

Draft Opening Statement

Barry Biffle, Chief Executive Officer, Frontier Airlines
Before the U.S. Senate Subcommittee on Competition Policy
Hearing on Airline Competition

Chairman, Ranking Member, and Members of the Subcommittee:

Thank you for the opportunity to appear before you today. Airline CEOs usually get invited to Capitol Hill when something has gone wrong — a snowstorm, a canceled flight, or an angry customer on the evening news. So let me start by thanking you for inviting me under better circumstances.

My name is Barry Biffle, and I am the CEO of Frontier Airlines. At Frontier, we have a simple mission: make flying affordable, greener, and more accessible for the average traveler. We're a low-cost carrier, which means we don't rely on fancy lounges or first-class suites. What we offer is a safe, reliable, and affordable way for Americans to travel.

Today, I want to speak very seriously about an issue that strikes at the heart of competition in our industry: **gate access**.

Why Competition Matters

Air travel is not just about getting from Point A to Point B. It's about opportunity — the ability for a family in a small town to take their kids to Disney World, or for a student to afford a trip home for the holidays. Competition makes that possible.

History shows us that when low-cost carriers like Frontier enter a market, fares go down — sometimes by 20, 30, even 40 percent. Customers win. The legacy airlines (United, Delta, American) have grown traffic by just 6 percent since 2000, while raising fares by over 40 percent. By contrast, low-cost carriers have grown traffic by 152 percent with only a 10 percent increase in fares. That is real competition at work.

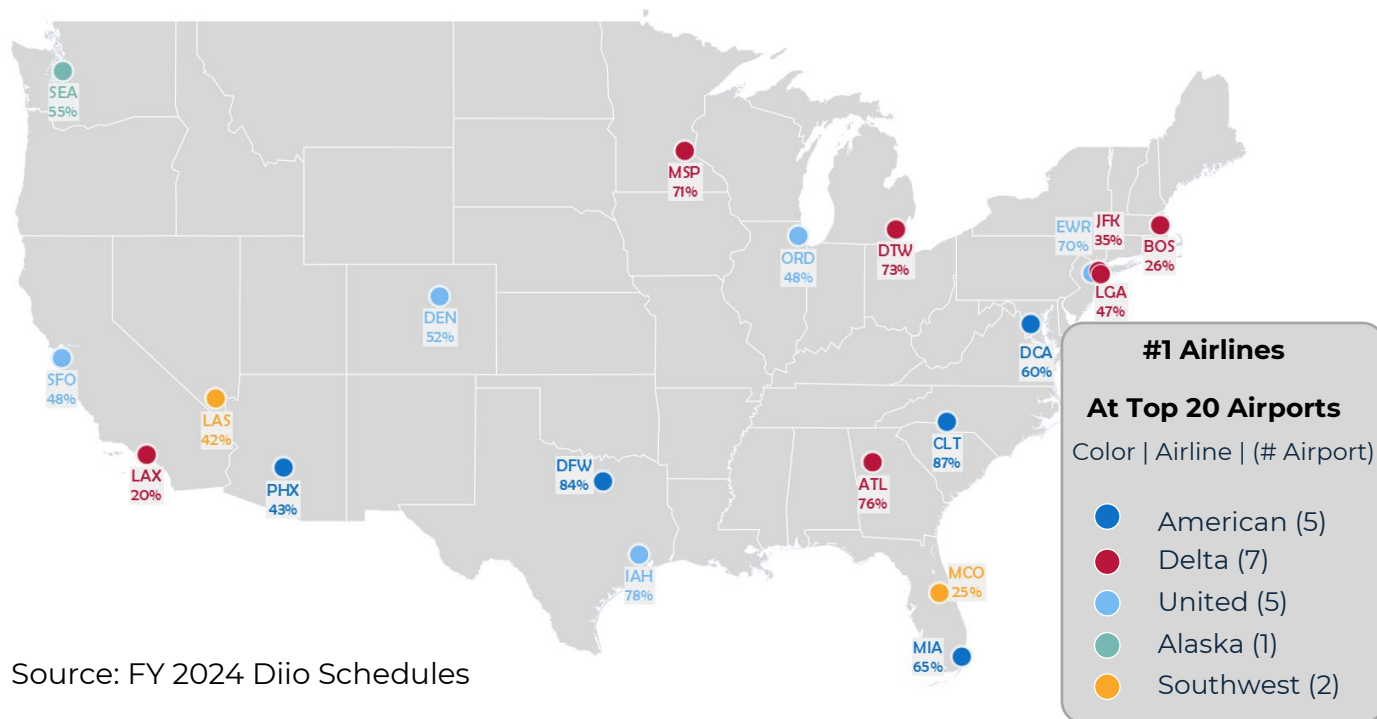
So the question before us is not whether competition works. It's whether new competitors are allowed to compete at all. And that brings me back to gates.

