REGAINING ALTITUDE:
A CASE ANALYSIS OF THE JETBLUE AIRWAYS VALENTINE'S DAY 2007 CRISIS

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ABSTRACT

GREGORY EFTHIMIOU: Regaining Altitude: A Case Analysis of the JetBlue Airways Valentine's Day 2007 Crisis

(Under the direction of Elizabeth Dougall, Janas Sinclair, Richard Blackburn)

Valentine's Day 2007 changed the course of history for JetBlue Airways. The upstart low-fare airline – which had enjoyed unprecedented acclaim from customers and industry observers since its launch in 2000 – suddenly found itself in the midst of a major operational catastrophe. A winter storm that enveloped the New York metropolitan region and JetBlue's hub at John F. Kennedy International Airport left hundreds of the company's passengers stranded aboard planes on the tarmac, some for as many as ten hours. Hundreds more waited in vain in the terminal for flights that the airline would eventually cancel. The flight disruptions at JFK plunged JetBlue's entire operation into chaos, forcing the carrier to cancel more than one thousand flights over a six day period. This thesis project describes the corporate crisis communication measures implemented by JetBlue Airways to repair its reputation.

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CHAPTER I

INTRODUCTION

An unforeseen crisis poses many business challenges for the modern corporation and can result in financial instability and organizational uncertainty. The potential damage a crisis may inflict on a company's image and reputation can often be just as consequential as a drop in productivity, a decline in stock valuation, or the loss of valuable corporate assets.

Many of the communication principles and best practices upon which companies rely to interact effectively with key publics in the wake of a crisis are designed to protect or restore reputations. Since every crisis involves a unique set of conditions, variables, and constraints, no particular image restoration strategy can serve as a universal panacea. Crisis managers must aptly recognize and diagnose the crisis, thoroughly but quickly evaluate available options, and select the approaches and strategies that will be most conducive to resolving the situation and restoring a sense of normalcy.

For JetBlue Airways, Valentine's Day 2007 marked the beginning of the most trying period in the company's seven-year history. When the day began, JetBlue executives and employees had no inkling that an operational catastrophe was afoot, one that would threaten the company's financial stability and tarnish its otherwise

sterling public image. A winter storm that enveloped the New York metropolitan region and JetBlue's hub at John F. Kennedy International Airport left hundreds of the company's passengers stranded in the terminal, and worse, in planes on the tarmac for hours. The flight disruptions at JFK plunged JetBlue's entire operation into chaos, forcing the carrier to cancel more than one thousand flights over a six day period. Compounding JetBlue's woes was a lack of effective communication with internal and external stakeholders. Until this crisis, JetBlue – which launched operations in February 2000 as a customer-centric, low-fare carrier boasting a fleet of new planes – had enjoyed unprecedented acclaim from customers and industry observers.

To restore its reputation, JetBlue embarked on a bold and unconventional image restoration campaign that included issuing disarmingly candid public apologies and a radical new covenant between the company and its customers called the "JetBlue Airways Customer Bill of Rights." To effectively gauge the efficacy of these and other measures taken, a case analysis was conducted, combining key elements of both a case study and a communication audit. The resulting crisis communication assessment evaluates the image restoration strategies JetBlue employed to rebuild its reputation among internal and external stakeholders. This document consists of:

- A brief history of JetBlue Airways;
- An overview of crisis communication and image restoration literature as it relates to the JetBlue case;

- Research questions to be addressed through the case analysis;
- A summary of the research methods used to assess the impact of JetBlue's crisis communication and image restoration efforts;
- An in-depth description of JetBlue's Valentine's Day 2007 crisis and subsequent communication measures employed by the airline;
- Discussion of JetBlue's crisis communication response and image restoration strategies; and
- Recommendations for improving JetBlue's crisis communication capabilities based on lessons learned from February 2007.

CHAPTER II

BACKGROUND

The launch of JetBlue Airways in 2000 was never supposed to work. After all, of the 58 start-up jet airlines that had commenced operations since the United States government deregulated the industry in 1978, only two survived (Peterson, 2004). The prospect of making money in the airline industry is so exceedingly difficult that billionaire investor Warren Buffet once famously remarked that capitalism would have been better served had someone shot down the Wright brothers' prototype airplane at Kitty Hawk, North Carolina, a century earlier.

Airlines today face high fixed costs because scheduled flights have to take off whether they are full or empty (Peterson, 2004). Carriers also incur staggering expenses that are subject to market volatility, such as jet fuel, and are particularly sensitive to the ebbs and flows of economic cycles. "It is a business whose margins are so razor thin that a couple of passengers on each plane can spell the difference between profit and loss and where a one-cent rise in the price of jet fuel can cost the industry an added \$180 million a year," wrote industry expert Barbara Peterson (p. xvii).

The pitfalls of the airline business were not always so apparent. Commercial aviation in the U.S. entered its heyday following World War II, a time when many

airlines enjoyed lucrative lease contracts from the military, and the demand for passenger and cargo transport soared. Industry behemoths like Eastern Air Lines, Trans World Airlines, United Airlines, American Airlines, Braniff International Airways, Northwest Airlines, and Delta Air Lines reaped enormous profits and ruled the skies until Congress and President Jimmy Carter passed the Airline Deregulation Act of 1978 (“After 20 years,” 1998). The primary purpose of the act was to eliminate government control over commercial aviation and encourage market forces to shape the industry’s development.

While the Airline Deregulation Act ensured easier market entry for new carriers, success did not automatically follow for these start-ups. The cutthroat competitive tactics employed by the legacy airlines (those that existed prior to the act) in the 1980s and 1990s caused most new entrants to fail (“After 20 years,” 1998). Still, competition persisted and airfares dropped significantly during the 1990s and into the 21st century, leading to the rise of low-cost carriers such as AirTran Airways, Southwest Airlines, and JetBlue Airways.

JetBlue was the brainchild of David Neeleman, an industry visionary who promised to “bring humanity back to air travel” (Peterson, 2004). Neeleman, who was born in Brazil but grew up in Utah as part of a large Mormon family, was no stranger to start-up airlines. He helped to build Morris Air, a Utah-based airline that Southwest Airlines acquired in 1993 for \$129 million (Bailey, 2007e).

Neeleman leveraged his industry experience and connections to create a company that would boast a fleet of brand new airplanes, low fares, and a host of

customer-friendly embellishments that legacy airlines and other start-ups would be hard-pressed to match. Neeleman envisioned treating JetBlue's customers – never referred to as passengers – to comfy and wide leather seats, paperless ticketing, and exceptional service by flight crew members. Every seat would come equipped with a television that featured dozens of free channels provided by satellite signal. Finally, to keep costs down, JetBlue would offer an assortment of tasty snacks instead of unappealing meals that air travelers historically detested (Cohn, 2007).

Backed by an impressive capital reserve, Neeleman's plan worked far sooner than even the most optimistic industry observers predicted. With its new airplanes and flights to and from previously underserved markets, JetBlue quickly shot to the top of J.D. Power and Associates' customer satisfaction surveys (Bailey, 2007a). Based at New York's John F. Kennedy International Airport, the start-up soon expanded operations to Los Angeles (via Long Beach Airport), southern Florida, and a host of smaller markets, such as Buffalo, New York.

JetBlue's launch was particularly well-timed. Despite frequent pricing skirmishes resulting from increased competition between the low-cost and legacy airlines, the domestic commercial aviation industry as a whole started 2001 with 24 consecutive quarters of profitability (Blunk, Clark, & McGibany, 2006). Passenger volume had risen at an average rate of 3.6 percent each year between 1990 and the end of 2000, and net profits for the industry totaled \$7.9 billion in 2000. Despite these trends, many legacy carriers were struggling to maintain profitability due to the competition posed by low-cost carriers. Then the unthinkable happened.

The hijacking and downing of four U.S. jetliners in New York City, Washington D.C., and rural Pennsylvania by terrorists on September 11, 2001 crippled an already ailing airline industry. Consumer confidence in the safety and security of air travel plummeted, sending booking rates down by 70 percent when flights resumed after 9/11 (Kim & Gu, 2004). The industry, which generated 11 million jobs and constituted nine percent of the U.S. gross domestic product, saw more than 80,000 jobs eliminated during the two months immediately following the attacks. Only three airlines managed to turn a profit in 2001: low-cost carriers Southwest, AirTran, and JetBlue (Flouris & Walker, 2005).

Due in large part to its size and flexibility, JetBlue continued to impress in the years that followed. In 2002, *Advertising Age* crowned JetBlue the “Marketer of the Year” and claimed the company’s branding efforts gave it a singular identity in a crowded and often confusing marketplace (Thomaselli, 2007). JetBlue flights were among the most on-time in the industry in 2003, the same year the airline filled most of its available seats on planes – two feats that rarely go hand-in-hand (Peterson, 2004). By mid-2004, the company had turned a profit for more than 16 consecutive quarters.

Although JetBlue reported a net loss of \$1 million in 2006 primarily due to soaring jet fuel expenses, the company’s operating revenue totaled \$2.36 billion, which constituted growth of nearly 39 percent over fiscal year 2005 (“JetBlue announces fourth quarter,” 2007). By 2007, the airline’s growing fleet of Airbus and Embraer jets served 52 destinations with more than 575 daily flights (“JetBlue

Airways names Dave Barger," 2007). Even though some industry pundits forecasted growing pains for JetBlue after its meteoric rise, the love affair between the upstart airline and its faithful customers appeared to be as strong as ever.

CHAPTER III

LITERATURE REVIEW

A wealth of scholarly literature exists on the topic of crisis communication. There are also numerous schools of thought regarding strategies for image restoration. For this reason, this literature review provides a concise overview of crises, crisis communication, and image restoration. This cross-section of relevant literature is intended to inform the subsequent analysis of JetBlue Airways' actions in the aftermath of its winter weather-related operational and reputational crises suffered in February of 2007.

The Nature of Crises

Interest in the field of crisis communication has risen steadily in recent years (Ogrizek & Guillery, 1999). Crisis communication victories – and to an even greater extent, failures – routinely garner a great deal of attention from public relations scholars and practitioners, as well as the corporate world at large.

Naturally, variations in the definition of a crisis exist across multiple disciplines. Guth (1995) wrote: “In everyday parlance, the use of the term ‘crisis’ has, in many respects, been subject to the same level of ambiguity as the term ‘art.’ While one person’s trash may be viewed as another person’s treasure, one person’s incident is often viewed as another’s crisis” (p. 125). Most agree, however, on the

basic ingredients required to classify a situation as a full-blown crisis. For example, Seeger, Sellnow, and Ulmer (2003) provided this comprehensive and compelling definition of a crisis:

The term crisis evokes a sense of threat, urgency, and destruction, often on a monumental scale. Crisis suggests an unusual event of overwhelmingly negative significance that carries a high level of risk, harm, and opportunity for further loss. For organizations, crisis often conveys a fundamental threat to system stability, a questioning of core assumptions and beliefs, and threats to high-priority goals, including image, legitimacy, profitability, and even survival. (p. 4)

Seeger et al. (2003) noted that a profound sense of personal loss often affects victims, employees, managers, and members of the community during a crisis.

“Careers may be threatened, livelihoods jeopardized, and health, well being, and sense of security and predictability shattered,” the authors stated (p. 4). Elliott and Charlebois (2007) concurred when they wrote that crises are “often characterized by ambiguity and have multidimensional repercussions to organizations and their environments” (p. 323).

Coombs and Holladay (1996) contended that crises are often fueled by idealized versus realized expectations. They wrote that a “crisis is a threat or challenge to an organization’s legitimacy—stakeholders question if an organization is meeting normative expectations” (p. 281).

Crises vs. Issues

Organizations are clearly susceptible to threats, issues, crises, disasters, and emergencies. It is logical to ask how these concepts are similar and how they are distinct from one another. While the answer is often a matter of semantics,

serviceable methods for contrasting the terms do exist. Coombs (1999) contended that crises result from escalating threats to organizational stability and actually cause or have the potential to cause harm. Damage from a crisis can harm an organization's finances, reputation, environment, structural or physical assets, and possibly its human resources.

According to Ogrizek and Guillery (1999), an emergency can be "distinguished by the unexpected outburst of a threat to a population, whether real or only possible, but in any case one that demands a rapid response.... In actual disasters, the concept of possibility has disappeared" (p. xiii). Although crises, emergencies, and disasters all typically warrant an immediate response, a crisis often signifies a key turning point that leads to definitive organizational change.

The definitions of "issues" and "crises" are closely linked, but there are important differences between the two terms. Smudde (2001) held that crises occur suddenly, with little or no warning, and with great force. Issues, on the other hand, can arise unexpectedly, but most develop methodically over a period of time. Many issues can therefore be anticipated and preemptively addressed, reducing the chance that they will turn into crises. For example, whereas product safety could be an ongoing issue for a manufacturer, a catastrophic act of sabotage on the production line would be far more likely to be characterized as a crisis. Smudde noted that confusion often arises because both issues and crises tend to receive ample attention from internal resources and may warrant significant interest from external stakeholders.

Some believe crises are an extension of unresolved issues. “Crises by definition are issues confronting the organization that have reached the critical stage,” according to Cutlip, Center, and Broom (2006, p. 326). One thing is clear: While issues can be addressed or ignored, crises demand a response. Fearn-Banks (2002) wrote:

An organization has no choice in accepting a crisis. A crisis is forced on it, and the organization must cope with it. Organizations can ignore a crisis and hope it will go away. Occasionally, it does. More often, it does not. A crisis ignored is an organization failing. (p. 13)

Crisis Phases

Regardless of how various scholars define a crisis, most choose to conceptualize crises in terms of distinct chronological phases. Fearn-Banks’ (2002) five crisis phases are: detection, prevention/preparation, containment, recovery, and learning.

Crisis detection, the first phase, occurs when members of an organization assess recent developments and formally recognize the existence of a crisis. This step frequently stems from a single, noteworthy, and attention-grabbing turn of events. Seeger et al. (2003) wrote:

A crisis usually begins with some dramatic and surprising trigger event signaling its onset and ends with some resolution and return to near normalcy. Trigger events signal radical breaks with previous states of existence. The crisis state continues until there is some resolution. These events, then, are time ordered and occur within a specific and limited time frame. (p. 4)

Mitroff and Pearson (1993) classified the phases of a crisis much in the same way as Fearn-Banks (2002). Mitroff and Pearson indicated that the “earliest phase,

signal detection, includes the sensing of early-warning signals that, in advance of the crisis itself, announce the possibility or first occurrence” (p. 10). The second stage, prevention and preparation, involves measures taken to avoid crises altogether or, at the very least, planning effectively for those that arise despite the organization’s best efforts. The third phase, containment, consists of actions designed to protect “uncontaminated parts of an organization or its environment” from the negative effects of the crisis (p. 11). Recovery involves the short- and long-term plans to return the organization to some sense of normalcy, while the learning phase allows leaders and members to process what happened and take steps to prevent a recurrence of the crisis.

The healing process bridges the recovery and learning phases and plays an integral part in helping both the organization and its stakeholders emerge from the crisis. According to Seeger et al. (2003):

Both the organization and its stakeholders seek to simultaneously remember some aspects of the crisis and forget others as they embrace the future. Healing involves constructing meaning for the event. In some cases, the healing process may usher in a sense of renewal for the organization. In others, it is merely relief that the crisis is over. (p. 149)

A crisis may have a definitive beginning and end, yet the effects of a crisis can endure in the minds of organizational members, external stakeholders, and the media for a long time. A company, for example, may be forced to grapple with the fallout from a crisis for many years after its conclusion. As Courtright and Slaughter (2007) noted:

[A]nniversaries of crises and disasters and other newsworthy situations that may bring them to mind provide important public relations problems or opportunities because the news media likely will cover them. The more dramatic the news story, the more likely organizations and institutions... should be ready to address the remembered crisis. (p. 313)

Because a crisis handled improperly during the course of its lifespan has the potential to become a recurring nightmare for an organization, communicators must develop effective message strategies for the post-crisis phase as well.

