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Jetblue to Launch Hostile Takeover Bid Following Spirit's Rejection of \$3.6 Billion Offer

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Spirit Airlines at the Henry E. Rohlsen Airport on Sat. May 14, 2022. By. V.I. CONSORTIUM

Following Spirit Airline's rejection of a \$3.6 billion buyout offer from Jetblue, deciding instead to stick with the first acquisition deal offered by Frontier Airlines, Jetblue on Monday announced that it plans on launching a hostile takeover bid for the discount carrier.

The move, called a tender offer, sees Jetblue bypassing the Spirit Airlines board and going directly to shareholders, which is aimed at pressuring Spirit management to reconsider the deal and re-engage in negotiations, Jetblue said Monday.

Jetblue, Spirit and Frontier all have operations in the U.S. Virgin Islands.

In its tender offer, JetBlue provides \$30 a share in cash, however the company said it would be open to paying its initial offer price of \$33 a share if Spirit comes to the negotiating table and provides data that JetBlue has requested, the carrier said Monday. JetBlue said the tender price reflected what it called Spirit's unwillingness to share necessary information.

"If the Spirit shareholders vote against the transaction with Frontier and compel the Spirit Board to negotiate with us in good faith, we will work towards a consensual transaction at \$33 per share, subject to receiving the information to support it," JetBlue CEO Robin Hayes told Spirit shareholders in [an open letter today](#).

According to Jetblue, the tender offer will start today and remain open until June 30. Spirit shares rose 22 percent in pre-market trading, while JetBlue climbed by 2.7 percent, according to the Wall Street Journal.

Frontier Airlines [announced in February](#) its plan to buy Spirit for \$2.9 billion, in a cash and stock deal that both companies have valued at \$6.6 billion.