The Gate Problem

In our industry, the gate is the front door. You can have the planes, pilots, fuel and crews — but if you don't have a gate, you don't get to play. Right now, too many of those gates are locked up by a handful of big airlines.

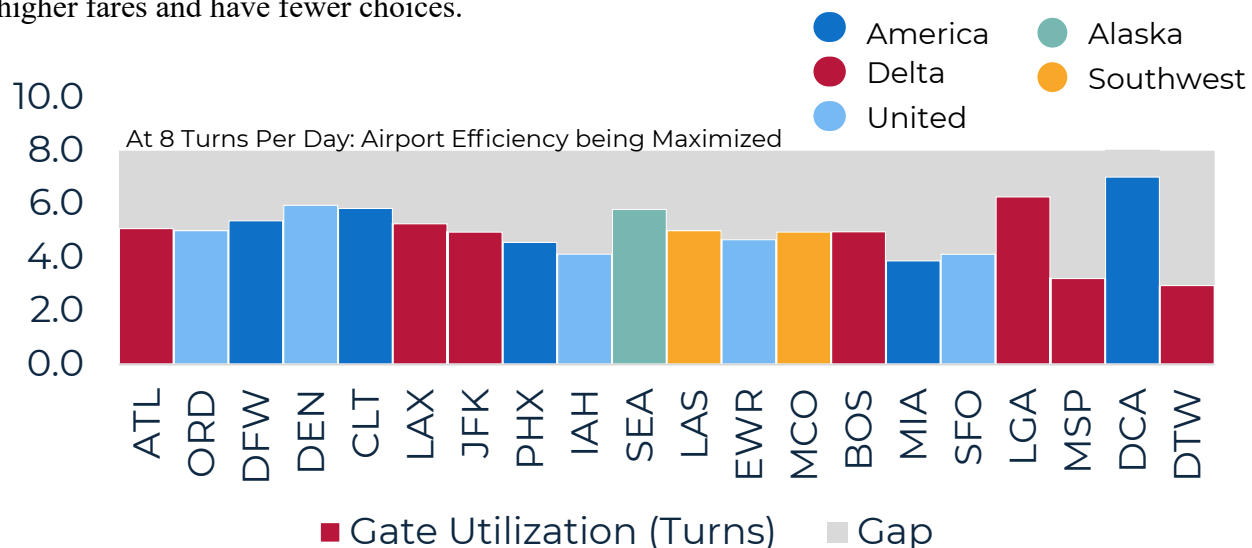
Across the country, we see **fortress hubs**: airports where a single airline controls 60, 70, sometimes even 80 percent of the gates. That kind of dominance doesn't just give those carriers pricing power — it gives them control over who else gets to enter the market.

Top 20 Airports by Largest Airline Market Share



Source: FY 2024 Diio Schedules

And here's the kicker: many of those gates are not even fully used. Dominant carriers hold them, sit on them, and block competitors from coming in. Meanwhile, customers in those cities pay higher fares and have fewer choices.



Source: Gate Access Analysis '24

To put it in everyday terms: imagine if McDonald's leased every street corner in town, set up one restaurant, left the other corners empty, and then told Burger King or Wendy's they weren't allowed to open up shop. That's not a free market. That's protectionism with fries on the side.

