact that since the company never cancels a lot of flights; it didn't know what to do when it was finally forced to. So, with around 25% of its schedule canceled, Jet Blue was overwhelmed with logistics such as scheduling pilots and airline attendants because its systems were not built to handle cancellations effectively. If Jet Blue had swallowed the bitter pill and canceled more flights on Wednesday and canceled them earlier (like other airlines) it could have gotten back on its feet faster."

But the start of JetBlue's woes came from its lean and mean cost structure that keeps fares low — but which also means there are fewer employees on hand to help out in a crisis. From [Barbara's Blog](#):

"The budget airlines are especially skimpy when it comes to human employees. In late 2006, Neeleman announced plans to reduce its number of full-time employees per plane from 93 to 80. He should rethink that, since the major reason JetBlue couldn't get back off the ground after the Valentine's Day storm was that it lacks the personnel to connect crews to their flights. Pilots and flight attendants remained stuck in their hotels while passengers slept on airport floors."

The bottom line is this: JetBlue's management and systems didn't keep pace with the airline's growth, inexperience slowed decision making, and a slimmed down workforce left the company short-handed when the weather got tough. JetBlue got away with having a trim workforce for years, but it caught up with them last week, and it was a customer service disaster. It may be time for JetBlue to start doing some hiring.

By Joseph De Avila

<http://blogs.bnet.com/intercom/?p=41>

The JetBlue Post Mortem, Part 2: Damage Control

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Categories: [News](#), [Management](#)

JetBlue's management did just about [everything wrong](#) during their Valentine's Day fiasco. But since then, JetBlue CEO David Neeleman's performance has been nearly flawless from a PR/damage-control point of view. Neeleman immediately accepted responsibility for the mess, and he never ran from it. [Forbes](#) noticed this as well:

"The quick action is not only essential, it's rare. Just look to Jim Samples, the Cartoon Network's former executive vice president and general manager, who resigned last month after a botched advertising campaign in Boston that caused the city to think it was under a terrorist attack. He was practically invisible during that episode."

Neeleman apologized on David Letterman's show, he took out ads in newspapers, sent an [email apology](#) to JetBlue fliers, and even posted an *mea culpa* on [YouTube](#). This appears to be the first time a big-name CEO has used YouTube for damage control, and [The Viral Garden](#) says it was a smart move that could have been a brilliant if it Neeleman had added two extra words:

"This is a classic case of reaching your customers using their tools in their space. But one thing that the commenters at YouTube pointed out was that Neeleman never uttered those 2 magical words; 'I'm sorry.'"

[Steinblog](#) says JetBlue's email apology was a sincere attempt to connect to consumers by not just seeking forgiveness, but also by admitting to shortcomings and promising to correct them:

"It illustrates a key point about what happens when a company blows it. They need to apologize, yes. But they also need to manage the perception of their competence and their benevolence. Consumers (humans) forgive lapses in competence. They do not forgive lapses in benevolence. That's what JetBlue is doing. They are admitting (in a sense) that they were incapable of handling the disruption to their system. But, more importantly, they re-iterated the benevolence that is built into their brand and their product. That's why it is so critical in this memo to remind people about JetBlue's whole purpose: "bringing humanity back to air travel". That's key. They are built around giving people great experiences. They can't possibly lose that, and in this apology, you can see that they are re-affirming that, far more than they are making promises about upgrading their systems.

JetBlue ran a textbook PR campaign for damage control, which should always include these four elements:

- 1) Accept responsibility for your failures.
- 2) Apologize to your customers.
- 3) Tell your customers how you will correct the problems that caused your disaster.
- 4) And finally, keep your promises to improve.

I suspect many fliers will give JetBlue a second chance since the company has bent over backwards to make amends. But to keep those customers coming back, the airline will have to walk the talk. In other words: JetBlue must demonstrate that it really has fixed its problems.

By Joseph De Avila

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Business

JetBlue Bids to Recover from Snow Cancellations

[*Morning Edition*](#), February 20, 2007 · The airline JetBlue faces mounting criticism for mishandling a snowstorm last week in the Northeast. [The company is announcing its own customers' bill of rights](#) in the wake of the cancellation of hundreds of flights. Daryl Jenkins, an independent airline consultant, discusses the carrier's stumble with Renee Montagne.

Jet Blue is a small airline, it cancels 1,000 flights, can it recover?

Of course it can. This was a very bad week for them, brought upon themselves by a lot of their own mistakes, to be sure. But, a year from now, they will put this behind them and will continue their growth.

