

# SOUTHERN



## Southern Airways Withdrawing from CNMI

### *New Government Unwilling to Honor Contract for Passenger Air Service*

**March 30, 2023** — Southern Airways, the largest commuter airline in United States, is withdrawing as the operating airline for Marianas Southern Airways. The decision is based on the unwillingness of Governor Arnold Palacios to honor the contract signed by the previous administration. The final flights will operate on April 1, 2023. All passengers booked after April 1 will see refunds to their credit cards beginning next week.

Southern Airways has been the operating partner for Marianas Southern Airways since the airline's inception. Marianas Southern launched operations in the CNMI and Guam in August of 2022 following the execution of an incentive contract with the government last March. Southern was identified as the only airline willing to commit resources to the CNMI in the wake of an abrupt suspension of flights by tax-plagued Star Marianas. The withdrawal of Southern now makes two airlines (Asiana) which have ceased service in Saipan since the first of the year.

"We understand how vitally important inter-island air service is to people living in island communities. That's why we felt compelled to be part of a sustainable solution for the people of the CNMI," said Stan Little, Chairman and CEO of Southern Airways. "Unfortunately, since the new Governor's announcement, ticket sales have plummeted to the level where service in the Marianas is no longer feasible. This could have been worked out, but the Governor just wasn't interested in talking to us. I'll never understand the lack of effort to salvage this investment."

Southern is the parent company of Mokulele Airlines, which operates the most daily inter-island flights in the state of Hawaii.

"We love the people of the Marianas and are deeply sad that the money set aside for this contract is no longer available to serve their needs," said Keith Sisson, Chief of Staff of Southern Airways. "This unfortunate situation at least introduced us to a wealth of talent whom we hope will contribute to our company's success going forward elsewhere."

All of Southern's employees in the CNMI and Guam will be offered relocation opportunities or will be reassigned to work-from-home duties that will assist Southern in operating its 24-hour customer service center supporting operations around the world.

"We would like to thank Keith Stewart and Bill Giles, our joint venture partners in Saipan, for doing everything in their power to make this service viable for the people of the Marianas," stated Little. "Their love and care for the people of the CNMI and Guam is inspiring, and I share in their disappointment at the Governor's decision. Elections have consequences, and that's something we cannot ever forget."

*For more information, or to arrange an interview, contact Chief of Staff Keith Sisson at [k.sisson@iFlySouthern.com](mailto:k.sisson@iFlySouthern.com).*

*Founded in 2013, Palm Beach-based Southern Airways has quickly grown to become the largest commuter airline in the United States. Operating a diverse fleet of over fifty aircraft, Southern, along with its subsidiaries, Mokulele Airlines and Marianas Southern Airways, serves 52 cities with more than 250 peak-day departures from hubs at Chicago-O'Hare, Dallas/Ft. Worth, Denver, Honolulu, Kahului, Los Angeles, Memphis, Phoenix, Pittsburgh, Saipan, and Washington-Dulles. For more information, go to [www.iFlySouthern.com](http://www.iFlySouthern.com) or visit us on all major social media sites.*