

Served: May 16, 1997



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 16th day of May, 1997

Joint Application of

AMERICAN AIRLINES, INC.

and

BRITISH AIRWAYS PLC

under 49 U.S.C. Sections 41308 and
41309 for approval of and antitrust
immunity for alliance agreement

Docket OST-97-2058

Applications of

AMERICAN AIRLINES, INC.

and

BRITISH AIRWAYS PLC

for exemptions, certificate authority,
undocketed foreign air carrier permit
authority, and statements of authorization

**Dockets OST-97-2054
2055
2056
2057**

ORDER

On January 10, 1997, American Airlines, Inc. ("American") and British Airways PLC ("BA") (together "the Joint Applicants") filed in Docket OST-97-2058 an application for approval of and antitrust immunity for an alliance agreement under sections 41308 and 41309 of Title 49 of the United States Code. The Joint Applicants also filed a motion under Rule 39 of the Department's Rules of Practice, 14 C.F.R. 302.29, for confidential treatment of documents submitted in support of that application.

Previously, we announced our intention to move forward in this proceeding (Order 97-3-34 issued March 21, 1997), and we have granted interested parties immediate access to the

confidential materials in this docket covered by the applicants' Rule 39 motion, subject to conditions (Order 97-3-42 issued March 28, 1997).

By memorandum dated November 26, 1996, the Department's staff provided the prospective Joint Applicants with preliminary guidance in the form of an advisory evidence request on what documents and information they should include, in the event they decided to file an application for antitrust immunity. In that memorandum, the staff also informed the carriers that an application for antitrust immunity would likely require the Department to seek additional information.

The staff has now completed its preliminary review of the application, including 15 boxes of documents for which the applicants have sought confidential treatment under Rule 39, and has determined that (1) filings of certain reports, meeting notes, and studies must be updated, (2) certain documents and reports require clarification and further explanation of relevant details and/or key assumptions, and (3) certain documents or analyses must be supplemented or expanded to include additional material.¹ We find that each of the items is relevant to our determination as to both the public benefits and the competitive impact of the proposed alliance.

ACCORDINGLY,

1. We direct American Airlines, Inc. and British Airways PLC to provide the additional information and evidence described in the attachment to this order.

By:

CHARLES A. HUNNICUTT
Assistant Secretary for Aviation
and International Affairs

(SEAL)

*An electronic version of this document will be made available on the World Wide Web at:
<http://www.dot.gov/general/orders/aviation.html>*

¹ The documents previously submitted indicate that much of the material required for this request has already been compiled by the Joint Applicants for various internal analyses and briefings, or is otherwise readily available. The time periods for the data used in these analyses were often not indicated and copies of some internal analyses in the submissions to the Department appear to be preliminary drafts of work then in progress.