Could JetBlue have foreseen these problems?

Yes. This was kind of a disaster waiting to happen for them. They have this policy of never canceling flights, or trying to as little as possible. And this one really caught up with them.

Can you explain this for people who have not followed the story?

What happened was, when the weather report came in they thought they were going to have a day where it kind of was part rain and part ice and sleet and snow. And they could, in between these banks of rain and snow, take planes off.

So, the whole time during this storm, they're landing planes at the beginning, and at the same time they're putting planes out on the runway. And they were out on the runway and it didn't rain. It just iced all-day long.

So these planes had to go to be de-iced. And then they knew that they weren't going to be able to take them off. And they couldn't take them back to the gates because they'd been landing all these other planes. All the gates were full.

And they had communications problems?

They had all sorts of communications problems with their travelers. The travelers weren't able to get through [to] the reservation line. So this was a very serious policy mistake on JetBlue's part because they really didn't have the infrastructure in to handle a very large ... irregular operations day.

JetBlue says that it was trying to get its passengers to their destinations. Some passengers are charging the airline with just trying to make money. What would convince someone to book a flight now with JetBlue?

JetBlue is still probably the greatest domestic airline, next to Southwest. They really do go to extraordinary measures to be good to their customers. This is certainly a black eye on them. But it's a black eye from which they'll recover.

What would you, as an analyst, be watching for as JetBlue tries to rebuild its reputation?

They're going to, a little later today, be announcing a new passenger's bill of rights, which applies to their passengers only. This is really kind of a unique step.

I think the problem that we all had with JetBlue in this really big meltdown they had in the last week was that we just expect so darn much from these guys. And we've come to expect a lot. So this was very hard on them.

And so they're going to have to go out, they're going to have to do things to the people who they terribly inconvenienced.

And, at the same time, I think what they'll do is they'll probably run some sales, and some other things, and when fares get low enough people have a tendency to forget.

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<http://www.npr.org/templates/story/story.php?storyId=7492280>

'Abandoned' in Cheyenne

TROUBLE IN CHEYENNE

The saga of two United Express flights that left passengers stranded:

Dec. 20

- **7:20 a.m.:** United Express Flight 7529, with 59 passengers, departs Cedar Rapids, Iowa, for Denver.
- **8:23 a.m.:** United Express Flight 7705, carrying 51 passengers, leaves Columbus, Ohio, for Denver.
- **9:32 a.m.:** Cedar Rapids flight lands in Cheyenne, Wyo., after diverting from Denver because of snowy weather.
- **10:08 a.m.:** Columbus flight lands in Cheyenne after diverting from Denver.
- **4 p.m.:** Passengers from both jets leave Cheyenne airport for local hotels.

Dec. 21

- **5:15 a.m.-11 a.m.:** About 100 passengers arrive at Cheyenne airport expecting to board United Express jets.
- **12:47 p.m.:** Jet from Columbus takes off from Cheyenne for Indianapolis, without passengers.
- **1:44 p.m.:** Jet from Cedar Rapids takes off for Kansas City, without passengers.
- **1:44 p.m.-4 p.m.:** Many passengers leave Cheyenne airport. Some return to hotels. Others book rental cars or make travel arrangements out of Cheyenne.
- **4 p.m.:** An official of Shuttle America, the airline operating the United Express flights, calls Cheyenne airport to inform passengers that a bus will pick them up the next day and take them to Denver.

Dec. 22

- **Noon:** Two buses arrive. Only a few passengers are left to board.

Sources: United Airlines, United Express passengers

By Gary Stoller, USA TODAY

Tears filling his eyes, Roger Barbour watched in disbelief as two United Express jets took off without him just before Christmas at the Cheyenne airport in Wyoming. He wasn't the only one left behind.

Two planeloads of passengers — 110 people — whose flights had been diverted to Cheyenne after a blizzard hit Denver's airport on Wednesday, Dec. 20, were shocked the next day when the pilots and flight attendants boarded the aircraft and flew to other cities without them.

Some in the airport cried as they were left behind. Others were furious or stunned at the move, which U.S. Department of Transportation officials later called highly unusual. "I couldn't believe

they were actually leaving us," says Barbour, who was going to his wedding in Canada after attending his father's memorial service in Cedar Rapids, Iowa.

Airline officials say the jets flew without passengers to Kansas City and Indianapolis on Dec. 21 because the jets were needed for other routes. Buses arrived the next day to take passengers to Denver, but Barbour and other passengers say many were not aware that buses were on the way.