Warning Signals

Crises are often accompanied by warning signals in the days, weeks, months, and even years before a crisis strikes, although these indicators sometimes go unnoticed by organizations (Barton, 1993). The recognition of warning signals can be achieved through environmental scanning, whereby crisis managers (those charged with navigating the organization through the crisis) examine a variety of information sources to detect “prodromes,” or symptoms of a burgeoning crisis (Coombs, 1999, p. 17). Coombs wrote: “Scanning is a form of radar; it identifies as many prodromes as possible. Monitoring is a form of focused tracking, and it keeps a close watch on the prodromes that have the greatest potential to become crises” (p. 17).

Missed signals can greatly intensify the consequences of a crisis, including damage, recovery time, and tactics used to ascribe blame. Mitroff and Pearson (1993) wrote: “With respect to crisis phases, a worst-case scenario involves an organization’s failure to pick up early-warning signals of an impending crisis. It may even involve the blocking of signals or creation of faulty early-warning systems that

give false readings or illusions of protection” (p. 103). At the very least, these faulty detection practices delay the organization’s recognition of and response to the emerging crisis.

Crisis Communication

If effective communication with internal and external publics is vital for organizations in the absence of a crisis, it is absolutely critical when crises actually emerge. As Burnett (1998) pointed out, examinations of crisis communication theory and best practices have been the subject of countless public relations journal entries, books, and trade articles in recent decades. As such, several prevailing concepts and notions have emerged from studies of this heavily-scrutinized topic.

First, there are few greater organizational sins that can be committed during a period of crisis than an unwitting failure to communicate with key publics. Duke and Masland (2002) advised:

Crisis managers must take control of the flow of information. Otherwise speculation and rumors will emerge. Then, instead of getting accurate information from you, the media will be forced to fill the void with speculation. So, even if details are sketchy, take charge of the information flow and release what information you can. (p. 31)

Most crisis communication experts also agree that time is of the essence when a threat appears ready to upend an organization. Speed is a determining factor for successful crisis communication; waiting too long to respond may be interpreted as a sign of weakness or confusion (Ogrizek & Guillery, 1999).

Table 1 depicts key crisis communication principles advocated by Ogrizek and Guillery (1999) and common communication errors organizations should avoid during a crisis as compiled by Stanton (2002). It follows that organizations that exemplify all (or nearly all) of Ogrizek and Guillery's principles and avoid the crisis management pitfalls listed by Stanton may improve their chances of minimizing the negative consequences of the situation.

Ogrizek and Guillery's (1999) Crisis Communication Principles	Stanton's (2002) 10 Communications Mistakes to Avoid When Managing a Crisis
1. Move fast (p. 53)	1. Rushing to judgment (p. 20)
2. Anticipate the medium term [not just decisions and actions required of an organization in the short term] (p. 54)	2. Overreacting (p. 20)
3. Be a credible source of information (p. 55)	3. Failure to act (p. 21)
4. Be in step with perceptions and the nature of the event (p. 56)	4. "Bending" the facts (p. 21)
5. Put the crisis in perspective (p. 56)	5. Lack of concern/empathy/sympathy (p. 21)
6. Respond immediately to accusations and confusion from guerrilla communication (p. 57)	6. Affixing blame (p. 21)
7. Mobilize and coordinate internal and external resources (p. 57)	7. Remaining insular (p. 21)
8. Instigate actions that can influence the course of the crisis (p. 57)	8. Absence of teamwork (p. 22)
	9. Restriction of information internally (p. 22)
	10. Failure to plan (p. 22)

Table 1 – Crisis communication principles and common mistakes to avoid

It might appear that Ogrizek and Guillery's first piece of advice – move fast – may conflict with Stanton's admonishment to not rush to judgment. Ogrizek and Guillery's list, however, seems to be based on the implicit proviso that all decisions during a crisis should be made after a speedy but thorough examination of all the facts in evidence.

Crisis Communication Stakeholders

An organization's stakeholders can be inadvertently neglected or forgotten amidst the chaos and confusion that typically accompanies a crisis. Never is it more essential for an organization to maintain close ties to both internal and external stakeholders, however, than during a crisis.

Stakeholders are individuals, groups, and institutions who affect or are affected by a specific organization (Mitroff & Pearson, 1993). Unfortunately, stakeholder groups rarely learn of a crisis at the same time. Breaking news, the grapevine, innuendo, and rumors may all contribute to a key public's emerging understanding of a crisis situation. In many cases, stakeholder groups rely solely upon public information and opinion to interpret events as they unfold (Fearn-Banks, 2002).

A crisis creates an information void, according to Coombs (1999), and stakeholders want answers. He wrote:

Nature abhors a vacuum. Any information void will be filled somehow and by someone. The media have deadlines, so they are driven to fill the information void quickly. The media demands trigger a chain reaction effect. The media are going to report on a crisis.... A quick response helps

to ensure that stakeholders receive accurate crisis-related information. (p. 115)

As many organizations have learned, internal and external stakeholder groups that receive little to no information about an emerging threat can create additional headaches that crisis managers must address. Conversely, key publics that are kept well-informed by the organization are more likely to grasp the situation, understand their role, and perhaps help the organization weather the storm.

Often overlooked in the rush to get the word about a crisis out to external stakeholders are an organization's internal members. Employees, board members, contractors, and other constituents who learn of a crisis from a source other than the organization itself may find that their attempts to help solve the root cause of the situation are misdirected. They can also harbor feelings of resentment toward the organization for being excluded from a perceived "circle of trust." According to Ogrizek and Guillery (1999): "Any external crisis affecting an organization always has major repercussions internally. This is why communicating with employees should have top priority in a crisis" (p. 45). These internal publics are frequently instrumental in solving problems and serving as goodwill ambassadors for the organization, even in the direst of circumstances.

Media

Organizational leaders often worry that the media will fan the flames of unrest as a crisis escalates. According to Barton (1993), these fears may compel crisis

managers to refrain from speaking publicly about the situation. He wrote: “[Crisis managers] may feel threatened by the barrage of questions they will be asked when they may have few answers. They may be concerned that if they make mistakes they will be roundly criticized by the public and special interests. They may fear litigation” (p. 23). These anxieties are oftentimes justified. Conflict is a mainstay of the news business and helps sell periodicals, garner Web page hits, and attract broadcast viewers and listeners.

Akin to Coombs’ warning about creating an information vacuum during a crisis, Barton (1993) wrote that crisis managers who refuse to speak with the media leave journalists with two choices: “[Reporters] can drop the story altogether (which is highly unlikely) or they can proceed with the story, identifying and quoting *alternative* sources of information” (p. 23). As one might expect, these alternative sources may provide the reporter with biased, incomplete, or wholly erroneous information.

Yet the media can also serve as a conduit for the transmission of urgent, accurate information between an organization and its key publics, especially those that reside outside the organization. Elliot and Charlebois (2007) wrote:

The media [are] often perceived by crisis pundits as strategically vicious, lacking precision and objectivity, and focusing only on the catastrophic aspects of events. But to understand the media is to understand their importance in risk perception and information provision to the public. Crisis communication strategies would be nearly impossible without media intervention. (p. 323)

Recent technological advances have clearly accelerated a shift in the dissemination of news from traditional media outlets (e.g., newspapers, nightly television news broadcasts) to new, innovative platforms (e.g., the Web, podcasts, blogs). According to the Project for Excellence in Journalism (2007), however, people still turn to the traditional media to learn about current events and the world around them.

Communication experts agree that preparation is the key to contending with the media during a mounting crisis. Successful interaction with journalists during a crisis is largely predicated on practicing public statements, selecting the appropriate spokesperson, using the Web effectively, maintaining a general sense of calm, and telling the truth the first time (Barton, 2001). Organizations that embrace these tenets of crisis media relations are far more likely to succeed in getting their messages across to key publics.

Crisis Communication Plans

Crisis communication plans have become crucial tools for organizations seeking to emerge from a period of crisis. Experts in the field of crisis communication have written volumes about how to plan for, manage, and recover from grave organizational threats.

A key aspect of effective crisis communication plans is that they override existing policies, hierarchies, and protocols used during normal operations (Stanton, 2002). A crisis communication plan institutes its own organizational structure and processes, drawing upon the contributions of personnel specifically designated and trained for crisis response. These plans also enable corporate communicators to

“contribute to the resolution of the actual event; interact with key publics during the situation; and maintain the normal business activities expected by customers” (p. 19).

Crisis communication plans nearly always specify the steps an organization should take to interact effectively with the media under the uncertain conditions associated with a threat. The first step in this process is deciding upon a spokesperson, as well as his or her backup (Barton, 1993). According to Mitroff and Pearson (1993), organizations typically benefit from the expectation by the general public that a spokesperson is not likely to possess all the details as soon as a crisis develops. The authors wrote:

Because a key characteristic of crises is uncertainty, however, it is perfectly appropriate for the spokesperson to acknowledge that facts are not yet available, as long as a promise is made to convey additional information as soon as the facts are known. Indeed, the credibility of the spokesperson outweighs knowing all the facts or the truth in the heat of any major crisis; audiences accept that all the desired information is rarely available at the onset of a crisis. (pp. 102-103)

News releases and other conventional communication vehicles may serve as an organization’s first response to a crisis, but sometimes it is the initial statements made by a spokesperson that carries the most weight with the public. Coombs (1999) suggested that to be effective, a spokesperson must be quick to talk to the media, consistent, open, sympathetic, and informative. Coombs also noted, however, the primary disadvantage of a quick response: “Obviously speed increases risks” (p. 114).

Many organizations use crisis communication plans to take the guesswork out of crisis response, including decision-making hierarchies and media relations protocols. Given the high levels of stress under which crisis managers typically work, the existence of a well-crafted and regularly updated crisis communication plan can be an enormous asset to an organization under fire.

Characteristics of Crisis-Prepared Organizations

Certain traits typify organizations that are well-prepared from top to bottom to handle crises. Crises in America throughout the last century – particularly in the last two decades – have allowed organizational scholars and public relations experts to learn a great deal about which approaches are best suited for defusing critical situations. As Smudde (2001) noted, “A crisis tends to rock an organization to its core, like the Exxon Valdez accident, syringes in Pepsi cans, and the chemical explosion at Union Carbide’s Bhopal, India facility” (p. 35). These disasters remain remarkably fresh in the collective public consciousness and continue to influence the expectations that are brought to bear on today’s most-visible organizations.

Interestingly, certain scholars believe that the value of crisis communication plans alone, while still important, may be somewhat inflated. “While planning is important, leadership in a time of crisis, particularly in the immediate aftermath, may trump any preparation,” argued Schoenberg (2005, p. 2). For example, in addition to sponsoring the development and maintenance of a crisis communication plan, corporate crisis leaders should build trust and credibility with the company’s employees, customers, partners, suppliers, communities, and investors. Schoenberg

wrote: "As a result, a successful crisis leader should never be measured by 'headlines' or news clips. Trust, between internal and external audiences, is the key measurement sought by communications and business leaders alike" (p. 3).

Organizations that embrace this notion tend to favor crisis approaches grounded in persuasion, enablement, and empowerment, rather than traditional command-and-control frameworks.

Besides comprehensive planning measures and effective leadership, crisis-savvy organizations place great importance on maintaining open lines of communication between crisis managers and senior-level leaders. "If an organization has not established formal channels of open communication between senior management and all other levels, the risk of a prolonged and very damaging crisis is much greater," wrote Barton (1993, p. 64).

Communication within an organization is undoubtedly imperative during a crisis, but attitudes may play an even larger role in determining how threats are identified and resolved. As one might expect, organizational attitudes toward crisis prevention, management, and recovery frequently originate in the boardroom. According to Mitroff and Pearson (1993), leaders at well-prepared organizations do not regard crisis management as a cost of doing business. They instead view crisis capabilities as "a strategic necessity that provides a number of competitive advantages" (p. 115).

Mitroff and Pearson (1993) noted the differences in attitudes maintained by crisis-prepared and crisis-prone organizations:

Crisis-prepared organizations exhibit a very different mindset from those that are crisis-prone. Crisis-prepared organizations constantly scrutinize their operations and management structures, whereas crisis-prone organizations tend to miss or even ignore signals indicating potential weakness in operations or structures. In some cases, crisis-prone organizations even exert considerable effort to block warning signals. (p. 22)

As Penrose (2000) pointed out, corporate culture is largely based on the attitudes maintained and expressed by those who wield organizational influence. Crisis-prepared companies typically possess strong internal cultures, while crisis-prone entities may own either strong (and lackadaisical) or weak corporate cultures.

Corporations in Crisis

Since the Industrial Revolution, no organizational form has received as much attention and scrutiny by Americans as the corporation. “The corporation has long been the barometer that measured the values industrial society prized most: performance, efficiency, growth, future,” wrote Ogrizek and Guillery (1999, p. xv). At the same time, corporations are being held increasingly accountable for allegations of corruption and other misdeeds.

Modern-day corporations answer to a seemingly infinite number of stakeholder groups, and the proliferation of information-sharing via the World Wide Web has only accelerated the speed at which corporate news is spread. Misinformation about a company has the power to cause serious damage to arguably its greatest asset: its reputation among key publics. According to Ogrizek and Guillery (1999): “Rumors can have disastrous consequences for brands. At the very least, they affect a brand’s image in the market, but in the long run they may

also be responsible for a fall in sales or even lead to legal action by consumers who believe in good faith that they have suffered from their use" (p. 4). Never is the potential harm from a rumor to a company's reputation more evident than during a crisis.

Attribution is an essential element in determining the degree to which a public or publics will hold a company responsible for causing a crisis. More specifically, Coombs and Holladay (1996) argued that an organization's perceived intentionality helps stakeholders decide who or what is to blame. Companies possessing a high degree of control over the circumstances that prompted a crisis will typically be held more accountable than organizations that are more susceptible to environmental factors outside of their control.

The Impact of Weather on Accountability

Weather is one uncontrollable factor that may mitigate the public's perception of corporate responsibility for a disruption or a crisis. Barton (2001) wrote, "While incidents such as a product recall are typically limited to one organization that can often recover within days, natural disasters... can be actively prolonged, such as major snowstorms that can cripple a region for a week, or longer" (p. 181). In extreme cases, weather can largely absolve a company of responsibility for a crisis. According to Coombs (1999): "Natural disasters allow crisis managers to use the excuse strategy. The spokesperson reinforces that the crisis is not the organization's fault" (p. 128).

For industries such as commercial aviation, maintaining profitability and safeguarding corporation reputation are dependent on securing the public's understanding that weather-related constraints are a perpetual threat. Airlines rely upon this tacit understanding every day, but emphasize the importance of weather when explaining more dire circumstances, such as a plane crash. Seeger et al. (2003) wrote:

[N]atural disasters are commonly portrayed as acts of God, consequences of fate that are beyond questions of individual blame, responsibility, and legal liability.... Airlines often seek to emphasize the role of weather in crashes, as weather conditions are natural phenomena beyond organizational control. Organizational activities, however, frequently interact with natural disasters to compound or accelerate harm. (p. 10)

As JetBlue Airways learned in 2007, weather may be a viable excuse for temporary disruptions to operations, but it never absolves a company of its responsibility to communicate expediently and honestly with key stakeholders. When a crisis does affect a company's reputation, it must work quickly to repair its damaged image.

Image Restoration

It can take decades to forge a positive, durable corporate reputation, but it may only takes days to damage or even destroy that reputation. Organizations must, therefore, take great care in selecting the appropriate image restoration strategy (or strategies) after they have experienced a crisis.

Deciding upon the right approach is rarely an easy decision for a company. “When accusations are made against a company, senior officials often find themselves in an awkward position, especially in regards to responding to the allegations,” wrote King (2006, p. 131). Some leaders may advocate for the organization to accept some degree of blame for a crisis, while others may push for the company to assume a more defiant public posture.

Before a leadership team can reach consensus on which strategy to employ, it must first consider the nature of the fallout from a crisis. Benoit (1997) concluded that two criteria must be satisfied for a company to suffer an attack on its reputation: The company must be held responsible for an action by one or more publics, and that act must be considered offensive by those publics. “The important point is not whether the business in fact is responsible for the offensive act, but whether the firm is *thought to be* responsible for it by the relevant audience” (p. 178, italics added for emphasis). As a result, organizational leaders often struggle to come to grips with the stark fact that perceptions trump reality in virtually all of these situations.

