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Spirit Air To Cut Fares But Charge For Baggage, Coffee, Soda

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FORT LAUDERDALE, Fla. (AP)--Spirit Airlines said Tuesday it will take the unusual step of charging for all checked baggage and for drinks such as coffee and soda on flights starting in June, while also cutting fares by up to 40 percent.

The Miramar-based low-cost carrier that flies domestically and to Latin America and the Caribbean said it is cutting fares from 10% to 40% systemwide, and on last-minute fares as well.

Spirit also will charge for each checked bag for flights taking place June 20 or after, according to its Web site. Customers will still be allowed one carry-on bag for free, but one or two checked bags will cost \$5 each if passengers make flight reservations on the carrier's Web site. The fee will be \$10 each for one or two bags if passengers don't use the Web site for reservations. The charge is \$100 for the third bag and on.

The airline currently allows one checked bag for free and \$10 for a second checked bag.

Also starting June 20, soft drinks, juices, coffee and tea - which are now free - will cost \$1. Water will still be free.

Most large U.S. carriers allow a carry-on bag and up to two or three checked bags at no additional charge per passenger. However, U.K.-based Ryanair Holdings PLC (RYAAY) charges a fee for each item of checked baggage, according to its Web site. Air Canada offers customers the option of saving \$5 if they don't check any baggage.

With drinks, carriers usually charge for alcoholic beverages on domestic flights. But sodas, coffee and juice are usually free.

Bob Harrell, a travel consultant in New York, said airlines that cater to leisure travel such as Spirit often adjust fares, raising or lowering them 25% or more from one week to another in some cases. But airlines also are seeking ways to offset baggage handling costs, and lowering prices may be a way for Spirit to

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justify the move to charge for checked bags, Harrell said

"The baggage and the soda changes are new," said Harrell, of Harrell Associates. "If they're not exclusively new, then it's certainly unusual."

However, Harrell added that while it's possible that the major airlines would be looking at the success or failure of Spirit's changes, "You wouldn't see a lemming type of match from the larger carriers."

The move also reflects a strategy where services for baggage handling and beverages are "a la carte," or pay-as-you-go, said Robert Mann, an airline industry analyst with R.W. Mann & Co. Inc. in Port Washington, N. Y.

At Fort Lauderdale-Hollywood International Airport, Naomi Berger waited for a return flight to New York's Laganrdia Airport. She said the airline told her of the \$10 charge for a second checked bag by e-mail, and that she was OK with the extra charge because she paid \$85 for her round trip ticket from New York to visit a relative in Miami Beach with her daughter and husband.

"If they keep the fares down, people use them," said Berger, who lives on Long Island.

But her husband, Robert Berger, was more critical of the charges. He said airlines are more interested in just getting travelers to their destinations and making short-term profits, rather than building a customer base by providing good service.

"Only an airline with no pride would charge you for a cup of soda," said Robert Berger, who is in the telecommunications business. "We'll pay them for the \$10 for baggage and \$1 for soda because we're still ahead of the game" on ticket prices, he said.

Spirit also plans to eliminate first-class service and free alcoholic drinks. The former first-class seats will be called "Big Front Seats" and sell at premium prices.

The airline is offering 1 cent fares, plus fees and taxes, to and from select cities in March, April and May. Customers have until Wednesday to book those flights.

Spirit, which is privately owned, offers service to 33 cities in the U.S., Latin America and the Caribbean. Spirit has hubs in Detroit and Fort Lauderdale.

Its competitors include JetBlue Airways Corp. (JBLU), Northwest Airlines Corp. (NWACQ) and Southwest Airlines Co. (LUV).

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