



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

DEPT. OF TRANSPORTATION
DOCKET

NOV 25 11 48 AM '08

November 25, 2008

Mr. Mark Snyder
308 Holleybrooke Court
Walkersville, MD 21793-8172

Dear Mr. Snyder:

We received your letter of October 24, 2008, submitted by Senator Barbara A. Mikulski, opposing a request by American Airlines, British Airways, Iberia Airlines, Finnair, and Royal Jordanian for a grant of antitrust immunity to operate an integrated alliance. The Secretary has asked that I respond on her behalf.

The U.S. Department of Transportation's review of this request is part of a public proceeding in which interested parties have the opportunity to comment. The Department carefully considers all requests for antitrust immunity, beginning with a review of the record to assess whether there is sufficient information to make a reasoned decision that satisfies all statutory requirements. Decisions regarding requests for antitrust immunity are made after consultation with the Department of Justice, and are based upon statutory standards that include antitrust principles. As this proceeding is pending, I am sure you understand that I cannot comment on the merits of the case. I assure you, however, that the Department will give full and fair consideration to the Joint Applicants' request, as well as all comments in the docket.

As is our normal practice, I am placing a copy of your letter and this response in Docket OST-2008-0252 as a contact outside the record in this matter. I appreciate your interest in this proceeding.

Sincerely yours,

Michael W. Reynolds
Acting Assistant Secretary for
Aviation and International Affairs

cc: Brigid Houton
Senator Mikulski's staff

Oct-27-2008 11:11 AM USS 2022284513

BARBARA A. MIKULSKI
MARYLAND

SUITE 503
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WASHINGTON, DC 20510-2003

(202) 224-4654
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United States Senate
WASHINGTON, DC 20510-2003

October 27, 2008

The Honorable Mary H. Peters
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590-0003

Dear Secretary Peters:

I am writing to request your consideration of the attached correspondence from Mark Snyder, who is opposing American Airlines' application for antitrust immunity in conjunction with British Airways.

I hope that you will take every appropriate action to thoroughly review this request. Please respond directly to Mr. Snyder and send a copy to Brigid Houton of my staff. If you have any questions, please call Ms. Houton at (202) 224-4654.

Thank you very much for your consideration. I look forward to hearing from you.

Sincerely,



Barbara A. Mikulski
United States Senator

BAM:jac

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Message	Details	Attachments	Headers	Source
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HTML

From: "nobody@www.senate.gov" <nobody@www.senate.gov>
Date: 10/24/2008 8:45:18 AM
To: "webmail@mikulski-iq.senate.gov" <webmail@mikulski-iq.senate.gov>
Cc:
Subject: www_small

<IP>63.251.90.24</IP>
 <APP>SCCMail
 <PREFIX>Mr.</PREFIX>
 <FIRST>Mark</FIRST>
 <LAST>Snyder</LAST>
 <SUFFIX></SUFFIX>
 <ADDR1>308 Holleybrooke Ct</ADDR1>
 <ADDR2></ADDR2>
 <CITY>Walkersville</CITY>
 <STATE>MD</STATE>
 <ZIP>21793-8172</ZIP>
 <PHONE>301 845-7719</PHONE>
 <EMAIL>pllotduke@aol.com</EMAIL>
 <ISSUE>Transportation</ISSUE>
 <MSG>RE: Concerns Over AA-BA-IB Joint Venture/Antitrust Immunity

Mark Snyder
 308 Holleybrooke Court
 Walkersville, MD 21793-8172

October 24, 2008

The Honorable Barbara A. Mikulski
 United States Senate
 503 Hart Senate Office Building
 Washington, DC 20510-2003

Dear Senator Mikulski:

As your constituent and a pilot for American Airlines, I respectfully request that you defer any decision on the merits of American Airlines' application to the Department of Transportation and Department of Justice for antitrust immunity with British Airways, Iberia, Finnair and Royal Jordanian and the related "joint business agreement" with British Airways and Iberia until a full and thorough analysis can be conducted.

This analysis should include both the implications of immunizing joint business ventures, as well as a review of the public policy matter in the allowance of immunization of anti-competitive practices in international commercial aviation. The unintended negative consequences of increased liberalization in financial markets we have just witnessed underscore the need for appropriate due diligence. Likewise, I respectfully request that you urge DOT and DOJ to exercise similar restraint.

We need to understand the consequences of permitting strategically important companies such as airlines to enter into virtual mergers with foreign counterparts. Would the control mechanisms and marketing decisions of the entity of the joint business agreement conflict with Congress' limits on foreign ownership and control? There are clearly Department of

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Defense implications, as the federal government depends upon U.S. airlines to carry troops and supplies in wartime as our nation's Civil Reserve Air Fleet. Are we comfortable having foreign carriers ferry our troops in wartime? We also need to understand how the various nations' differing air safety regulations and labor laws and the carriers' training regimens would be reconciled.

Additionally, we must address concerns about potentially serious job security issues with American Airlines' proposed joint business agreement. As we have seen in the takeover of freight carrier Airborne Express by German company DHL, international business deals like this can have a highly adverse impact on U.S. workers. In that instance, 8,000 Ohio workers are now at risk of losing their jobs. Contrary to popular belief, "capacity sharing" arrangements such as these are actually a form of industry consolidation, potentially resulting in yet more hard-working Americans' jobs being eliminated.

Finally, there are internal constraints that call into question American Airlines' ability to enter into this type of business venture. It would be disappointing to receive a regulatory ruling that may unintentionally prejudice current lawful arbitration proceedings.

Thank you very much for considering my request.

Sincerely,

Mark Snyder
301 846-7719</MSG>
</APP>

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