Coombs (1998) agreed that crisis responsibility is directly tied to stakeholder perceptions. He wrote:

Crisis responsibility represents the degree to which stakeholders blame the organization for the crisis event. As with crises themselves, stakeholder perceptions are of central concern. As perceptions of crisis responsibility strengthen, the threat of image damage should strengthen, meaning crisis managers need to utilize more accommodative strategies. Accommodative strategies emphasize image repair, which is what is needed as image damage worsens. (p. 180)

Like many scholars who have commented upon the art of image restoration, Coombs envisioned a continuum along which organizations in crisis can be placed, depending on their level of responsibility for the situation.

Image Restoration Strategies

Stakeholder perceptions not only contribute to an organization's apparent culpability for a crisis, but also help to inform potential image restoration responses. Benoit (1995) and Coombs (1999) both suggested a range of approaches that are tied directly to a company's perceived responsibility for the crisis. At one end of this spectrum, an organization may take full responsibility for its actions or inactions. At the other end, the company may refute or dispute its role in the crisis.

Benoit's (1995) categorization of image restoration strategies is perhaps the most widely accepted model in use today. Benoit believed that all strategies for image repair can be grouped into one of five categories: denial, evading of responsibility, reducing the offensiveness of the transgression, corrective action, and mortification. Several specific strategies and techniques associated with these classifications are listed in Table 2.

Image Restoration Strategies – Benoit (1995)	
<i>Strategy</i>	<i>Possible Manifestations of the Strategy</i>
Denial (p. 73)	<ul style="list-style-type: none"> • Deny that an undesirable act occurred • Shift blame for the crisis
Evasion (p. 73)	<ul style="list-style-type: none"> • Claim that the organization was provoked into causing the crisis • Claim that the organization lacked sufficient information or ability to prevent the crisis • Cite an uncontrollable accident as the cause of the crisis • Argue that the organization had the best of intentions (despite the undesirable outcome)
Reducing the offensiveness of the event (pp. 73-74)	<ul style="list-style-type: none"> • Cite the organization's past good deeds • Minimize the perceived magnitude of the negative feelings attributed to the transgression • Attack the accuser and discredit the accuser's claims of injury • Offer remuneration to the victims of the crisis in an effort to reduce the perceived severity of the injury
Corrective action (p. 74)	<ul style="list-style-type: none"> • Fix the root cause of the crisis • Take steps to prevent a similar crisis from occurring in the future
Mortification (p. 74)	<ul style="list-style-type: none"> • Accept responsibility for the transgression • Provide a genuine apology • Express regret • Request forgiveness

Table 2 – Selected image restoration strategies as described by Benoit (1995)

Benoit (1995) commented that there are a number of ways a company may attempt to reduce its perceived role in a crisis or evade responsibility altogether. The first is a denial, in which the organization claims there is no cause and effect relationship between its actions and the crisis. Another defensive posture involves

attacking or trying to discredit the accuser to weaken the credibility of claims made against the company. Organizations may also try to minimize or shift blame for the transgression, or make excuses for any wrongdoing. Remuneration or compensation made to victims can also be considered part of an attempt to reduce the perceived offensiveness of the event.

Compensation should not be confused with corrective action, even though the two restorative approaches are sometimes related. Compensation usually takes the form of money, credit, or a gift from an organization that is intended to remunerate the victims of the crisis, not correct the cause of the crisis (Benoit, 1995).

By definition, corrective action is an accommodative image restoration strategy in which the accused publicly vows to correct the problem or issue that caused the crisis in the first place (Benoit, 1995). Organizations that employ corrective action generally attempt to restore operations and relationships to the state before the “objectionable action” and promise to implement changes designed to prevent a recurrence of the crisis (p. 79). Benoit (1997) wrote:

While people frequently want to know whom to blame, it is more reassuring to know that steps have been taken to eliminate or avoid future problems. A firm commitment to correct the problem-repair damage and/or prevent future problems can be a very important component of image restoration discourse. (p. 184)

If corrective action is warranted, a company must also take measures to ensure that stakeholders are aware of and accept the organization’s efforts to rectify the situation. “A company must not only do what is right; it also must tell its publics that it is doing so,” wrote Fearn-Banks (2002, p. 10). Companies that fail in this

regard may unwittingly leave key stakeholders with the perception that another crisis is possible or even imminent.

The image restoration strategy of corrective action is usually perceived as an aggressive response to a volatile situation. Companies must move quickly to ascertain the cause of the crisis, identify potential remedies, and institute one or more corrective measures – all the while communicating regularly with stakeholder groups. Smudde (2001) wrote that such approaches typically reflect an organization's cultural predisposition to tackle image problems in a direct and speedy manner. "Such a predisposition relies on organizational officials to seek and create opportunities to quickly rebound from ... crises rather than waiting for a gradual return to public favor...." (p. 36). By most accounts, corrective action is a more productive strategy than denial or evasion, and tends to signify a company's desire to move forward following a crisis.

Although the strategy of corrective action can be a powerful tool for a company seeking to repair its image, an organization's willingness to hold itself accountable for a crisis and beg for forgiveness should not be underestimated.

Coombs (1999) suggested:

Full apology is the most accommodative [strategy] because it involves taking responsibility for the crisis and asking for forgiveness. The organization must acknowledge that it is responsible for the crisis. The organization then asks stakeholders to forgive its misstep. Some compensation (e.g., money or aid) can be included in the apology but it is not necessary. (p. 121)

Many crisis communication experts refer to the act of making a full apology as mortification. As Seeger et al. (2003) noted, “Mortification is shown when the accused accepts responsibility for its wrongdoing and asks to be forgiven” (p. 144).

For a variety of reasons, mortification, or the issuance of a genuine public apology and request for forgiveness, is seldom the first choice for corporations under fire (Benoit, 1995). Legal counsel, for example, often worry that a public apology will subject the organization to additional lawsuits or bolster cases brought by potential plaintiffs. This fear may be justified in some cases, but in many it is not.

Another reason for potential avoidance of mortification is that the strategy is highly contingent upon the nature of organization-stakeholder relationships.

Members of key publics most often rely on past experiences with a company to help them interpret that organization’s role in an unfolding crisis. According to Coombs and Holladay (2001), the “halo effect states that previous reputation affects the acceptance and interpretation of new information” (p. 335). If an individual’s impression of a company is largely positive before a crisis, he or she might be prone to dismissing or discounting negative information about the organization.

Conversely, a negative perception of a company’s reputation can lead to an individual heaping undue scorn on the organization during a crisis.

Coombs and Holladay (2001) also described the lasting effects that reputations can have on companies. The authors wrote that a company’s “performance history is like Velcro; it attracts and snags additional reputational damage” (p. 335). It is therefore essential that crisis leaders consider stakeholder

relationship history when assessing the crisis and settling on a course of action to rectify the situation.

No other approach for image restoration relies so heavily upon sincerity as mortification. Apologies and requests for forgiveness are examined in great detail by the media, and by extension, many of the organization's external stakeholders.

Ogrizek and Guillery (1999) wrote: "The attitude of the corporation affected is always under scrutiny through much media attention, and any possible failures are immediately highlighted. These will without fail give rise to questioning, even to insinuations that remain in the collective memory and are recalled at the slightest opportunity" (pp. 61-62). The fallout from an apology that comes across to key publics as insincere can haunt a company for years.

As many corporations have learned, the stakes are high and the margin for error is razor thin when making public apologies and asking for forgiveness. As the adage goes, you never get a second chance to make a first impression. This is never truer than during the precarious hours and days that follow the onset of an organizational crisis, which makes mortification a potent but dicey strategy for image restoration.

In many cases, a company may choose more than one image restoration strategy to help the organization emerge from a crisis. Benoit (1995) wrote that the use of "multiple strategies may be beneficial in that they reinforce one another" (p. 157). JetBlue Airways, for example, considered several approaches to rebuild its reputation in the eyes of both external and internal publics following its 2007 winter

storm-related crisis. Chapter V discusses the airline's crisis in detail and analyzes the efficacy of its image restoration efforts.

CHAPTER IV

RESEARCH QUESTIONS AND METHOD

Research Questions

Literature on crises, crisis communication, and image restoration provides a strong foundation upon which to construct an assessment of JetBlue's communication efforts during its operational crisis of February 2007. With regard to the service disruptions – sometimes referred to as JetBlue's "Valentine's Day Massacre" – and accompanying reputational damage, the following research questions emerged:

1. What crisis communication measures did JetBlue Airways take during its winter storm-related operational and reputational crises of 2007?
2. What image restoration strategies did JetBlue Airways employ to rebuild its relationships with key internal and external stakeholders in the aftermath of its Valentine's Day 2007 crisis?
3. What opportunities for future research about crisis communication and image restoration are suggested by the case analysis of JetBlue Airways' 2007 crisis?

Method

Case analysis was chosen as the research method to assess JetBlue's internal and external communication efforts during its February 2007 crisis. This case analysis draws upon key elements of both the case study and communication audit research methods.

Creswell (1998) defines case study as "an exploration of a 'bounded system' or a case (or multiple cases) over time through detailed, in-depth data collection involving multiple sources of information rich in context" (p. 61). According to Wimmer and Dominick (2006): "Simply put, case study uses as many data sources as possible to systematically investigate individuals, groups, organizations, or events" (p. 137). Similarly, a communication audit relies upon multiple sources of information to gauge the success or failure of a communication campaign or process (Hargie & Tourish, 2000). The results of both a case study and a communication audit can help the leaders of an organization make better decisions about future stakeholder outreach efforts.

Data collected throughout the course of this case analysis appear to satisfy Merriam's (1988) four essential traits of a case study in that they are particularistic, descriptive, heuristic, and inductive. First, this case is clearly particularistic in that it examines a specific, time-bound event in the history of the airline. The crisis caused real-life problems for thousands of internal and external stakeholders, especially JetBlue's employees and customers. Second, the results of the research are descriptive; they describe what transpired during JetBlue's crisis. Next, the output of

the research is heuristic because it yields new perspectives on the company's response to its operational meltdown. Additionally, the findings of this project may also help other corporations learn from JetBlue's actions. Finally, since findings from the research are used to make generalizations about JetBlue's crisis communication capabilities and the company's success in rehabilitating its public image, the study could also be considered inductive in nature.

An approach called the critical incident technique also influenced the development of this case analysis. According to Wimmer and Dominick (2006): "The critical incident technique is a combination of in-depth interviewing and the case study approach. Its chief value is that it allows the researcher to gather in-depth information about a defined significant incident from the perspective of those who were involved in it" (p. 406). The authors define a critical incident as an occurrence of significant import that has a "clearly demarcated beginning and ending" and offers the researcher ample data for analysis (p. 406). The same characteristic that makes this technique a valuable research tool also represents a limitation. On the one hand, the critical incident technique provides a glimpse into an incident as witnessed by those who are directly involved. On the other hand, data yielded through use of the technique are only as reliable as the memories of those who share their recollections of the incident under scrutiny.

Multiple data sources were considered as part of this case analysis, enabling triangulation – or more precise examination – of JetBlue's crisis communication efforts (Rubin, 1984). These primary and secondary data sources included intensive

interviews with JetBlue officials, a review of company documents and relevant news articles, and an examination of physical artifacts.

Every member of the JetBlue Airways Corporate Communications team (employed by the company during the February 2007 crisis) was solicited for participation in the research. (Please see Appendix A for an organizational chart of JetBlue's Corporate Communications group as of February 2007.) In-person interviews took place at JetBlue's headquarters in Forest Hills, New York, although additional interview data were gathered via telephone and e-mail. All in-person interviews were digitally recorded with the permission of the subjects. JetBlue founder David Neeleman was also interviewed via telephone.

Documents that were reviewed include news releases, financial statements, and videos publicly available via JetBlue's Web site, as well as internal newsletters, bulletins, crisis management plans, and Intranet content provided by members of the Corporate Communications department. News articles analyzed were compiled from daily newspapers in the New York metropolitan region and elsewhere, as well as advertising and public relations trade magazines.

Physical artifacts at JetBlue's headquarters – especially within the company's Emergency Command Center – constitute the final component of the data that were collected and studied. These artifacts included the layout of the workspace that was used to deal with the crisis, communication tools, and several other physical objects and settings. (Please see Table 3 for a summary of the primary and secondary data sources that were relied upon to construct this case analysis.)

Primary and Secondary Data Sources	
<i>Primary Data Sources</i>	<i>Secondary Data Sources</i>
<p>In-person and telephone interviews with JetBlue Airways Corporate Communications team members*</p> <ul style="list-style-type: none"> • Bryan Baldwin • Todd Burke • Jenny Dervin • Alison Eshelman • Morgan Johnston • Sebastian White <p><i>* Please see Appendix A for a Corporate Communications organizational chart</i></p>	<p>JetBlue Airways corporate documentation</p> <ul style="list-style-type: none"> • Emergency Operations Manual (EOM) • Crisis Communications Plan (contained within the EOM) • News releases and Web site content • Advertisements • Internal publications (e.g., Intranet, <i>BluePrint</i> newsletter, Blue Notes) • JetBlue Airways Customer Bill of Rights
<p>Telephone interview with JetBlue Airways founder David Neeleman</p>	<p>Books and journals</p> <ul style="list-style-type: none"> • Crisis communication and image restoration literature • <i>Blue Streak: Inside JetBlue, The Upstart that Rocked an Industry</i> by Barbara Peterson (2004)
<p>Electronic correspondence with crisis communication expert Dr. W. Timothy Coombs</p>	
<p>In-person observation and examination of physical artifacts</p> <ul style="list-style-type: none"> • JetBlue Airways corporate headquarters • Corporate Communications team workspace • Emergency Command Center (ECC) workspace • Corporate Communications media room (adjoining ECC) • JetBlue Airways ticketing and gate areas at JFK International Airport in New York 	<p>Media coverage</p> <ul style="list-style-type: none"> • New York regional newspapers • National newspapers • Television coverage (e.g., video available on the Internet) • Airline industry trade publications • Public relations and advertising trade publications

Table 3 – A summary of primary and secondary data sources used in the construction of this case analysis and crisis communication assessment

The analytic strategy of explanation building (Yin, 1994) was used to discern the factors that contributed to JetBlue's crisis, including weather, operational inefficiencies, communication failures, stakeholder attitudes and reactions, and the competitive environment. The patterns that emerged should help JetBlue's corporate communicators learn about their crisis response processes and perhaps suggest indicators of vulnerability to future threats facing the airline. The findings of this case analysis have been synthesized into the following crisis communication assessment.

CHAPTER V

CRISIS COMMUNICATION ASSESSMENT

The application of a crisis development perspective is one way to facilitate the analysis of JetBlue Airways' crisis communication and image restoration efforts following its February 2007 operational difficulties. This chapter views JetBlue's crisis through the prism of the aforementioned five-stage development model as proposed by Fearn-Banks (2002). The five stages to be applied to the JetBlue case are detection, prevention/preparation, containment, recovery, and learning.

Detection

The ability to detect early warning signs of an impending crisis is highly dependent on an organization's history and culture (Pauchant & Mitroff, 1992). A brief review of incidents from JetBlue Airways' past and insights into the company's unique culture provide the basis for understanding its winter storm-related crisis in 2007.

Many within the JetBlue organization have likened the airline's so-called "Valentine's Day Massacre" to a figurative perfect storm in which inclement weather, operational design flaws, and business process failures combined to severely cripple operations (Capps, 2007). Although February 14, 2007, triggered a

series of events that proved to be the costliest – in terms of financial and reputational damage – in JetBlue’s seven-year history, it was not the first crisis the company had encountered.

Less than one year after its inaugural flight in February 2000, JetBlue received its first major scare when a flight arriving at JFK International Airport in New York from Ontario, California, skidded off an icy runway but came to a safe and immediate halt (Peterson, 2004). “Within a half hour a bulletin had gone out to the media and the local television crews were shuttled to the scene by the Port Authority. The passengers were taken to the terminal – by then the airport had closed down all flights – and given breakfast and vouchers good for a future trip on JetBlue. Cell phones were handed out to anyone who wanted to make a call...” (p. 132). Industry observers lauded JetBlue’s handling of this relatively minor incident, and *Business Week* even mentioned the airline favorably in an article about how companies deal with unforeseen problems.

