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# Southwest Airlines 2011





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# Company Background

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### History

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- Southwest Airlines was incorporated in Texas and commenced Customer Service on June 18, 1971.
- 1971 - Southwest begins flying between Dallas, Houston, and San Antonio.
- 1973 - Southwest makes money, starting a string of 36 straight profitable years.
- 1979 - Southwest begins service in New Orleans. Until Congress deregulated the airline industry (in 1978), Southwest couldn't fly beyond Texas.
- 1989 - Annual revenue passes \$1 billion.
- 2004 - Gary Kelly replaces Parker, who became entangled in difficult labor negotiations with the flight attendants' union.
- May 2011 the airline acquired Orlando-based AirTran Airways.

### Facts

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- Largest domestic airline.
- Third largest airline in the world.
- Fleet: 472
- Destinations: 62 (NAT)
- Southwest has served about 1.5 billion Customers since inception.
- Southwest consumed approximately 1.8 billion gallons of jet fuel in 2011.
- Southwest has 1,309 married couples. In other words, 2,618 Southwest Employees have spouses who also work for the Company.

### Current Performance



Total Revenue: \$13.66 Billion  
Operating Profit: \$1.47 Billion  
Net Income: \$1.75 Billion

# History

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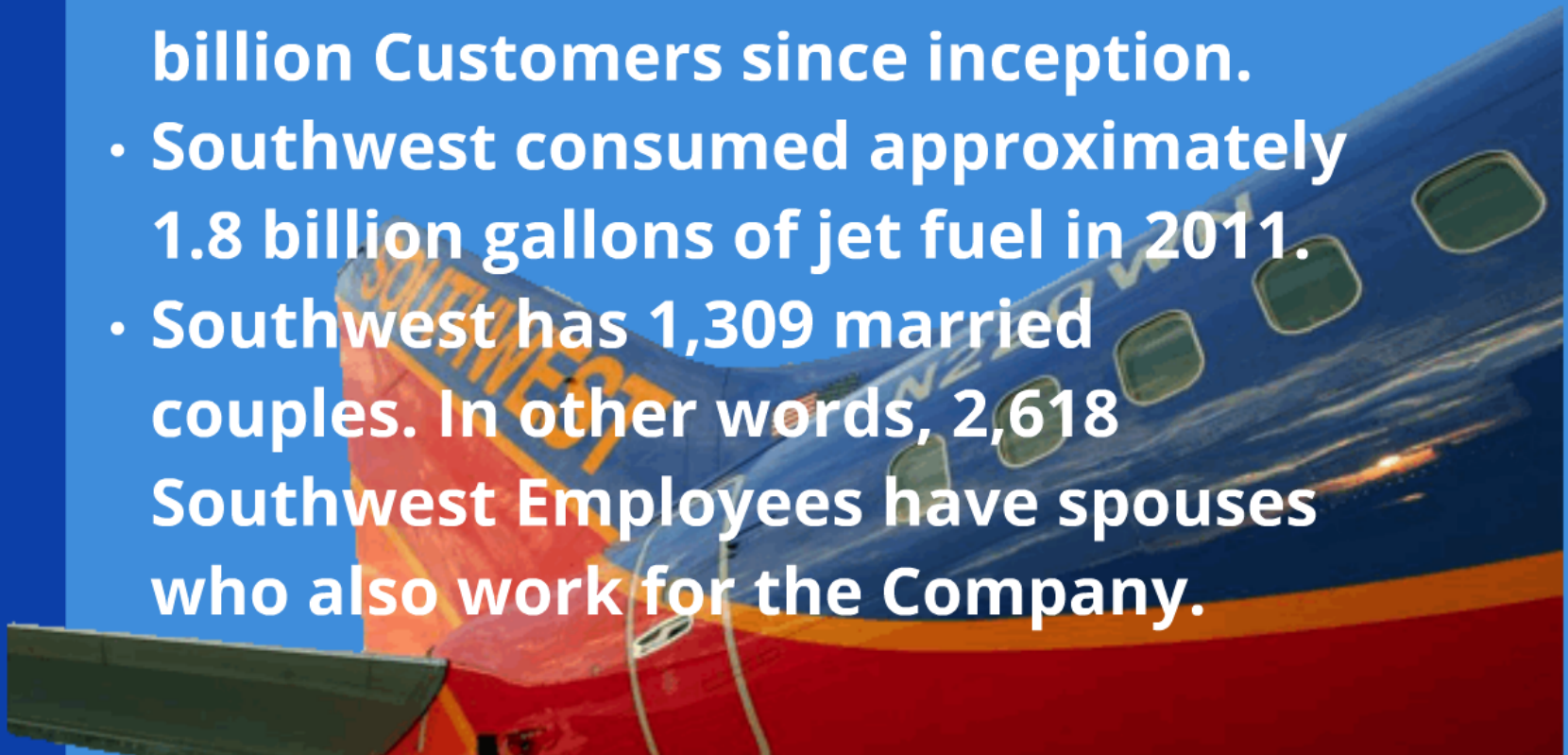
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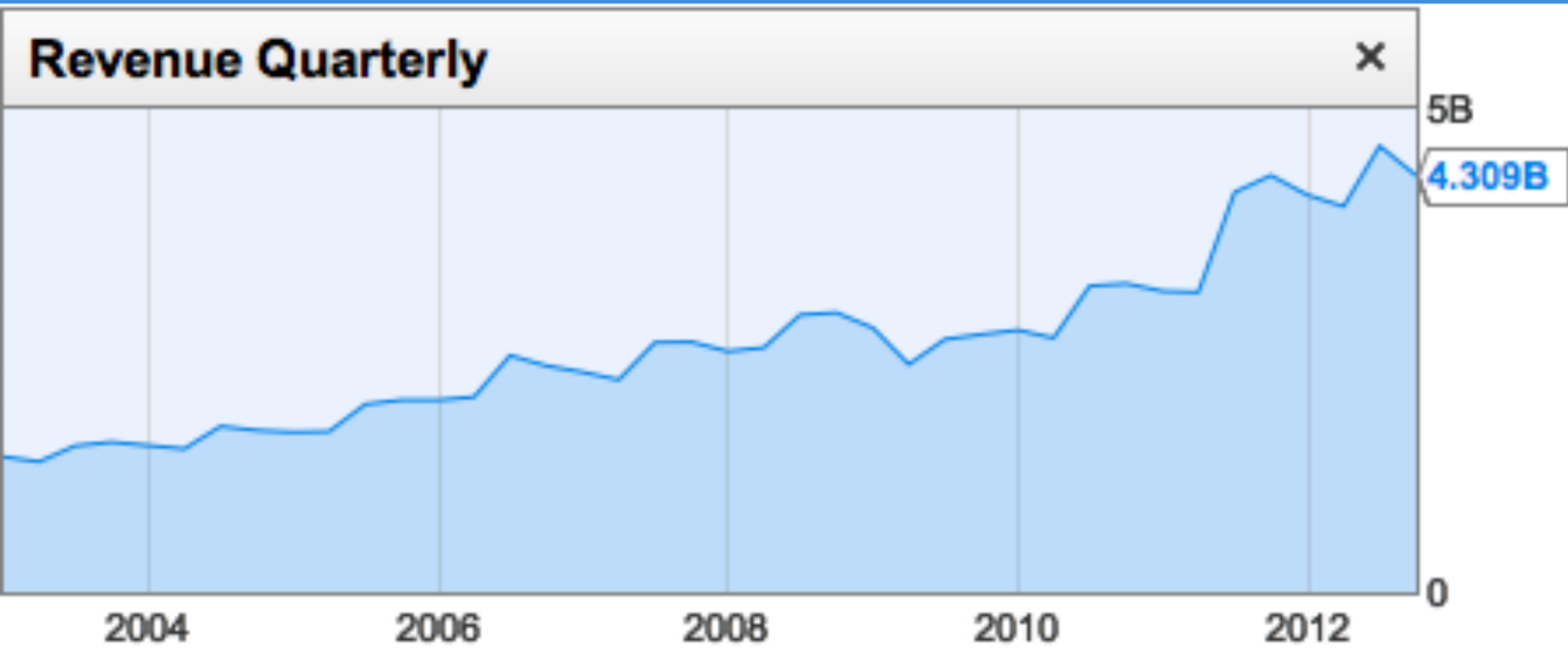
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# Profit Margin Quarterly