The incident, which has gone largely unpublicized until now, comes to light at a time when airlines are under increasing scrutiny over a series of customer-service miscues that have raised calls for the U.S. government to do more to protect air travelers. The Cheyenne episode is among at least three weather-related airline fiascos this winter.

BACKGROUND: [Spotlight on passenger rights](#)

Last week, hundreds of JetBlue passengers were forced to sit in grounded jets for up to 10 hours, the result of a breakdown in the airline's operations system that led to the cancellations of about 1,000 JetBlue flights and apologies from the airline's leadership. On Dec. 29, a similar thing happened to those aboard a grounded American Airlines jet in Austin.

Together, the incidents are bound to fuel calls for Congress to establish a "bill of rights" for air passengers, industry analyst Michael Boyd says. Most of the discussion on such a measure, though, has focused on giving passengers the right to deplane if an aircraft is on the ground for more than three hours, not the situation faced by the travelers left in Cheyenne.

The Cheyenne incident reflects what can happen when a trimmed-down, post-bankruptcy airline has to deal with a ferocious storm such as the one that hit the Rocky Mountains before Christmas.

Chicago-based United shed 20,000 workers during a three-year bankruptcy reorganization that ended last year. Like other struggling U.S. carriers, it has moved aggressively to make sure nearly every seat is filled on every flight. At Christmastime, United was running flights at near-capacity, limiting its ability to rebook those knocked off course by the blizzard.

For the passengers left in Cheyenne, being stranded by United — and perhaps more important, the airline's lack of communication about why it sent the jets away without them — amounted to a promise broken. United says the weather forced it to make decisions that were bound to displease many.

United spokeswoman Megan McCarthy says various factors led the jets to leave Cheyenne without passengers. Among them: "We had customers at other airports."

The airport at the Cheyenne passengers' original destination, Denver, remained closed the next day, she says. Airline officials considered taking the passengers to Kansas City and Indianapolis but decided against it. With Christmas a few days away, many United flights from those cities already were booked, McCarthy says.

But "the main issue," she says, was that United had no personnel in Cheyenne, so it couldn't draw up a list of passengers as required by government security screeners. The government needs to know the identity of passengers on each new flight, and because some of those who landed in Cheyenne left the airport after several hours, the original list wouldn't suffice.

Scott Hinderman, manager of Cheyenne's airport, says United could have hired an aviation company there or used its own flight attendants to put together such a list.

Instead, the airline sent buses to take the travelers to Denver. By the time the buses arrived on Dec. 22, most of the stranded passengers had found their own ways to proceed with their trips.

After the jets left without them on Dec. 21, many passengers stayed at Cheyenne's airport for a while, trying to figure out what to do. There weren't enough rental cars for everyone, but some who got them carpooled with others and drove up to six hours to the Salt Lake City airport, which was open.

Others drove two hours to Denver and waited at least another day for the airport to open. Some called relatives or their companies to rescue them. Others checked back into Cheyenne hotels and waited for bus service the next day.

At the time, United didn't pay their expenses. Some passengers who complained later were offered a \$150 credit for a United ticket.

The airline's stance changed Monday night, when it learned USA TODAY planned to publish this story. United decided to pay hotel and meal expenses of all passengers left in Cheyenne, McCarthy says.

U.S. Department of Transportation spokesman Bill Mosley says he didn't know of another case in which a diverted flight left its passengers behind. Hinderman says he was "flabbergasted" when the jets took off without the passengers, whose flights had begun in Cedar Rapids, Iowa, and Columbus, Ohio.

"I've been in aviation since 1984," he says, "and I've never heard of such a thing."

Confusion in Cheyenne

The blizzard that forced the jets to be diverted dumped more than 20 inches of snow on Denver's airport and closed it for 45 hours, stranding about 4,700 passengers there Dec. 20. Both jets that went to Cheyenne were in line to land in Denver, but pilots and airline dispatchers decided it was safer to go to Wyoming, McCarthy says.

The pilots worked for Indianapolis-based Shuttle America, one of several carriers that fly United Express routes for United, the USA's No. 2 airline. Shuttle America did not return calls by USA TODAY. It decided to let United comment on the incident, McCarthy says. United declined a USA TODAY request to interview the pilots.

On Dec. 21, the day after the United Express jets landed in Cheyenne amid swirling snow, it was sunny and clear when the jets left without their passengers.

"They abandoned us so they could make more money with others," says Barbour, 28, a graduate student at the University of Regina in Saskatchewan, Canada, who says he has hired a lawyer and is considering action against United.