JetBlue suffered its first system-wide operational crisis in 2003 when the company’s computerized reservations system suddenly crashed (Peterson, 2004). Many flights were delayed for nearly four hours as JetBlue employees across the country scrambled to check in thousands of customers by hand (Peterson, 2004). Company officials moved quickly to appease inconvenienced customers by issuing vouchers for use toward future travel.

JetBlue found itself at the center of a far more publicized crisis on September 21, 2005, when a nose gear malfunction on a JetBlue flight from Burbank, California,

bound for New York prompted a safe but harrowing emergency landing at Los Angeles International Airport (“Emergency landing,” 2005). In an unusual twist, passengers aboard the flight watched live television news coverage of their plane’s ordeal prior to landing thanks to JetBlue’s standard satellite feed in every seat.

By most accounts, nothing in JetBlue’s history – including these minor to moderate crises – prepared members of the organization for the cascading operational failures that would snowball into a crisis on Valentine’s Day 2007. The holiday got off to an inauspicious start in the New York metropolitan area. Bleak, gray skies blanketed the region, and weather forecasters warned of a wintry mix of precipitation. JetBlue officials at John F. Kennedy International Airport gambled that temperatures would warm up enough to change the snowfall and icy slush into rain (Strickler, 2007). Six JetBlue planes – four bound for domestic destinations, one headed for Aruba, and another for Cancun, Mexico – were loaded early in the day with passengers, luggage, and cargo. The planes pushed back from their respective gates and waited for word of a break in the storm. Meanwhile, several inbound flights landed, taxied, and filled most of the airline’s dedicated gates.

Nearly all of the other airlines operating at JFK had called off flights earlier in the day (Nestel, 2007). Scores of JetBlue passengers in the terminal waited in vain to board flights that would inevitably be cancelled. “We thought there would be these windows of opportunities to get planes off the ground, and we were relying on those weather forecasts,” said Sebastian White, a manager in JetBlue’s Corporate Communications department (personal communication, November 29, 2007).

Further complicating matters was the so-called “ice pellet” rule that had been recently instituted by the Federal Aviation Administration (S. White, personal communication, November 29, 2007). The rule placed stringent restrictions on the ability of commercial flights to take off in icy conditions. “We had dealt with ground delay programs and ground stops [before], but what we weren’t expecting was the ice pellet situation, which was a new FAA requirement that no one flies in ice pellets,” said Corporate Communications Coordinator Morgan Johnston (personal communication, January 14, 2008). As freezing rain continued to fall on New York on February 14, hundreds of passengers became entombed inside JetBlue planes that were stranded on the runways at JFK.

According to Bryan Baldwin, a manager in Corporate Communications, JetBlue had hoped to gain a competitive advantage over its rivals at JFK by loading and taxiing nearly a dozen of its morning flights for take-off in spite of the foul weather (personal communication, January 14, 2008). “We wanted our planes at JFK to be able to take off at a moment’s notice,” he said. “That’s why we boarded them in advance, so that when the weather cleared, they would be at the runway ready to take off. Unfortunately, those clearings never happened.”

Director of Corporate Communications Jenny Dervin, who defected from Delta Airlines midway through 2005, had secretly harbored a suspicion that the way JetBlue typically operated its daily schedule of flights could one day lead to a crisis (personal communication, January 14, 2008). Dervin’s fears were realized on Valentine’s Day 2007. “I can’t say I was surprised [by the Valentine’s Day crisis]

because we ran the operation pretty ragged,” she said. “When I first got here that was one thing that caused me concern: We just don’t cancel flights. Coming from Delta, I knew that bigger airlines sometimes abused the ‘cancellation lever,’ but we [at JetBlue] never pulled it.”

JetBlue’s reluctance to cancel flights proved to be the company’s Achilles heel as Valentine’s Day wore on. With no end to the freezing rain in sight, JetBlue and JFK officials hatched a plan to allow planes stranded on the tarmac to ferry back and forth to an open gate for offloading (Strickler, 2007). This strategy failed, however, when the runway equipment used to tow the planes froze to the ground. As Bryan Baldwin told *Newsday*: “We had planes on the runways, planes arriving, and planes at all our gates... We ended up with gridlock” (p. A5).

From a communications standpoint, the morning of February 14 offered little indication that the inclement weather in New York would disrupt activities planned for the day. “We were pretty excited about Valentine’s Day because we were announcing an alliance with Cape Air,” Dervin recalled (personal communication, January 14, 2008). She explained:

We had a press event here at headquarters with the leaders of Cape Air and JetBlue. We announced [the alliance] at 10 o’clock in the morning and it was all done by noon. We came back to the office and got the first reports of the early flights that had been sitting out [on the tarmac at JFK] since 8 a.m., and they were still out there.

Dervin characterized a telephone call from a producer at CNN as the first warning sign that the ground delays at JFK might lead to a situation impacting more than just a few hundred passengers in New York (personal communication, January

14, 2008). The producer told Dervin that CNN had received word from a passenger aboard one of JetBlue's planes stranded on the runway about the seemingly interminable ground delays. Dervin said her first inclination was to chalk the unfortunate episode up to New York's notoriously fickle winter weather. When the CNN producer informed Dervin that the passenger had been onboard a JetBlue plane for almost five hours, she began to worry.

According to Vice President of Corporate Communications Todd Burke:

When the press conference was over and the Cape Air people were on their way back to Boston, I told the team, 'If you're driving, you should probably leave now, because the weather is getting pretty rough.' And I remember driving home myself and getting the first call from a reporter who said, 'We're getting reports that you've got people stuck on airplanes.' I said, 'I have no idea what you're talking about but let me call you back.' And that's when I found out how it was starting to unfold. (personal communication, January 14, 2008)

Although intermittent reports about the JFK ground delays were trickling in and a few members of the media were calling about the passengers stranded aboard JetBlue planes, Dervin and the rest of the Corporate Communications team believed that the worst was likely behind them (J. Dervin, personal communication, January 14, 2008). The airline's System Operations group had reassured everyone at headquarters that the flight schedule interruptions would be quickly resolved once the icy conditions subsided later that day. Those prognostications turned out to be wishful thinking. As a result, few realized that a crisis was brewing. Alison Eshelman, a JetBlue Corporate Communications manager, said, "Thinking back on

that day, I don't think we knew how big of a mess we were in until the evening of February 14th" (personal communication, January 14, 2008).

Preparation/Prevention

Reputations are hard to shake in the airline industry. AirTran Airways, for example, is still frequently referred to as ValuJet, which was the company's name when one of its planes crashed in the Florida Everglades in May 1996 (B. Baldwin, personal communication, January 14, 2008). Because one mistake or accident can cause irreparable harm to an airline, prevention and preparation, Fearn-Banks' second stage of crisis development, remain a continual high priority for JetBlue Airways and its workforce. "As a lifelong airline person – I've been in the industry for 23 years now – you always have in the back of your head the worst case scenario, which is of course a crash with fatalities," said Todd Burke (personal communication, January 14, 2008). "So I think we operate every day and every moment as if the worst could happen."

JetBlue Airways created and regularly maintained a comprehensive Emergency Operations Manual (EOM) to prepare the organization for worst-case scenarios, such as a plane crash or accident. The lengthy, confidential document defines key roles, top priorities, and specific protocols to follow in the event of a crisis situation ("JetBlue Airways Emergency Operations Manual," 2007). EOM topics include the deployment of Go Teams (traveling on-site crisis managers), responsibilities of local JetBlue managers stationed at airports across the country,

and the formation of Family Assistance Teams to support the loved ones of customers involved in an airline-related accident. Also contained in the EOM is JetBlue's Crisis Communications Plan, which stipulates protocols for interacting with internal and external stakeholders, especially the media. Although the Crisis Communications Plan provides prepackaged statements for release to the media and potential talking points for use during news conferences, no lists of media outlets or key stakeholders are housed in the document; the JetBlue Corporate Communications team maintains this information (S. White, personal communication, November 29, 2007).

Additionally, the EOM provides guidance on the activation of the Emergency Command Center (ECC) in the company's Forest Hills, New York, headquarters. If and when the ECC is activated by JetBlue's senior leadership, designated representatives from each department converge on the second-floor meeting room that is usually reserved for training purposes (B. Baldwin, personal communication, January 14, 2008). Only properly credentialed JetBlue employees are allowed in the ECC when a crisis has been declared; even the CEO and other members of the senior executive team are barred unless they have proper identification permitting entry. "While [top executives] have only the best intentions in mind, they end up pulling people away from their jobs just so they can get an update," explained Bryan Baldwin. "It doesn't really matter who you are; only people who have special IDs for the ECC can be in here." Each workstation in the ECC is equipped with a telephone, computer connections, and a drawer full of office supplies. Although the idea for a

centralized incident command center at JetBlue headquarters had been considered since the company's inception, the ECC did not become a reality until shortly after the 2001 terrorist attacks on New York and Washington, D.C. (Peterson, 2004).

Crisis plans and emergency command centers can be invaluable assets when a crisis strikes, but an organization must still rely on its people to contend with an emerging threat. Because JetBlue is a relatively young company, its corporate culture generally affords employees a good deal of latitude when they attempt to solve complex business problems (J. Dervin, personal communication, January 14, 2008). According to Todd Burke: "We were taught here at JetBlue to tell our crew members, 'Do the right thing.' As long as you're doing the right and serving the customer, serving yourself, and serving other crew members in the right way, you'll never be reprimanded for that" (personal communication, January 14, 2008).

JetBlue's egalitarian culture is manifest in its norms and customs, such as the unwritten rule that the word "employee" is largely taboo (B. Baldwin, personal communication, January 14, 2008). Everyone who works for the company is called a "crew member," including baggage handlers, reservations agents, accountants, and even the CEO. According to Bryan Baldwin: "It's the notion that everyone has a stake in this company, and if we all work together we can do it right. That was the culture that was instilled from the very beginning." The cultural aspects of JetBlue's training programs have long been regarded as critical to the airline's vision for providing unparalleled customer service (McShane & Von Glinow, 2008). Although few knew it at the time, JetBlue's culture of service, teamwork, and creativity would

play an integral role in helping the company emerge from its Valentine's Day 2007 crisis.

By the afternoon of February 14, 2007, members of the Corporate Communications team began to recognize that the threat to the company's operation posed by the winter storm was escalating. At JFK, JetBlue officials – who had thus far been stymied in their attempts to return the stranded planes to the gates – waited until 3 p.m. to call the Port Authority of New York and New Jersey for assistance (Chung & Strickler, 2007). By that point in the day, nine of the airline's jets had been sitting idle on the tarmac for more than six hours (Bailey, 2007a).

Passengers aboard one JetBlue

flight that landed at JFK

Wednesday morning were trapped

inside the plane for a full nine

hours (Strickler, 2007). It was not until the late afternoon on Valentine's Day that

Port Authority buses arrived on the tarmac and began offloading JetBlue's

customers (Chung & Strickler, 2007). In retrospect, Bryan Baldwin said JetBlue

waited too long to involve the Port Authority in the mounting crisis (personal communication, January 14, 2008).

Stories from aboard the planes that had been marooned on the runway at JFK

began to emerge as soon as the weary (and in some cases incensed) JetBlue

passengers reached the terminal. A customer who spent nearly nine hours aboard

Figure 1 – Crisis timeline for Wednesday, February 14, 2007

the grounded Valentine's Day flight bound for Cancun remarked: "It was like – what's the name of that prison in Vietnam where they held [Senator John] McCain? The Hanoi Hilton" (Doyle, Kadison, & Olshan, 2007, p. 10). Other passengers recalled their reluctance to use the on-board restrooms as their wait continued. "I don't know what anyone else did, but I just held it," said a man who claimed the lavatories aboard his JetBlue flight stopped working (Strickler, 2007, p. A5). Two puppies on the man's flight had no compunction about using the facilities; they were led to the rear of the cabin so they could relieve themselves on newspapers, he said.

Tensions ran high aboard some of the grounded planes during the wearisome ground delays. The airline's pilots tried to provide frequent updates and apologies, while crew members in the cabins did their best to appease restless customers with snacks and beverages (Strickler, 2007). The televisions in every seatback also helped to soothe frazzled nerves. "The TVs were a saving grace," said one man aboard the flight to Cancun (Nestel, 2007, p. A3).

Although most of the media stories that began trickling out on February 14 recounted tales of passengers' woes, some reports of creativity on the part of JetBlue employees also surfaced. Flight attendants aboard planes that were stranded on the tarmac at JFK kept children busy by allowing them to push beverage carts and serve snacks (Strickler, 2007). The crew members also invited passengers to recharge their mobile phones through electrical outlets on the planes. When the supply of snacks

ran low aboard a JetBlue flight that was waiting to depart for Florida, pilots arranged for pizzas to be delivered to the plane (Doyle et al., 2007).

JetBlue offered all passengers who had been on board the grounded flights at JFK full refunds and a voucher for free round-trip airfare to any of the airline's destinations (Strickler, 2007). Hundreds of customers whose flights were delayed repeatedly throughout the day remained in the terminal where they awaited word from the airline. "There was a lot of miscommunication," said Alison Eshelman (personal communication, January 14, 2008). By the evening, JetBlue had cancelled more than 250 of its 505 daily flights nationwide scheduled for Valentine's Day ("JetBlue statement," 2007).

The Corporate Communications team issued its first news release about the operational disruptions at JFK late on February 14. It read in part:

JetBlue apologizes to customers who were impacted by the ice storm at our home base of operations in New York, specifically at John F. Kennedy International Airport.... [Flight delays and cancellations were caused by] a combination of scheduled departures from JFK that were not able to take off due to the ever-changing weather conditions, and arrivals that we were unable to move to a gate within a reasonable amount of time, due to all gates being occupied. This resulted in unacceptable delays for our customers. ("JetBlue statement," 2007)

As the news release was being developed, the question of whether to publicly apologize for JetBlue's Valentine's Day failures became a hotly contested topic among the senior leaders of the Corporate Communications group. Todd Burke came up with the idea to send out an apology on the night of February 14 but Jenny

Dervin initially opposed the plan (J. Dervin, personal communication, January 14, 2008). She said:

I wanted to run and hide. I didn't want to accept responsibility. I thought that by issuing an apology we were creating another story. At that point I thought [the crisis] was over and that the next day it would be fine.... To me – being from the old airlines school – there was no pride in an apology. And I still hadn't learned that here [at JetBlue]. There can be huge pride in saying you're sorry. My training and background told me 'Don't do it!' but it was the right thing to do.

“Your first inclination is to run away from it - and that's OK to have that inclination - but it can only last for about a second,” said Burke (personal communication, January 14, 2008). As the head of the Corporate Communications group, he had the deciding say over whether to issue the public apology. “There wasn't a moment's hesitation for me,” he recalled.

Burke's stance underscored the belief held by members of his team that JetBlue was not just another typical U.S. airline. As Morgan Johnston put it, “One of JetBlue's strong points is that we treat customers not as passengers but as customers, so it was important for us to acknowledge that we screwed up” (personal communication, January 14, 2008).

Admittedly, the JetBlue Corporate Communications team briefly considered ascribing some blame for the lengthy wait to deplane the stranded jets at JFK to the Port Authority (B. Baldwin, personal communication, January 14, 2008). Bryan Baldwin explained:

It would have been very easy to say, 'Oh, the Port Authority took too long to respond and get some buses out there [to the tarmac at JFK].' But it wasn't their fault and we wanted to be really careful [about what JetBlue publicly said] because it's a big relationship for us. So that wasn't the right thing to do either.

Nor did the Corporate Communications team believe it was in the company's best interest to exaggerate the role of the winter storm as the sole cause of JetBlue's problems. "I think it was clear early on that this wasn't something we could just blame on the weather," Baldwin said. His teammate Morgan Johnston concurred: "We didn't downplay the situation because, well, that's what other airlines would do" (personal communication, January 14, 2008).

