

Airline Competition Conference

ATI and International Alliances

International Airline Alliances

- Form of marketing JV enabling an airline to sell tickets on another airline's flights
- Rationale: Legal restrictions on operation by foreign carriers and on foreign ownership
- Emergence of large global alliance: SkyTeam; Star, and oneworld

Antitrust Immunity

- DOT authorized to grant immunity from the U.S. antitrust laws to international alliances
- Alliances typically seek ATI as necessary to achieving benefits
- DOT has mandated metal neutral revenue sharing JVs as a means of achieving efficiencies

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Issues:

- Effect on fares and traffic of alliance carriers
- Effect on consumer welfare and the public interest
- Necessity of ATI to achieving consumer benefits
- Impact of US airline consolidation and other industry developments
- Relevant time period for a grant of ATI

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Panel:

- **Jan Brueckner**, UC Irvine
- **Diana Moss**, American Antitrust Institute
- **Mark Israel**, Compass Lexecon
- **Brian Keating**, Compass Lexecon
- **Darin Lee**, Compass Lexecon