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2004

2006

2008

2010

2012

**Cash and ST Investments**

x

**Thecasesolutions.com****EPS Diluted Quarterly**

x



2004

2006

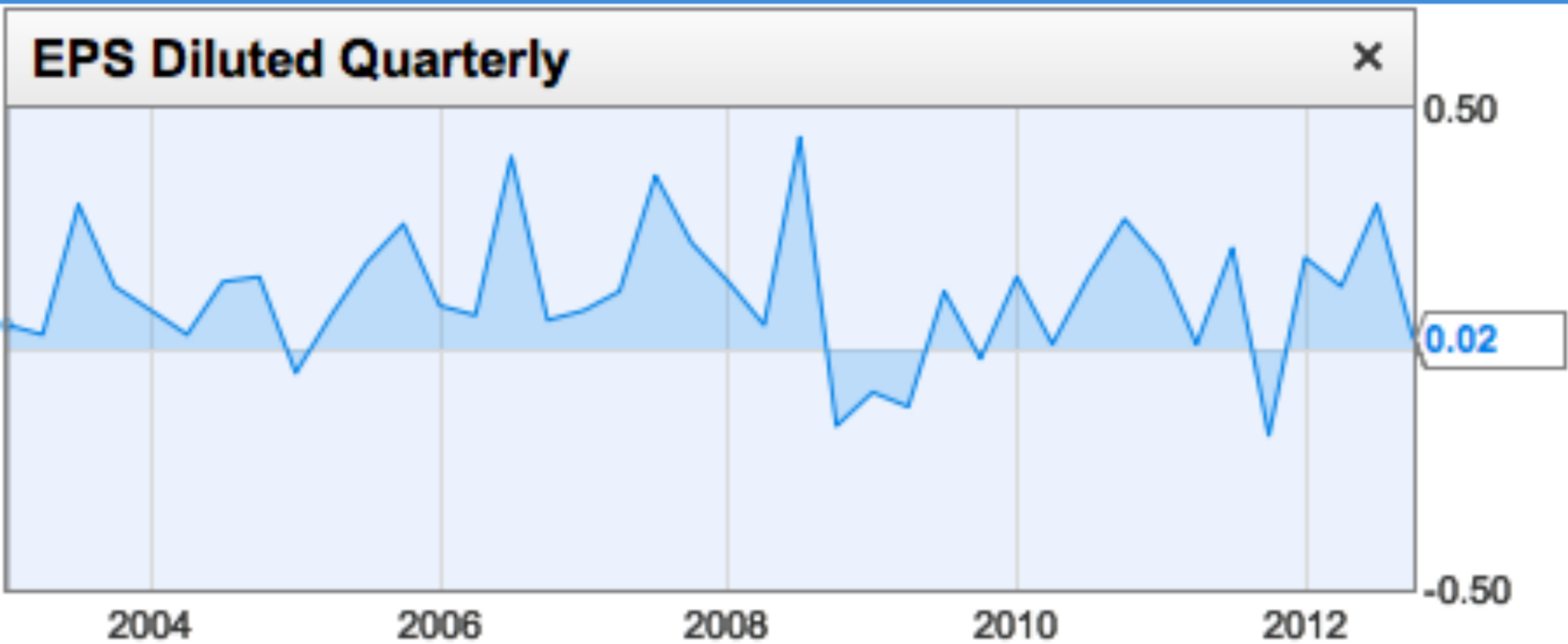
2008

2010

2012

**EPS Diluted Quarterly**

x

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