Baldwin and Johnston's sentiments echoed those expressed by JetBlue's founder and leader, David Neeleman. "We didn't manufacture the storm, we didn't make up the new [ice pellet] rule that the FAA had come up with, but we had the ability to shut the airline down and to anticipate [the crisis] better, and we didn't do it," he said (personal communication, February 25, 2008). "We let our customers down and we let our crew members down." Neeleman also drew a distinction between JetBlue and its competitors at JFK, many of which also had planes waiting on the runway for hours. He said some of these airlines lied when asked by the media if they had planes on the tarmac at JFK for 10 hours, like JetBlue. "They said, 'No, we didn't,'" Neeleman recalled.

Although the Corporate Communications team could freely choose among several approaches to address its publics, the group had far less control over what was being said about JetBlue on television and radio, in print, and on the World

Wide Web. Todd Burke, like several the members of his team, bristled at some of the erroneous portrayals of what transpired aboard JetBlue planes at JFK (personal communication, January 14, 2008). “It was a horrible situation,” he said (Elsasser, 2007, p. 19). “However, we never had overflowing toilets on the planes. We never ran out of food and water like people said, but that was the customers’ perception.” JetBlue made no attempt to correct relatively minor misperceptions that found their way into media stories; Burke admitted that to do so would have signaled that the airline was missing the bigger picture: its own failings.

The biggest problem, according to Jenny Dervin, was that it was “a slow news day and a horribly slow news week” (personal communication, January 14, 2008). With little else on the national scene to divert their attention, reporters pounced on the JetBlue story, ensuring that it would remain a headline for days – and maybe even weeks. Industrious reporters looking for a scoop were also aided by several JetBlue customers who used their cell phones to take digital photographs from within the airplanes stranded on the tarmac at JFK. A reporter with whom Dervin regularly works told her, “I know this happens to every airline, but your customers are the ones turning this into a story.”

At the conclusion of a disastrous Valentine’s Day, JetBlue ended up with 52 aircraft remaining overnight at JFK – 32 more planes than usual (“No love,” 2007). This anomaly would not bode well for the recovery that the System Operations group planned for the next day. After all, many of those extra planes and their crews were supposed to start Thursday at other airports around the country. Whether

JetBlue leaders knew it or not – and the fact that the Emergency Command Center had not yet been activated was telling – the company was now in the midst of the biggest crisis in its brief history.

Containment

On a typical day, sixty percent of JetBlue's daily flights take off from, land at, or connect through New York's JFK International Airport (B. Baldwin, personal communication, January 14, 2008). At daybreak on Thursday, February 15, 2007, JetBlue leaders clung to hope that the System Operations group would figure out a way to get the extra planes that had spent the night at JFK en route to their intended destinations. Instead, the scope and magnitude of the system-wide flight schedule disruptions on Valentine's Day quickly began to take their toll.

The first major obstacle the company confronted on February 15 concerned its flight crew members who were subject to Federal Aviation Administration regulations on allowable number of consecutive hours worked. "You have to keep in mind that crew members only have certain numbers of hours in a duty day that they can fly," explained Bryan Baldwin (personal communication, January 14, 2008). "So a huge number of crews sat at the airport or on planes on the 14th [of February] and maxed out, meaning that they needed their mandatory 12 or 24 hours of rest before they could even come back" to work.

While customers continued to wait in the terminal at JFK, planes sat idle as airline officials struggled to find crews to man the flights. According to the

company's *BluePrint* newsletter: "Flight Crews can work a set amount of time before 'timing out' and going on mandatory rest. Once a Crew times out, we have to either find a fresh Crew or cancel the flight – and both choices carry consequences" ("No love," 2007, p. 7).

As Jenny Dervin told *The New York Times*, "We had a problem matching aircraft with flight crews," which only compounded the scheduling problem (Lee, 2007, p. 7). The Valentine's Day ice storm in New York left many of JetBlue's 11,000 pilots and flight attendants far from their assigned points of departure on February 15 – more than the company had ever had out of position on a given day (Bailey, 2007c). The group charged with aligning flight crews with aircraft was far too small and overwhelmed to effectively tackle the problem, David Neeleman said. As a result, "I had pilots e-mailing me saying, 'I'm available, what do I do?'" Neeleman recalled (p. A11).

One innovation Neeleman brought to JetBlue from his days at Morris Air was the concept of basing the airline's reservations operation in Salt Lake City, Utah,

Figure 2 – Crisis timeline for Thursday, February 15, 2007

where stay-at-home moms could work remotely via telephone and computer to meet customers' booking needs (Peterson, 2004). As the number of flight delays and cancellations swelled on

February 15, however, it became starkly clear that the 2,000 reservation agents

working in Salt Lake City could not possibly handle the avalanche of calls from customers desperately seeking assistance with rebooking (Bailey, 2007c). Many callers who dialed JetBlue's reservations number were greeted by a recorded voice that said, "We are experiencing extremely high call volume.... We are unable to take your call" (Daly, 2007, p. 12). Visitors to JetBlue.com on the World Wide Web also experienced intermittent difficulties obtaining accurate information. In some instances, JetBlue's Web site listed flights as on schedule for departure when, in fact, the carrier had already cancelled many of those flights.

JetBlue's best internal barometer of a company-wide crisis – the Emergency Command Center – remained inoperative for most of February 15. According to Morgan Johnston, "We didn't activate the Emergency Command Center until the end of the 15th, but we probably should have [sooner]. That was one of our failings" (personal communication, January 14, 2008). Once activated, Johnston said that the room became a beehive of activity. "You could almost see a microcosm of the entire company in that room."

With a crisis now officially declared, headquarters employees assigned to the ECC set about prioritizing their tasks, crossing to-dos off checklists, and reconciling plans with other internal groups represented in the room. Communication breakdowns and a lack of cross-training throughout the company, however, hindered efforts to restore a sense of normalcy. "We had so many people in the company who wanted to help who weren't trained to help," David Neeleman said

(Bailey, 2007c, p. A11). “We had an emergency control center full of people who didn’t know what to do.”

The Corporate Communications team relocated most of its operations to the media room adjoining the ECC (B. Baldwin, personal communication, January 14, 2008). This room was designed to be a staging ground for releasing accurate, vetted information to the media. A row of televisions suspended from the media room’s ceiling enabled the Corporate Communications team to monitor and record cable and broadcast news coverage of JetBlue’s operational meltdown. Approved key messages were scribbled onto oversized Post-It sheets and affixed to the wall to provide speaking points for those crew members who manned the dozen or so media hotlines. Todd Burke and Jenny Dervin made the decision to enlist crew members from JetBlue’s Marketing and Legal departments to help man the phones. “We divvied up the calls and tried to field them as they came in, instead of trying to play catch up,” said Bryan Baldwin, whose role during the crisis was to manage activities in the media room and liaise with other designated ECC leaders. By avoiding the creation of a backlog of unreturned telephone calls to reporters, the Corporate Communications team helped to ensure that the media received updates as soon as the information was deemed appropriate for release.

JetBlue relied on the strong working relationships it had built with representatives from the local and national media to tell its side of the story. As Bryan Baldwin explained: “We try very hard to be transparent here. We’re very up front with the media and the reporters we work with on a daily basis” (personal

communication, January 14, 2008). He said that the Corporate Communications team typically focuses on helping journalists understand the intricacies of events JetBlue considers important for the public to know. “If we can help reporters understand [the subject], then hopefully that will come across in articles or coverage of the story, and we’ll get that message across to the public,” Baldwin said.

“We pride ourselves as a PR team that we answer every single call [from the media] and that we are always available,” said Jenny Dervin (personal communication, January 14, 2008). “We have a very good reputation among the general media for being not only available but being good at what we do. We always provide them with good background, always give them a good quote, and always help them with their story.”

The Corporate Communications team initially found it difficult to be forthright with the media in this crisis situation, however. Many of the updates that were being circulated within the company turned out to be erroneous or symptomatic of overly optimistic thinking. For example, despite reassurances from the System Operations group that JetBlue’s flight schedule would be restored to near-normal status by February 15 (J. Dervin, personal communication, January 14, 2008), the airline was still forced to cancel 217 of its 562 departures that day (Bailey, 2007a). As a result, Jenny Dervin said her team simply did not know what to say as they fielded thousands of calls from the media. “And I think the reporters sniffed that and that’s when they pounced,” she said (personal communication, January 14,

2008). “As they were sensing our inability to explain what was going on, that’s when everything started going to hell.”

As bad as things seemed at JetBlue’s headquarters on the evening of February 15, the situation was turning downright desperate at the region’s airports. At JFK, “there were literally thousands of people in winding lines,” one man recalled (Lee, 2007, p. 7). “Some had been there for hours and hours and hours.” Another customer told *The New York Times* that JetBlue had notified him at 5 p.m. on Thursday that he and his wife had been rebooked on an 11 p.m. flight out of New York. The couple, which had boarded a flight twice on Valentine’s Day only to be deplaned each time, found that their Thursday evening flight had already been cancelled by the time they arrived at the terminal.

Lost luggage was also becoming a colossal headache for the airline and its customers. Days of unanticipated flight cancellations, coupled with the spasmodic loading and unloading of planes at JFK, thwarted JetBlue’s ability to effectively sort and distribute bags. “We’re staring at thousands of bags,” commented one man at JFK (Chung & Strickler, 2007, p. A3). “We’re in a sea of luggage, and it cannot be found.” Another customer declared, “This has been one of the worst experiences of our lives.”

By 9 p.m. on February 15, more than 1,000 customers had swarmed the JetBlue ticketing counter at JFK (Chung & Strickler, 2007). An airline official, backed by a police escort, announced to the exasperated crowd that no one else would be checked in for departures that evening. According to Jenny Dervin:

There were 2,000 or 3,000 customers at JFK who had been there for awhile, boarded their flight, and then had it canceled. Then they flowed over to the baggage area waiting for their bags, which took two hours because we didn't have crew members who were fresh enough to unload the planes they had just loaded twice.

I got a call from a colleague who was at JFK and he said, 'I think we're going to have to call the National Guard.' The Port Authority police had walked off. They said, 'We can no longer guarantee the safety of your crew members.' And our crew members were still there. They weren't leaving until they were told to leave. (personal interview, January 14, 2008)

Five Port Authority police officers were also called in for protection at Newark Liberty International Airport after several customers, upon learning that no additional flights would depart that evening, became unruly (Lee, 2007). "They are right on the edge of human-rights violations," remarked one passenger at JFK whose travel plans to attend his mother's funeral in Baltimore were temporarily derailed (Doyle et al., 2007, p. 10). "They have no contingency plan at all. When they say no frills, they mean it," he said.

Customers were not the only ones suffering from disrupted service and broken channels of communication. Due to the enormity of the crisis, the Corporate Communications team focused almost exclusively on strategies for reaching external stakeholders. Many JetBlue employees – who were used to receiving information primarily via their supervisors, the company Intranet, electronic bulletins (Blue Notes), the *BluePrint* newsletter, and e-mail – found themselves in the dark (J. Dervin, personal communication, January 14, 2008). "By the time we realized how deep a hole we had dug, we could only focus on external communications,"

explained Jenny Dervin. “We hoped that if the [media] coverage changed, it would reach our crew members just as well as any internal memo. We tried sending a few Blue Notes, but we just couldn’t keep up with that.”

The Corporate Communications team fully intended to send breaking news releases to crew members prior to issuing them to the public, but that strategy was seldom enacted (J. Dervin, personal communication, January 14, 2008). “Leaders had no clue what to tell their crew members,” Dervin said. “It was about as bad as it could possibly be. We showed we had the ability to communicate internally, but we just didn’t have any information.”

Although JetBlue’s predicament continued to deteriorate on Friday, February 16, stories of ingenuity and resourcefulness on the part of JetBlue crew members helped buoy spirits at headquarters. Members of the Marketing, Legal, and Information Technology (IT)

teams in Forest Hills came to the aid of their colleagues at JFK who had been working around the clock since Valentine’s Day to help get customers to their

destinations (B. Baldwin, personal communication, January 14, 2008). A handful of IT specialists even created an electronic tracking system to identify and catalog the thousands of pieces of luggage that had piled up as a result of the delays and cancellations. “I heard a story of colleague who went out to JFK to help out, and

Figure 3 – Crisis timeline for Friday, February 16, 2007

when he looked up, it was all [Forest Hills-based] Marketing team members behind the ticketing counters,” said Bryan Baldwin.

Perhaps the most remarkable tale of heroism involved two JetBlue pilots who paid a taxi driver \$360 on February 16 to shuttle them from New York City to the upstate town of Newburgh, where one of the company’s jets sat idle (Daly, 2007). The pilots flew the plane to JFK, loaded it with passengers and luggage, and then continued on to Sarasota, Florida. *The New York Daily News* reported that the “passengers came off the plane cursing the airline but marveling at the flight crew” (p. 12). One passenger on the flight to Sarasota remarked, “I’ve never experienced a pilot and a co-pilot getting in a taxi cab and finding a plane.”

Unfortunately, these tales, emblematic of JetBlue’s corporate culture and spirit, were among the lone bright spots for the company on February 16. Continuing difficulties aligning planes and crews with the right airports prompted the System Operations group at headquarters to cancel 150 of the 570 flights scheduled for Friday (Chung & Strickler, 2007). JetBlue’s inability to regain its footing two full days after the winter storm barreled through the New York area left many company insiders scratching their heads – or pulling their hair out. “I just couldn’t believe that it was getting worse,” recalled Jenny Dervin (personal communication, January 14, 2008). “Sometime in the afternoon [on Friday], it just fell apart,” she said (Bailey, 2007b).

Recovery

Optimism finally gave way to pragmatism at JetBlue Airways' headquarters late on Friday, February 16, 2007. With numerous planes and crews still out of position, company leaders made the drastic but necessary decision to "reset" the operation by removing all of the airline's Embraer 190 jets – roughly 23 percent of its fleet – from service until Monday, February 18 (J. Dervin, personal communication, January 14, 2008). According to the company's *BluePrint* newsletter: "We took the unprecedented step of canceling all Embraer 190s flying over that weekend to limit the connecting traffic at JFK and [Boston], not only to help reset the airline but also to allow our aircraft some space to get mishandled bags from Wednesday and Thursday to their final destinations" ("No love," 2007, p. 7).

The decision to reset the operation was considered radical for two reasons. First, the airline was voluntarily removing almost a quarter of its fleet from service

Figure 4 – Crisis timeline for Saturday, February 17, 2007

during the heavily traveled Presidents' Day weekend, virtually guaranteeing another hit to the bottom line. Second, it also meant that "those cities that only had Embraers flying to them got

no flights for several days" (B. Baldwin, personal communication, January 14, 2008).

For the Corporate Communications group, the move was met with overwhelming relief. As Todd Burke indicated, "The sooner your leadership

develops a transparent strategy addressing the crisis, the better” (Elsasser, 2007, p. 18). Jenny Dervin was in a taxi on her way back to headquarters in the pre-dawn hours of early Saturday morning when she got word of the decision to reset the operation (personal communication, January 14, 2008). “I remember thinking, ‘Thank God we have a story,’” she said.

Because of the failed attempts during the previous two days to restore JetBlue’s flight schedule, the Corporate Communications team had lost confidence in its ability to publicly predict when the airline’s business would be back to normal. Now members of the group could explain to the media exactly how JetBlue planned to rebound from the recent spate of cancellations, delays, and lost bags.

One element of JetBlue’s crisis communication strategy that was not going to change as a result of the decision to reset the operation: the apologetic tone company spokespersons had taken ever since the evening of Valentine’s Day. First and foremost among the crew members who were appointed to convey apologies to the media and the public: JetBlue founder and CEO David Neeleman.

Todd Burke and his team orchestrated two rounds of “media blitzes,” during which Neeleman was made available to regional and national reporters (T. Burke, personal communication, January 14, 2008). Neeleman was never coached on what to say during the interviews. “We put him in the right direction and steered him a little about what he should talk about each day, but everything else came from the heart,” Burke recalled. The Corporate Communications team initially focused on getting Neeleman in front of the local media; exposure to strategic national outlets

followed. “So that was round one: acknowledging [the crisis] and apologizing for it,” said Burke.