After the two jets left Cheyenne, Barbour and five others rented a minivan and drove to a Denver hotel. When the airport there opened the next day, Dec. 22, Barbour says he waited in line for six hours to speak to a United ticket agent.

Flights to Edmonton, where he was getting married on Dec. 29, and those to Calgary, a two-hour drive from Edmonton, were canceled. He says he was put on a waiting list for a United flight to Calgary the next evening and was told he might have to wait until after Christmas to get a guaranteed seat.

Concerned about missing his wedding, Barbour booked a flight to Toronto on Air Canada and then a connecting flight to Edmonton.

Barbour says United agents wouldn't transfer his United ticket for travel on Air Canada. He was carrying only \$600 his parents had given him for tuition. He had to use nearly half the money to buy the new ticket and to pay other expenses. Barbour says his cellphone carrier charged \$784 for calls he made trying to reach United agents.

Other passengers recall confusion at Cheyenne's airport the day they arrived. Passengers on the flight from Cedar Rapids say they were told to get off the jet and go into the terminal. They later were told to reboard. The weather "deteriorated quickly, and the pilots determined they could not depart safely," McCarthy says.

Most passengers eventually followed the pilots and flight attendants to local hotels.

Travelers 'in total despair'

Barbour and other passengers who stayed at a Holiday Inn say that the next morning, Dec. 21, pilots at the hotel told them to go to the airport, where they would be flown elsewhere.

Later, at the airport, the pilots got on the jets without talking with the passengers and flew away, Barbour and other passengers say.

When one of the jets began moving to the runway, passenger Patrick Houlihan asked a security screener whether it would pick up the passengers. "He said, 'No, they left you high and dry.' "

Passengers were in "total despair," says Brian Box, who runs a travel agency at Cheyenne's airport and shuttled many passengers to local hotels. "It was horribly cold to leave those people here."

"I was speechless," says Andi, a passenger who is a restaurant manager in Columbus and goes by one name. "Everyone said, 'What the heck are we going to do?' "

Andi returned to a local hotel for a second night. The next day, Dec. 22, he was among just a few passengers still in Cheyenne when the buses sent by the airline arrived. Just three boarded his bus, he says.

Cory Anderson, 19, a student at Kenyon College in Ohio who was headed home to Petaluma, Calif., says it was "a bizarre experience."

Anderson "is not a wimpy traveler," says her mother, Sue, "but she was in tears when she called and said, 'Mom, the plane took off without me.' I scolded her for missing the plane, but she said, 'Mom, it took off without anybody!' "

Passengers say they got little guidance from the pilots, flight attendants or United telephone agents after their flights were diverted. They had to book their own hotels and transportation from Cheyenne's airport.

"It was very stressful," says passenger Ann Kinney, a photographer in Cedar Rapids. She says she paid \$356 for a two-night hotel stay in Cheyenne, meals, a taxi and a bus ticket to Denver. She says a United telephone agent initially told her she was owed nothing because she had made it to Denver. She later was given a \$150 United voucher, which she says is unacceptable.

Passengers say they called United repeatedly to try to find out what they should do after arriving in Cheyenne but say the airline's telephone agents were not helpful and sometimes hung up on them.

United says a customer-service manager from Shuttle America called five hotels and left a phone number for passengers with questions. Several called the number, McCarthy says.

But several passengers say they didn't know about a contact number. Bob Harman, general manager of the Holiday Inn where 36 passengers and 11 flight crewmembers stayed, says his hotel wasn't called by Shuttle America. He says a pilot gave him a toll-free number passengers could use to contact the airline, and he passed it on to some.

Mike Wines, whose wife, Charlotte, was on the flight from Columbus, says he couldn't reach a United agent for 18 hours. When he finally succeeded, the United agent, who was in India, wasn't aware the jet had been diverted and asked how to spell Cheyenne and what state it was in, Wines says.

"We are sorry customers did not get help when contacting United," McCarthy says. "Wait times were long because agents were rebooking customers on the 2,000 flights canceled during the snowstorm."

Mosley, the DOT spokesman, says that when flights are diverted, the government requires airlines to provide transportation to get passengers to their destination. If that's not possible,

airlines must provide a partial refund. United and Shuttle America were responsible for abiding by those terms, DOT spokeswoman Lori Irving says.

The government does not require airlines to pay for hotels or make other provisions for those on diverted planes.

United "treated us like baggage: dropped us off and took off," Andi says. "We're not. We're humans."

'They left you high and dry'

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