Consequences for Consumers

The results are predictable – and harmful. In fortress hub cities, fares are higher and competition is limited. Travelers in Atlanta, Newark, Dallas, and other concentrated airports routinely pay more than their counterparts in more competitive markets. So, when gates are locked up, it isn't just a headache for airlines like mine. It's a tax on the traveling public. Moreover, the single largest disruption to our airline beyond weather and Air Traffic Control events is gate holds caused by delays in obtaining gate access. Our daily flights per gate can be double those of the big airlines. However, the inefficient allocation of gates often results in our diminished on-time reliability and otherwise preventable cancellations.

What Congress Can Do

This Subcommittee has an opportunity to fix this. I want to suggest a few practical steps:

1. **“Use it or lose it” rules.** Airlines should not be allowed to hold preferential gates indefinitely without using them. If you don't use the gate efficiently, you should be required to give it up to another carrier who can.
2. **Common-use requirements.** When airports expand or renovate terminals, at least one-third of the new gates should be designated as common-use. That means any airline can operate there, not just the biggest incumbent.
3. **DOT enforcement authority.** The Department of Transportation should be empowered to step in when dominant carriers hoard gates and block competition. DOT already plays a role in slot allocation — it should have the same authority with gates.
4. **Transparency in lease arrangements.** Right now, gate leases can stretch decades, locking out new entrants. We should require clear reporting and accountability so the public knows whether airports are being managed for competition or for incumbents.

These changes would not cost taxpayers a dime. They don't require subsidies or bailouts. They simply open the door — literally — for competition.

Addressing Criticisms

I know some may say, “Well, fortress hubs also bring benefits — more flights, more destinations.” But the evidence demonstrates the opposite. When one carrier dominates, you get

fewer choices, not more. You get higher fares, not lower. And you get a system that serves the incumbent, not the customer.

Others may say, “Changing gate policies will be disruptive.” I would remind you that this is the very disruption our economy needs. Every time a Value Airline enters a new market, the incumbent responds — not with fewer flights, but with lower fares. That is competition doing exactly what it is supposed to do.

Broader Competitive Barriers

While gate access is the single biggest barrier, it is not the only one. I want to briefly touch on a few others:

- **Slots.** At congested airports, takeoff and landing slots are as precious as gates. Too often, they are controlled by legacy carriers, with DOT’s tacit support, in ways that stifle new entrants. The DOT recently awarded slots at Reagan National to only legacy carriers, which forced us to sue the DOT in federal court based on their gross misreading of the relevant statutes and regulations.
- **Loyalty programs.** Frequent flyer miles and co-branded credit cards give large carriers a built-in advantage that smaller carriers cannot replicate. These programs tie up consumers in ways that reduce true competition. More specifically, legacy carriers leverage credit card loyalty programs to subsidize their Basic Economy fares and enable predatory pricing against the Value Airlines. This dynamic is reflected in United CEO Scott Kirby’s recent comments referring to airlines like Frontier and Spirit as spill carriers that only carry the traffic he allows them to carry. This subcommittee should encourage the DOJ and DOT to investigate this clear example of anti-competitive behavior.
- **Regulation.** Rules like the 1,500-hour pilot requirement — which the rest of the world does not follow — artificially constrain supply and disproportionately hurt smaller airlines. Safety should always come first, but regulation should not be used to freeze out competition.
- **Re-accommodation Agreements.** All of the network carriers had interline re-accommodation agreements with Frontier, to allow Frontier to re-book its passengers if an unforeseen cancellation occurred. By the end of 2015, the network carriers terminated those agreements with Frontier and other low-fare airlines, while keeping them in place amongst themselves. We complained at the time to DOT. The Obama administration, which had failed to block American/US Airways merger, also rejected our complaint. It is time for a fresh look at the network carrier’s exclusionary practice as to re-accommodation.

Closing

Let me close where I began. At Frontier, we don't need special treatment. We don't need subsidies or bailouts. All we need is an opportunity to compete.

Give us a gate, and we will bring fares down. Give us a slot, and we will create new routes. Give us a fair shot, and we will deliver competition and choice to the American traveler.

The big airlines have had decades to consolidate, merge, and dominate. It is time to level the playing field.

I'll leave you with this: airlines like Frontier are proof that competition works. But competition can only work if the rules allow us to get in the game. Right now, too many gates are locked, and too many doors are closed. It's time to break through.

Thank you for your time. I look forward to your questions.