In several of the interviews Neeleman said he was “humiliated and mortified” by the carrier’s operational meltdown (Bailey, 2007d, p. C1). He cited numerous internal process flaws and operational failures as contributing factors to the crisis, including: inadequate communication protocols to direct the company’s 11,000 pilots and flight attendants on where to go and when; an overwhelmed reservation system; and the lack of cross-trained employees who could work outside their primary area of expertise during a crisis (Bailey, 2007c). “I had flight attendants sitting in hotel rooms for three days who couldn’t get a hold of us,” Neeleman said (p. A11). In one early interview about the crisis, the CEO foreshadowed a key component of JetBlue’s image restoration approach. Neeleman, with his voice cracking at times, said, “There’s going to be a lot of apologies” (Bailey, 2007a, p.C1).

As is the case with any public apology, credibility is the most essential ingredient. Todd Burke said that appearing genuine was never a challenge for Neeleman (personal communication, January 14, 2008). “He is one of the most likeable guys you will ever meet,” said Burke. “When he looked at a camera or looked at a customer and said, ‘I am so sorry for what you went through,’ you believed him. And you believed him because he meant it.”

Neeleman never had any doubts that JetBlue should be apologetic to its customers and crew members in the wake of the Valentine’s Day crisis. “On February 14 we issued an apology with David’s name on it,” recalled Jenny Dervin

(personal communication, January 14, 2008). “After that point it was David who said, ‘We have to save the brand, and the only way to do that is to acknowledge, to apologize, and to tell people how it was never going to happen again.’”

Neeleman’s candid public apologies had a significant impact on JetBlue’s crew members as well. According to Alison Eshelman, Neeleman’s stance exemplified the company’s values of honesty, integrity, and willingness to admit its mistakes (personal communication, January 14, 2008). “I think that was evident, coming straight from the top down,” Eshelman observed. Bryan Baldwin called Neeleman’s heartfelt confessions “a testament to our culture” (personal communication, January 14, 2008). Baldwin explained:

Not only did David and our leadership feel that apologizing was the right thing to do, but most of our crew members expected us to do something like that, too. If we hadn’t made an apology like that, I think our crew members would have felt that we weren’t living up to our culture.

Baldwin said that it was important for the entire workforce to hear Neeleman affirm to the public that the operational failures on Valentine’s Day and in the days that followed were not indicative of JetBlue’s true identity.

Furthermore, Neeleman continually recognized the airline’s crew members in the same breath as customers when speaking of groups that had suffered as a result of the crisis. “Our crew members didn’t fail us, we failed them and it caused a tremendous hardship on them,” Neeleman told *The New York Times* (Bailey, 2007c, p. C1).

Once the decision was made to reset the operation on February 15, the Corporate Communications team also began to concentrate on reconnecting with internal stakeholders. “We did shift the focus to internal communications, especially over the weekend timeframe when we cancelled service to a number of cities... to support crew members in the cities that were impacted,” said Todd Burke (personal communication, January 14, 2008). Approximately 90 percent of JetBlue’s internal communication is conveyed electronically and every crew member has access to a company e-mail account (J. Dervin, personal communication, January 14, 2008). The Corporate Communications group therefore leveraged platforms such as Blue Notes and Intranet postings to get its workforce up to speed on the recovery plans.

The apologies that were extended to JetBlue’s crew members and customers were certainly a crucial part of its image restoration campaign. Yet David Neeleman still felt the need to convey a definitive plan for how the airline was going to correct its mistakes. Neeleman’s sentiment was shared by many within the company’s headquarters. As Bryan Baldwin put it:

We have for so long said, ‘We’re going to bring humanity back to air travel.’ That’s why JetBlue was launched. Well, February 14 certainly wasn’t bringing humanity back to air travel. We needed to show both internally and externally that we were still going in the right direction. (personal communication, January 14, 2008)

Neeleman had been consumed with finding a meaningful way to repair the company’s tarnished image ever since Valentine’s Day (T. Burke, personal communication, January 14, 2008). During a restless night of sleep on Saturday, February 17, Neeleman conceived of a plan that would shock the commercial

aviation industry and reaffirm the public's perception that JetBlue viewed air travelers as human beings, not cattle to be shipped from Point A to Point B.

Neeleman's idea was a JetBlue Airways Customer Bill of Rights – a new, binding covenant between the airline and its customers that would specify in no uncertain terms how customers would be compensated if the company failed to meet established performance

benchmarks (Elsasser, 2007). For example, customers would receive vouchers good toward future travel if their flight sat on the tarmac for more than a certain number of minutes

after landing. A similar compensation structure would remunerate customers whose JetBlue flight sat on the tarmac for lengthy periods prior to departure. The value of these credits would escalate the longer passengers were forced to wait on board the plane. In essence, JetBlue would be backing up its words with action if circumstances within the airline's control resulted in a performance failure.

Neeleman huddled with members of his executive team and department heads throughout the day on Sunday, February 18, hoping to achieve a quick consensus on the proposal (J. Dervin, personal communication, January 14, 2008). The idea was met with understandable skepticism by the members of Neeleman's executive team. The ongoing costs associated with such a groundbreaking program would be unpredictable at best and staggering at worst. Furthermore, a favorable

Figure 5 – Crisis timeline for Sunday, February 18, 2007

reaction to the initiative by shareholders and Wall Street was far from a given. As the day progressed, Neeleman faced countless questions – and staunch objections in some cases – from the heads of JetBlue’s Legal, Finance, System Operations, Government Affairs, and Marketing departments, to name a few. No other airline had ever committed to something like this, they warned.

Jenny Dervin, who was designated as the Corporate Communications representative on Neeleman’s Customer Bill of Rights design team, shared many of those reservations. “I had the same concerns as our associate general counsel; that [the Customer Bill of Rights] was something we couldn’t sustain,” she said (personal communication, January 14, 2008). “When I heard the promise [embedded in the document] that if we overbook you and bump you from the flight, we will give you \$1,000 cash... that kind of took my breath away. When I sat back later, I read [the Customer Bill of Rights] for the first time as a customer and said, ‘Wow, now this is interesting. This makes sense.’” Dervin was also reassured by the design team’s conclusion that the Customer Bill of Rights would remain a dynamic document, thereby enabling the airline to update and modify it as environmental conditions evolved.

Neeleman – who was known for personally answering many of the customer letters and e-mails he received – viewed the Customer Bill of Rights as absolutely vital to restoring JetBlue’s image (Bailey, 2007c). “This is going to be a different company because of this,” Mr. Neeleman said (p. A11). “It’s going to be expensive. But what’s more important is to win back people’s confidence.”

A proposed JetBlue Airways Customer Bill of Rights was sure to catch the attention of not only employees, customers, and shareholders, but rival airlines as well. The major carriers had historically shied away from putting performance guarantees of this nature in writing (Harrington, 2007). Even if JetBlue pushed forward with this innovative but costly initiative, Neeleman felt certain that the established industry heavyweights would be unlikely to follow suit.

Despite the odds, Neeleman successfully championed the proposal through a rigorous gauntlet of internal challenges by the evening of Monday, February 19 (J. Dervin, personal communication, January 14, 2008). As appointees from the various departments – about 15 people in all – put the finishing touches on the document, Todd Burke outlined a tentative schedule for a second media blitz. “Once JetBlue released the Customer Bill of Rights, we wanted as many people as possible to know that, in a short period of time, we took a horrible situation, addressed it, found a solution and, more important, we were going to continue having solutions,” said Burke (Elsasser, 2007, p. 16).

The Corporate Communications team, which had struggled for the better part of the week trying to convince the media and the public that the airline was back on track, suddenly had a compelling message to convey. With the entire organization now committed to the two-pronged image restoration plan featuring David Neeleman’s apology and the Customer Bill of Rights, the Corporate Communications team shifted into high gear.

A news release and full-page newspaper advertisements were prepared for publication on Tuesday, February 20, the day David Neeleman was scheduled to embark on a whirlwind media tour throughout the New York area (Baar &

Figure 6 – Crisis timeline for Monday, February 19, 2007

McMains, 2007). Jenny Dervin and Todd Burke made the decision to grant a *New York Times* reporter (who had been faithfully covering the JetBlue crisis for days) an early scoop on Monday evening

regarding the airline's forthcoming Customer Bill of Rights (J. Dervin, personal communication, January 14, 2008). "We had a particularly good relationship with *The New York Times*, but no better than *The Wall Street Journal* or *USA Today*," said Jenny Dervin. "We knew that the *New York Times* reporter would treat us fairly, and that he wouldn't let his editor sensationalize the story."

As Neeleman sat down with host Matt Lauer on the set of *The Today Show* in Manhattan shortly after 7 a.m. on Tuesday, February 20, a written apology from the CEO made its way to the inbox of every JetBlue customer with an e-mail address (T. Burke, personal communication, January 14, 2008). "Even customers who weren't involved [directly in the crisis] got an e-mail, and I think that says a lot," said Bryan Baldwin (personal communication, January 14, 2008).

The text of JetBlue's startlingly candid e-mail mea culpa began:

Dear JetBlue Customers,

We are sorry and embarrassed. But most of all, we are deeply sorry. Last week was the worst operational week in JetBlue's seven year history.

Following the severe winter ice storm in the Northeast, we subjected our customers to unacceptable delays, flight cancellations, lost baggage, and other major inconveniences. ("Dear JetBlue Customers," 2007)

The apology then explained how scheduling failures prevented the airline from effectively matching flight crews with planes, thereby resulting in massive delays and cancellations, as well as wait times when calling the JetBlue reservations hotline.

The e-mail continued:

Words cannot express how truly sorry we are for the anxiety, frustration and inconvenience that we caused. This is especially saddening because JetBlue was founded on the promise of bringing humanity back to air travel and making the experience of flying happier and easier for everyone who chooses to fly with us. We know we failed to deliver on this promise last week.

We are committed to you, our valued customers, and are taking immediate corrective steps to regain your confidence in us.... Most importantly, we have published the JetBlue Airways Customer Bill of Rights – our official commitment to you of how we will handle operational interruptions going forward – including details of compensation....

Nothing is more important than regaining your trust and all of us here hope you will give us the opportunity to welcome you onboard again soon and provide you the positive JetBlue Experience you have come to expect from us.

Sincerely,
David

("Dear JetBlue Customers," 2007)

Much of the same language was featured in the ads that ran in newspapers in New York, Boston, Washington D.C., and other JetBlue markets ("JetBlue expands

apology,” 2007). The ads also directed readers to visit YouTube, the popular video hosting Web site, where they could watch an apology from David Neeleman.

The video, which was posted to YouTube and JetBlue’s Web site, was the idea of Communications Coordinator Morgan Johnston and a colleague (M. Johnston, personal communication, January 14, 2008). They brought the concept to Jenny Dervin, who wasted little time in approving the concept, and Neeleman soon agreed to be videotaped. Johnston saw the unscripted and unedited video, made in-house, as a way for JetBlue to combat some of the more skewed portrayals of the company in the media. Teammate Alison Eshelman agreed (personal communication, January 14, 2008). “I think [the video] made it clear just how sincere David Neeleman was, and how sincere JetBlue was,” she observed. “It was really clear that our customers could believe in us.”

Figure 7 – JetBlue's first apology video on YouTube

Jenny Dervin initially feared the worst when her group received a telephone call from a YouTube official. After all, no one in the Corporate Communications group had contacted the popular Web site for permission prior to posting the video or including a link to the video in the airline’s newspaper ads (personal communication, January 14, 2008). She recalled: “We didn’t talk to [YouTube] about it, we just produced it and put it up. Half a day later they called and said, ‘We want

to make this a featured video because this is the first time a company is using our media to talk directly to their customers in a crisis.’”

Response to JetBlue’s creative use of social media was instantaneous and overwhelmingly positive. Thousands of visitors flocked to the YouTube Web page, in many instances prompted by news reports about Neeleman’s video mea culpa (Capps, 2007). The authors of an *AdWeek* article wrote: “In addition to taking out full-page apology ads – which used the word ‘sorry’ twice in the first two sentences – in newspapers and e-mailing it to its database of customers, the company also mined the medium that helped build it, the Web” (Baar & McMains, 2007, p. 8). The video on JetBlue.com and YouTube, in their estimation, made perfect sense since the airline had “built a brand online” during the previous seven years.

Morgan Johnston felt similarly (personal communication, January 14, 2008). He said:

It’s an important responsibility to engage the public and I think that was the important thing about the video: It was us going directly to the customer, not us going to *USA Today*. We appealed directly to our customers and told them what we did wrong and what we were doing to correct it. I think people overwhelmingly understood, and to a large degree, forgave us.

Johnston also said his team’s decision to enable visitors to post comments on YouTube about JetBlue’s video – positive or negative – was the right thing to do. “If we had tried to censor that, it would have negated any goodwill that we were building by posting this video,” Johnston surmised.

David Neeleman, meanwhile, was trying to build goodwill on Tuesday morning as he made the rounds among broadcast and cable television news

Figure 8 – Crisis timeline for Tuesday, February 20, 2007

programs. Todd Burke scheduled

Neeleman for 14 television

appearances throughout the day,

including programs on NBC, CBS,

ABC, CNN, Fox News Channel, and

MSNBC (T. Burke, personal

communication, January 14, 2008). “Anyone who wanted David got him,” said

Burke (Elsasser, 2007, p. 16). “After the live shows, we held a teleconference for all

print media. We did all of the interviews either at the studios or from our

headquarters.”

Neeleman concluded an exhausting day of interviews by appearing on *The Late Show with David Letterman*, which actually filmed during the late afternoon of February 20 (T. Burke, personal communication, January 14, 2008). The Corporate Communications team agreed to the appearance request by *Late Show* officials the previous day because “it was a good platform to get the JetBlue message out there to the customers” in the airline’s target demographic groups, said Alison Eshelman (personal communication, January 14, 2008). The decision nearly backfired, however. On the evening of February 19, members of JetBlue’s Legal department became jittery over the prospect of Letterman teasing Neeleman into saying something off-the-cuff or inappropriate (T. Burke, personal communication, January

14, 2008). When Jenny Dervin attempted to rescind JetBlue's offer for Neeleman to be a guest of Letterman, "CBS went ballistic." Burke recalled:

We quickly had to decide what was worse: to go on Letterman and take our licks like we planned on, or have Letterman make even more fun of us because we committed [to appear on his show] but then backed out. So it was decided that we would do it.

Burke said that the *Late Show* appearance was probably not Neeleman's best of the day (personal communication, January 14, 2008). The CEO was understandably weary by the afternoon, and as a rule *Late Show* producers do not let guests meet David Letterman or see the studio prior to walking onstage. "So he had stage fright, which is unusual for David Neeleman," said Burke. "He missed a couple of opportunities that Letterman gave him to hit [key messages] home. [Neeleman] had been hitting them out of the park all day long, doing a great job of explaining the Customer Bill of Rights and apologizing."

Despite Neeleman's mild case of nerves, Burke believed that the airline chief's willingness to sit down with Letterman in front of a national audience demonstrated to the world that JetBlue Airways had the guts to do something different. With the grueling second media blitz now completed, JetBlue leaders could only hope that the genuine apologies and announcement of the Customer Bill of Rights was enough to win over the airline's key publics.

Learning

As the dust began to settle on JetBlue Airways' February 2007 operational meltdown, members of the Corporate Communications team and the organization at large were left to ponder how a seemingly routine winter storm in the Northeast led to such a radical shift in the airline's business model and stakeholder outreach strategy. This period of retrospective analysis that followed the crisis is referred to as the learning stage, the last in Fearn-Banks' (2002) model.

"This crisis was the wake-up call that we desperately needed," said Todd Burke (personal communication, January 14, 2008). As Jenny Dervin observed: "The way we ran the business was worse than amateur... Perseverance was more valued than being prudent, and now we've switched that. We have a much greater respect for consequences" (personal communication, January 14, 2008).

