



Stanford eCorner

Neeleman on Southwest

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Video URL: <http://ecorner.stanford.edu/videos/285/Neeleman-on-Southwest>

Neeleman has had a lot of experience in airline industry--starting with Morris Air, and then selling to Southwest. Southwest was a beacon that was out there--it had a market cap of all the major airlines combined.



Transcript

I've had a lot of success in this business starting in Morris Air and selling to Southwest. Southwest was a beacon that was out there that it's an interesting phenomenon that Southwest has. We used to be fond of saying that Southwest Airlines has a higher market cap than all the major airlines combined. Well, now, we can say that Southwest has four times the market cap of all the major airlines combined. With maybe the exception of Microsoft in the software business, I would defy you define an industry where you could find that one company has a market cap that exceeds the combination of 90% of its competitors, four times all of them combined, which is a pretty tall order. They really are a phenomenon.