It did not take long for the consequences of JetBlue's Valentine's Day crisis to become clear. All told, JetBlue cancelled 1,200 flights over the course of six days in mid-February, costing the company an estimated \$20 million in revenue and \$24 million in flight vouchers to customers who were impacted by the service disruptions (Bailey, 2007e). Days after JetBlue's flight schedule was restored, the company lowered its operating margin forecast for the fiscal quarter and the year, prompting a sell-off of shares on Wall Street (Korkki, 2007). Taking into account the financial impact of the winter storm-related crisis, JetBlue ended up posting a \$22 million loss – or 12 cents a share – for the first quarter of 2007 (Bond, 2007). Yet many financial analysts saw a ripe opportunity to invest in an upstart airline that

had often exceeded expectations since its launch seven years prior. As one Merrill Lynch analyst put it, “Our view is that these things happen in the airline industry, and at the end of the day, customers will return to JetBlue” (Todd, 2007, p. 64).

An analysis of JetBlue booking trends revealed that customers never actually left (J. Dervin, personal communication, January 14, 2008). According to Jenny

Dervin:

We went back and looked at booking trends and revenue from purchased tickets every day during the [crisis], and it never dropped off. Our customer satisfaction score – our Net Promoter score [a survey used to gauge customer loyalty] – went from 82, which is unheard of, down to 17. That scared the hell out of us because we thought that bookings would follow, but they never did.

Dervin and her colleagues believe JetBlue’s crisis communication strategies – including issuing sincere apologies, making David Neeleman available to countless media outlets, and announcing the Customer Bill of Rights – played an integral role in sustaining the airline’s business.

Preserving JetBlue’s reputation as an offbeat, customer-centric airline was no easy feat given the magnitude of the Valentine’s Day crisis and the amount of media coverage it engendered. For instance, members of the Corporate Communications team (including personnel drafted from other departments) fielded roughly 5,000 telephone inquiries from the media between February 14 and February 19 (Elsasser, 2007). JetBlue’s hip and quirky corporate image seemed to invite sensational newspaper headlines during the crisis. The *New York Post* published an article under the banner: “Air Refugees in New JFKaos; Hordes Camp Overnight Before JetBlue

Says: ‘Tough Luck, No Flights’” (Doyle et al., 2007). A *New York Times* story entitled “Long Delays Hurt Image of JetBlue” similarly predicted reputational damage for the carrier as a result of the crisis (Bailey, 2007a). The headline of a *Newsday* article asked the question virtually every industry observer wanted to know: “Can JetBlue Recover?” (Luhby, 2007).

Although some of the media portrayals of JetBlue after the crisis were scathing, positive coverage of David Neeleman’s apologies and the airline’s Customer Bill of Rights proclamation did seem to help. According to JetBlue, 44 percent of respondents who took part in focus groups six weeks after Valentine’s Day believed that the crisis could have happened to any airline (Capps, 2007). An April 2007 *Advertising Age* article also praised JetBlue for producing a follow-up video featuring David Neeleman that was posted to JetBlue.com and YouTube. In the video, Neeleman provided an update on the company’s progress in addressing the design and process flaws that led to the operational meltdown. The *Advertising Age* article commended JetBlue for holding itself accountable for the promises it made during February’s difficulties.

Members of the Corporate Communications group conceded that assessing the impact of JetBlue’s image restoration campaign is far from an exact science. There are several signs, however, that the airline is on its way to regaining the trust of external and internal stakeholders. “From an image perceptive, I think we have come a long way back to where we were, or at least very close,” said Bryan Baldwin (personal communication, January 14, 2008).

In June 2007, an annual survey conducted by J.D. Power and Associates to gauge customer satisfaction across the airline industry once again awarded JetBlue highest honors among low-cost carriers (“JetBlue Airways ranked highest,” 2007). The top ranking, which JetBlue also earned in 2006, was even more gratifying for the airline and its employees because the survey was administered just weeks after Valentine’s Day crisis (A. Eshelman, personal communication, January 14, 2008). “I think that really speaks to our brand, and the brand equity that we had with our customers,” said Alison Eshelman.

The Customer Bill of Rights, in particular, allowed JetBlue to strengthen its brand among loyal customers and even those who were ensnared in the airline’s operational difficulties at JFK and other airports across the country. Additionally, the announcement of the Customer Bill of Rights served as a powerful introduction to countless other air travelers who had yet to fly with the airline.

Figure 9 – JetBlue Airways' Customer Bill of Rights logo

Another upside of the Customer Bill of Rights is that it helped neutralize calls from members of Congress to legislate mandatory performance standards for domestic airlines (Bernstein, 2007). On February 20, two senators introduced a bill requiring carriers to offer passengers the right to deplane if their aircraft was on the ground for more than three hours. The bill also proposed that airlines refund 150 percent of a ticket’s purchase price in the event of an overbooking. David Neeleman balked at the proposed legislation, telling *The New York Times* that JetBlue knows

how best to compensate its customers if they are inconvenienced (Bailey, 2007a). As Bryan Baldwin said, “We believe that our Customer Bill of Rights is broader, deeper, and more meaningful than anything that could be legislated” (personal communication, January 14, 2008).

Although the JetBlue Airways Customer Bill of Rights made no specific mention of the company’s 2007 crisis, its intent was obvious. It read: “Unfortunately, there are times when things do not go as planned. If you’re inconvenienced as a result, we think it is important that you know exactly what you can expect from us. That’s why we created our Customer Bill of Rights” (“JetBlue Airways Customer Bill of Rights,” 2007). The document specified the exact compensation due to customers in the event of a ground delay, either prior to departure or after landing. The amount of the air travel vouchers ranged from \$25 to a free roundtrip ticket, depending on the length of the delay. Through the Bill of Rights, JetBlue also vowed to notify customers of flight delays, cancellations, and diversions, and guaranteed a \$1,000 payment to anyone who was involuntarily denied boarding on one of its flights.

Interestingly, JetBlue’s promise to penalize itself \$1,000 for overbooking a flight was “something we were always doing before, but through the Bill of Rights we were able to monetize it,” said Todd Burke (personal communication, January 14, 2008). As a rule, JetBlue has never sold more tickets than the number of seats available on a given flight; the airline is the only major U.S. carrier to refrain from

the practice. “We got some great PR out of the [promise] that we’ll give people \$1,000 if we overbook, because the reality is that we don’t overbook,” said Burke.

David Neeleman said that his middle-of-the-night idea for the Customer Bill of Rights stemmed from a desire to inform the public about all of the performance benchmarks to which JetBlue had historically held itself accountable (personal communication, February 25, 2008). “We took all the elements of what we had already been doing, added a few things to it that were apropos [in light of the crisis on] Valentine’s Day, and decided to roll it out and talk about it as a commitment to our customers,” Neeleman explained.

The Customer Bill of Rights also served to unite JetBlue’s crew members under one banner in the company’s quest to deliver superior customer service. “The Customer Bill of Rights is part of who we are now,” said Bryan Baldwin (personal communication, January 14, 2008). “It’s part of our culture and part of how we operate on a daily basis.” Baldwin said he does not believe JetBlue could ever rescind the Customer Bill of Rights now that it has been made public. He opined:

Cancelling the Bill of Rights would be very harmful to our credibility. We’ve gone out there and said, ‘We’re the first airline to do this.’ It’s something we’re proud of. We’re not proud of why we had to come up with it, but I don’t think we ever want to take it away.

The Customer Bill of Rights and the apologetic tone the airline used in its crisis communications provided the ideal one-two punch, said Jenny Dervin (personal communication, January 14, 2008). She remarked: “I’m not sure what had

more of an impact: David's YouTube video and his apology rounds or the Bill of Rights. I think the combination of both of them, though, saved the company."

The Valentine's Day crisis also taught the Corporate Communications group valuable lessons about using the Web and social media. "I definitely think we could have utilized the Web site a lot more than we did," said Todd Burke (personal communication, January 14, 2008). "I think that would be the number one thing we dropped the ball on. If you looked at our external Web site [during the crisis], it looked like business as usual, and it wasn't." Burke explained that the activation of JetBlue's "dark" Web site – to be used in the event of a catastrophic disaster, such as a plane crash – was not warranted. He remarked, "I really think one of the biggest lessons learned was that just like we have a dark [Web] site ready in case of a crash, we should have a dark site ready to go in case of an operational meltdown."

The first Web directive issued by David Neeleman and his executive team in the wake of the crisis was to enhance customer self-service on JetBlue.com, thereby reducing the strain on the airline's telephone reservations department ("An update from David Neeleman," 2007). JetBlue's Web site administrators soon added new functionality that empowered customers on a cancelled flight to rebook their travel online at no additional charge.

Morgan Johnston said he hopes JetBlue continues to take advantage of social media opportunities to help the airline connect with its external and internal publics (personal communication, January 14, 2008). The first video featuring David Neeleman that was posted to YouTube attracted in excess of 300,000 visitors. Other

communication campaigns could benefit from exposure on such a popular Web site. “We would like to grow our YouTube presence into more than just a place to put our apologies,” said Johnston.

Jenny Dervin observed: “That was the lesson for public relations companies and departments: If you want to cut through the clutter and haze, take the risk and go right onto YouTube. Talk directly to your customers” (personal communication, January 14, 2008). Still, do not expect JetBlue to rely too heavily on social media if another crisis arises. According to Dervin, the Corporate Communications team focused nearly all of its energy on traditional media for a reason. She said: “There was some criticism that we should’ve paid more attention to social media, but you just can’t [in a situation like this] because it’s a drop in the bucket. You can respond to one blog that reaches 300,000 people and then rinse and repeat, or you can talk to *The New York Times*, *Wall Street Journal*, and *USA Today* and be done in half the time.” Dervin also warned about the risks of engaging in a war of words with bloggers and indicated that JetBlue will likely try to steer clear of such battles.

The Corporate Communications department also leveraged technology to reconnect with crew members as the crisis subsided. “We’re trying to be a little more daring internally by changing some of the communication vehicles available to crew members,” said Todd Burke (personal communication, January 14, 2008). For example, a video featuring David Neeleman was specifically produced for internal audiences via the company’s Intranet site. In the video, Neeleman apologized to crew members for hardships they suffered during the crisis (J. Dervin, personal

communication, January 14, 2008). Regular updates on JetBlue's recovery were shared with crew members through daily e-mail communiqués, Blue Notes bulletins, the *BluePrint* newsletter, and Intranet messages. The Corporate Communications group also reconfigured JetBlue's Intranet site so crew members could post messages to an electronic discussion forum. "We do that mostly so we can get an immediate temperature gauge of what our crew members are thinking about any given topic," said Todd Burke (personal communication, January 14, 2008). According to Morgan Johnston, the move represents "a huge step of establishing not just top-down communication but bottom-up communication" (personal communication, January 14, 2008).

Bottom-up communication now ultimately reaches a new commander in chief. On May 10, 2007, JetBlue announced that David Neeleman was stepping down as CEO, thereby yielding control of the airline to former Chief Operating Officer Dave Barger ("JetBlue Airways names Dave Barger," 2007). Neeleman, whose strength and primary interest had always been determining the long-term vision for the company he founded, retained his role as chairman of the board of directors. Enduring the February 2007 crisis was not easy for Neeleman, nor was heeding the board's suggestion that he cede the airline's top spot to his right-hand man, Barger. Of JetBlue's crisis Neeleman said:

I take it so personally. It's not healthy for me. It's not healthy for the company. The February storm kind of convinced me that this operation can consume you. I don't want to repeat that for a lot of reasons, including my personal health. (Bailey, 2007e, p. C2)

Neeleman admitted, however, that “every entrepreneur who starts a company and becomes enthralled with it is reluctant to step back.”

Prior to the leadership transition, Neeleman oversaw post-crisis enhancements to JetBlue’s reservations system, System Operations processes and procedures, and the communication network used to assign flight crews to aircraft. As CEO, Barger said he would continue to push for improvements to JetBlue’s operation and navigate the airline through other pressing issues, such as assessing the need for new Embraer 190 jets the company had already ordered (Bernstein, 2007).

The Valentine’s Day crisis not only brought about a change in the company’s operations and leadership, but its ownership as well. On December 13, 2007, JetBlue announced that Europe’s second-largest airline, Lufthansa Airways, was purchasing a 19 percent stake in the American low-fare carrier (“Lufthansa to make equity investment,” 2007). While several media outlets assumed that the investment was a direct result of JetBlue’s operational crisis earlier in 2007, not all members of the Corporate Communications team agreed. Todd Burke said:

I see it as one smart company investing in another smart company.... [Lufthansa leaders] are very smart investors. They saw an opportunity to get a 19 percent stake in a company that is going to change things, has already changed things, learned some big lessons, and is moving forward. I see that as an indication that they wanted to be part of that. (personal communication, January 14, 2008)

Despite the progress JetBlue has made since the Valentine’s Day crisis, many within the Corporate Communications department feel that it will be a long time

before the episode is forgotten. “We have a couple of reporters here [in New York] who shall remain nameless who insist on bringing [the February 2007 crisis] up,” said Todd Burke (personal communication, January 14, 2008). “It’s a running joke we have to see how many paragraphs into an unrelated story about JetBlue can they bring up February 14. It’s usually within five paragraphs that they do just that.” He concluded: “We live in such a media-crazed world that I think for a long time we’re going to be known as the airline that kept people stranded on the tarmac.”

Bryan Baldwin said he believes JetBlue’s response to the crisis – albeit imperfect – was indicative of the airline’s culture and its desire to communicate with stakeholders as honestly and openly as possible (personal communication, January 14, 2008). He said: “I think it’s why today that we have people looking back, even from a public relations standpoint, and talking about JetBlue as an example of how to do it right.”

CHAPTER VI

DISCUSSION

In many ways, JetBlue Airways' communication campaign in the days and weeks that followed its Valentine's Day 2007 crisis spoke volumes about the company's commitment to "bringing the humanity back to air travel."

JetBlue's heartfelt public apologies and the issuance of its revolutionary Customer Bill of Rights represented "textbook" examples of the image restoration strategies of mortification and corrective action.

JetBlue leaders and members of its Corporate Communications group knew that actions to repair the embattled airline's once exemplary public image would have to be bold, innovative, and compelling enough to attract the attention of key internal and external stakeholder groups. JetBlue officials were encouraged that some competitors had endured similar operational crises and lived to tell about their experiences. Northwest Airlines, for example, was vilified in 1999 when one of its flights from the Caribbean arrived in Detroit, Michigan, 22 hours late and then sat on the tarmac for 8 additional hours (Bailey, 2007a). Northwest instituted and publicized a formal recovery plan that included the purchase of mobile staircases at a dozen airports so that passengers could deplane even if all the gates were occupied. At the time of its Valentine's Day crisis, however, JetBlue was a seven-

year-old airline in an intensely competitive and cutthroat industry. CEO David Neeleman and his staff knew that their efforts would have to encompass far more than a promise to buy new staircases at JFK.

The Corporate Communications team's willingness to assume an apologetic posture beginning on Valentine's Day and lasting throughout the crisis was a testament to JetBlue's corporate culture and Neeleman's leadership. The airline's founder never flinched at the suggestion that he serve as the face and voice of JetBlue during this exceedingly difficult period. The earnestness of Neeleman's apologies became an integral part of many media accounts of the airline's crisis and subsequent recovery efforts. Several news stories registered surprise that the head of a major U.S. corporation would use the terms "humiliated" and "mortified" when describing his company's business process and customer service failures (Bailey, 2007d). Conversely, members of the JetBlue organization almost seemed to expect a contrite and conciliatory stance from their leader. Neeleman once said, "When we make a mistake, we admit it, and we do what we can to make it right" (Peterson, 2004, p. 209). Admitting a mistake and begging for forgiveness are hallmarks of the image restoration strategy of mortification (Benoit, 1995).

JetBlue's use of social media also garnered attention and acclaim from industry observers, even though it was only a small part of the company's overall crisis communication strategy. YouTube administrators were among those who praised JetBlue for posting online videos featuring David Neeleman as a way to

reconnect with the airline's Web-savvy customer base (M. Johnston, personal communication, January 14, 2008).

When asked to comment on JetBlue's image restoration efforts, crisis communication expert W. Timothy Coombs said that "JetBlue went beyond the normal efforts to make its apology known" (personal communication, February 16, 2008). Coombs, author of *Ongoing Crisis Communication* (1999, 2007) and *Code Red in the Boardroom: Crisis Management as Organizational DNA* (2006), also argued that any attempt by JetBlue to shift blame for the crisis to the weather would have been "very risky because upset passengers want companies to accept rather than dodge responsibility." In being forthright about its tactical mistakes and errors in judgment, JetBlue managed to build credibility with its customers, members of its workforce, government watchdogs and legislators, and even its shareholders.

Equally vital to JetBlue's recovery was the speedy creation, implementation, and announcement of the Customer Bill of Rights. As Coombs observed, "Effective public relations, including crisis response, must be based on actions and not just words" (personal communication, February 16, 2008). He said: "The Customer Bill of Rights formalizes customer expectations for performance that JetBlue is committed to upholding. It is a daring new covenant with customers. JetBlue is backing its words with actions."

The Customer Bill of Rights – which became effective on the day it was announced and was retroactive to cover those who were impacted by the so-called Valentine's Day Massacre – represented a truly groundbreaking development in

commercial air travel. Because no other major U.S. carrier had ever implemented a binding, performance-based compact with passengers, JetBlue gained the distinct competitive advantage of being able to tout its singular commitment to customer service. The Customer Bill of Rights not only served as a major discussion point for David Neeleman during his media tour in late February 2007, but presented the Corporate Communications and Marketing groups with untold opportunities to promote and market JetBlue's corrective action to the public.

As is the case with any bold and original idea, there are potential drawbacks associated with JetBlue's Customer Bill of Rights. Although the compact represents a beacon of hope for air travelers and a rallying cry for JetBlue's crew members, the Customer Bill of Rights could, by its very nature, subject the company to highly unpredictable and unforeseen expenses. For example, a reservations system crash causing nationwide delays to scheduled JetBlue flights could cost the airline millions of dollars. Furthermore, now that the document has been issued, it would probably be next-to-impossible for JetBlue to repeal it without suffering severe reputational damage and backlash.

JetBlue has taken other corrective actions to prevent a recurrence of the February 2007 crisis and to enhance customer service. Additional self-service kiosks have been placed at JetBlue's terminal at JFK ("An update from David Neeleman," 2007). Self-service Web site functionality has been added to JetBlue.com, which should help customers rebook their travel in the event of a flight cancellation or severe delay. The Corporate Communications team is also looking into expanding

its use of social media on the Web, including, but not limited to, regular video updates, dynamic content about JetBlue destinations (e.g., the “Blue City Guides” under development), and blogs by crew members (M. Johnston, personal communication, January 14, 2008). Finally, changes were made throughout 2007 to address weaknesses in the airline’s reservations and flight crew assignment systems, and early results have been positive (D. Neeleman, personal communication, January 25, 2008).

Todd Burke’s group has made communication with crew members a top priority going forward. Senior leadership recognized that one of JetBlue’s critical shortcomings during the February 2007 crisis was the failure to communicate effectively with the roughly 12,000 individuals employed by the airline. To remedy this breakdown, members of the Corporate Communications team enabled two-way discussion capability in the online employee forum found on JetBlue’s Intranet site (T. Burke, personal communication, January 14, 2008). For the first time, crew members can post messages on the Intranet about any topic that matters to them. In many cases, JetBlue leaders will respond to pressing questions or attempt to address rumors, complaints, or suggestions posed by members of the workforce.

An initiative is currently underway to expand crew member access to the company’s e-mail network and the Intranet at airports around the country (J. Dervin, personal communication, January 14, 2008). JetBlue leaders are also considering staging a second annual “Blue City Series,” a weekly performance-based competition between crew members at different U.S. airports. Given the

difficulties JetBlue's crew members endured earlier in the year, the first Blue City Series proved to be a fun, grassroots way to buoy spirits and productivity, and convey important messages about the company's recovery.

No airport was harder hit by the Valentine's Day 2007 winter storm and ensuing service disruptions than JFK. By all accounts, crew members stationed at the New York airport worked tirelessly for days after February 14, relieved only when headquarters personnel volunteered to help. JetBlue's senior leaders in Forest Hills therefore realized that the airline's long road to recovery had to start at JFK. Several barbecues for airport and headquarters crew members were held during the summer of 2007 in a JetBlue hangar adjacent to the tarmac at JFK (J. Dervin, personal communication, January 14, 2008). The gatherings were designed to boost morale at JetBlue's hub and demonstrate leadership's profound appreciation for the way JFK crew members and their counterparts at headquarters banded together during the airline's darkest moments.

From a communications perspective, the events that transpired in February 2007 illustrated how major airlines – which operate every day with doomsday scenarios in mind – can be ill-prepared to deal with unforeseen crises. For instance, JetBlue's Crisis Communications Plan, part of the airline's Emergency Operations Manual, focuses exclusively on how to interact with the media and impacted stakeholder groups in the event of a catastrophic accident or plane crash. The document provides no guidance on what to do if an operational crisis befalls the company, nor is information on any other potential threat provided. If the

Valentine's Day 2007 crisis is any indication, JetBlue Airways could greatly benefit from a comprehensive analysis of all the possible threats that the company might encounter. The Corporate Communications group could conceivably retain outside counsel (e.g., a public relations agency specializing in crisis communication) to assist in this labor-intensive but imperative exercise.

JetBlue's Corporate Communications department may also wish to devise and implement its own stringent system for formally recognizing an emerging crisis. During the February 2007 crisis, the Emergency Command Center at headquarters was not activated for two full days after the Valentine's Day disruptions began at JFK. It is conceivable that this delay affected the Corporate Communications teams' perception of the escalating company-wide service disruptions and therefore its initial response strategies and tactics. Should the group develop its own system to identify and declare a crisis – one that is tied to the airline's Emergency Command Center structure but not dependent on it – its members might find that they are able to address mounting threats in a more timely and effective fashion.

This crisis communication assessment is designed to collect perspectives on JetBlue's operational meltdown in February 2007, yield insights on what transpired, and help the airline enhance its ability to grapple with future threats. The assessment is therefore only directly applicable to JetBlue Airways. A shortcoming of the research method that underpins this analysis – case study and communication audit – is that the findings cannot necessarily be generalized to apply to other organizations. The results of this assessment, however, do suggest that further

exploration of the image restoration strategies of mortification and corrective action in corporate crises is warranted.

For example, JetBlue employed the strategy of mortification throughout its February 2007 crisis – from Valentine’s Day until months after the operational meltdown. How would the reactions of JetBlue’s internal and external stakeholders have changed if the airline’s public apologies came only after the crisis had subsided? Timing is only one of the many dimensions of mortification that merits additional study. What if the CEO had declined to make public apologies on the company’s behalf, leaving the responsibility solely to JetBlue spokespersons? What role does the nature of the crisis play in determining whether mortification is an appropriate image restoration strategy? Similar research could be conducted on the use of corrective action. How quickly must a company publicly commit to taking corrective action for the action to be sufficiently compelling to stakeholder groups? To what extent should an organization publicize and market its decisions to take corrective action? Researchers could also delve deeper into how corrective action (e.g., the JetBlue Airways Customer Bill of Rights) is perceived by new hires versus employees who experienced a previous crisis firsthand. Armed with a more comprehensive understanding of the contingencies of these image restoration strategies, companies like JetBlue Airways may find themselves better equipped to practice effective crisis communication.

CHAPTER VII

RECOMMENDATIONS

In retrospect, several inherent flaws in JetBlue Airways' structure, protocols, and processes played significant roles in compounding the weather-related flight disruptions that began at JFK International Airport on Valentine's Day 2007. Yet as members of any organization in crisis know, detecting and recognizing the warning signs of impending damage is not always easy.

"We were under siege," said David Neeleman (personal communication, February 25, 2008). "It was a very stressful time for this company." More than a year and tens of millions of dollars later, JetBlue's crew members who lived through the crisis feel more attuned to crisis prodromes of all types, according to the individuals interviewed for this assessment. Their hope is that more vigilant monitoring of these indicators will better equip the company to contend with future issues and threats before they escalate into full-blown crises. As Neeleman observed, "A lot of people didn't know if we were going to pull through [the February 2007 crisis], but we did and I think we came back stronger than ever."

As this case is rooted in crisis communication and image restoration methodologies, the following recommendations are provided to help JetBlue Airways enhance its crisis preparedness. Specifically, JetBlue's Corporate Communications team should:

- Expand the Crisis Communications Plan in JetBlue Airways' Emergency Operations Manual (EOM) to include detailed information on potential crises other than just aircraft accidents and crashes
- Develop numerous crisis-specific scenarios for inclusion in the Crisis Communications Plan
- Add as much information and guidance as possible to each crisis scenario, including:
 - Communication objectives for connecting with internal and external stakeholders
 - Prioritized lists of key publics
 - Background information on key stakeholder groups
 - Crisis-specific communications team roster
 - Communication vehicles most appropriate for use
 - Potential answers to questions that are likely to be posed by the media
 - Lessons learned (either by JetBlue Airways or another airline during a previous crisis of a similar nature)
 - Contact information for important internal and external resources
 - Logistics (e.g., meeting and work space, equipment)
 - Crisis-specific designation of spokespersons (including alternates)
 - Prioritized list of key media outlets to contact
 - Key messages to be shared with the media and the public
 - Threat indicators that might signal an oncoming crisis of this nature
 - Evaluation criteria to gauge the efficacy of JetBlue's communications during this crisis
- Develop Corporate Communications-specific protocols for formally recognizing crises and emerging threats to company stability

- Create another “dark” Web site to replace JetBlue.com home page content in the event of a non-catastrophic emergency or crisis (e.g., a reservations system outage)
- Continue to explore ways to leverage social media to connect with technologically savvy stakeholders
- Enhance the Press Room found on JetBlue.com to include more than just news releases (e.g., backgrounders; leadership biographies; white papers on topics such as flight limits at airports or proposed passenger bill of rights legislation)
- Ensure access to company e-mail and Intranet content for all crew members
- Archive all important internal communications on the JetBlue Intranet and enable search capability
- Work with members of the Public Affairs team to raise awareness of the JetBlue Airways Customer Bill of Rights among legislators in Washington, D.C.
- Partner with the Marketing group to promote the Customer Bill of Rights with key external stakeholder groups, especially existing and potential customers
- Continue to leverage the Customer Bill of Rights as a competitive advantage over other airlines in news releases, public statements, media interviews, speeches by executives, internal communications, JetBlue.com Web content, and industry events

- Evaluate the need to retain external counsel to advise the Corporate Communications group on crisis situations

Conclusion

In the end, JetBlue Airways exemplified many of the communication principles that Ogrizek and Guillery (1999) cited as essential to an organization's survival during a crisis. For example, the issuance of the JetBlue Airways Customer Bill of Rights demonstrated the airline's commitment to its patrons over the long term, not just in the days and weeks following the onset of the crisis. The Corporate Communications team also sought to be a credible source of information for customers, the media, employees, and other key stakeholder groups. Conversely, JetBlue managed to avoid the common communication mistakes that organizations often commit during a crisis, according to Stanton (2002).

JetBlue's powerful brand, corporate culture, and agility as a smaller airline should enable it to rebound from the Valentine's Day crisis in 2008 and beyond. Clearly, the series of events that began at JFK International Airport on February 14, 2007, will not soon be forgotten by the public, or by those within the organization. Yet if JetBlue's crisis communication and image restoration efforts tell us anything, it is that integrity, accountability, and ingenuity can be tremendous assets to corporations in turmoil.

APPENDICES

Appendix A: JetBlue Airways Corporate Communications Organizational Chart

(as of February 2007)

* Interviewed for this crisis communication assessment

Appendix B: JetBlue Airways News Release (February 14, 2007)

JetBlue Statement Regarding Operational Impact Today

NEW YORK, Feb. 14, 2007 -- JetBlue Airways issues the following statement regarding operational disruptions caused by a winter weather system:

JetBlue apologizes to customers who were impacted by the ice storm at our home base of operations in New York, specifically at John F. Kennedy International Airport. Of the 505 daily flights operated by JetBlue, more than 250 flights were cancelled, and approximately 10 flights were significantly delayed at JFK with customers on board. These flights were a combination of scheduled departures from JFK that were not able to take off due to the ever-changing weather conditions, and arrivals that we were unable to move to a gate within a reasonable amount of time, due to all gates being occupied.

This resulted in unacceptable delays for our customers. JetBlue sincerely apologizes to all customers impacted by today's weather and will be issuing a full refund and a free roundtrip flight to customers delayed onboard any aircraft in excess of three hours. JetBlue's customer commitment team will be contacting these customers as soon as possible.

Appendix C: JetBlue Airways News Release (February 17, 2007)

JetBlue Airways Pre-Cancels 23 Percent of its Scheduled Flights for Feb. 17 and Feb. 18, 2007

NEW YORK, Feb. 17, 2007 -- JetBlue Airways today announces that it has pre-cancelled 23 percent of its Saturday, Feb. 17 and Sunday, Feb. 18 schedule in order to reset the operation by positioning all aircraft and allowing flight crews to reset their operating clocks. Further cancellations may occur throughout the operating days.

The airline has canceled all flights to and from the following cities for Saturday, Feb. 17 and Sunday Feb. 18:

Austin, TX	Nashville, TN
Bermuda	Pittsburgh, PA
Charlotte, NC	Portland, ME
Columbus, OH	Raleigh/Durham, NC
Houston, TX	Richmond, VA
Jacksonville, FL	

Flights to other JetBlue destinations may be impacted as well. Customers are asked to check the status of their flight online at www.jetblue.com. Customers whose flights have been cancelled will be granted full refunds or JetBlue credit, or may choose to rebook their travel through May 22, 2007.

Refunds and credits may be obtained through www.jetblue.com. Customers may rebook their travel by calling 800-JETBLUE (800-325-2583). Call volume is high; customers may have difficulty getting through to reservations. Customers may rebook via 800-JETBLUE anytime through May 22.

JetBlue attempted to recover from the Feb. 14 ice storm by selectively canceling flights on Feb. 15 and Feb. 16 in order to help reset the airline's operation. The benefits of this action were mitigated by further operational constraints at JFK, including a one runway operation on Feb. 15, which resulted in long delays that flowed into Feb. 16.

JetBlue is taking this aggressive, unprecedented action to end rolling delays and cancellations, and to operate a new schedule reliably.

Appendix D: JetBlue Airways Apology Letter from CEO David Neeleman
(February 19, 2007)

Dear JetBlue Customers,

We are sorry and embarrassed. But most of all, we are deeply sorry.

Last week was the worst operational week in JetBlue's seven year history. Many of you were either stranded, delayed or had flights cancelled following the severe winter ice storm in the Northeast. The storm disrupted the movement of aircraft, and, more importantly, disrupted the movement of JetBlue's pilot and inflight crewmembers who were depending on those planes to get them to the airports where they were scheduled to serve you. With the busy President's Day weekend upon us, rebooking opportunities were scarce and hold times at 1-800-JETBLUE were unusually long or not even available, further hindering our recovery efforts.

Words cannot express how truly sorry we are for the anxiety, frustration and inconvenience that you, your family, friends and colleagues experienced. This is especially saddening because JetBlue was founded on the promise of bringing humanity back to air travel, and making the experience of flying happier and easier for everyone who chooses to fly with us. We know we failed to deliver on this promise last week.

We are committed to you, our valued customers, and are taking immediate corrective steps to regain your confidence in us. We have begun putting a comprehensive plan in place to provide better and more timely information to you, more tools and resources for our crewmembers and improved procedures for handling operational difficulties. Most importantly, we have published the JetBlue Airways Customer Bill of Rights – our official commitment to you of how we will handle operational interruptions going forward – including details of compensation. We invite you to learn more at jetblue.com/promise.

You deserved better - a lot better - from us last week and we let you down. Nothing is more important than regaining your trust and all of us here hope you will give us the opportunity to once again welcome you onboard and provide you the positive JetBlue Experience you have come to expect from us.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D Neeleman', with a stylized flourish at the end.

David Neeleman
Founder and CEO

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