



Washington

wants to know



## Alliance: Closing The Skies To Competition

(NAPSA)—How attractive is your community to the business and job market? In today's global economy, the answer is increasingly dependent on air service. Cities that provide efficient and affordable air travel, including convenient connections to business centers abroad, have an advantage over cities that don't.

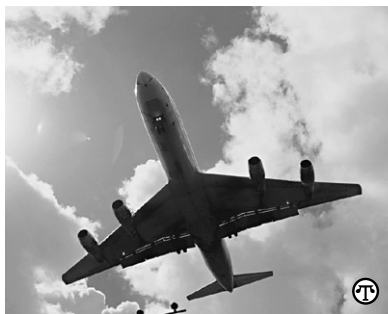
Surprisingly, America's policy-makers are currently considering an action that would make many communities *less* competitive in the international business arena.

The Department of Transportation is preparing to grant anti-trust immunity to two of the world's biggest airlines, American Airlines and British Airways. This immunity would allow the two airlines to act as a single merged entity.

Where this proposed alliance would have a negative effect is in travel to and from what is arguably Europe's most important business destination, London's Heathrow Airport. Under a 1977 treaty, only two U.S. airlines, American and United, and two British airlines, British Airways and Virgin Atlantic, are allowed to fly between Heathrow and the United States.

Dozens of U.S. senators, governors, airport officials and others fear the so-called AA/BA alliance will put several regions of the United States at a competitive disadvantage in the international business arena, and will result in fewer choices and higher fares for travelers. Twenty U.S. senators have weighed in on the issue with letters to Secretary of Transportation Norman Mineta and Secretary of State Colin Powell.

Governor Bill Janklow of South Dakota said that the alliance would turn Heathrow into "a virtual fortress hub which excludes the people of South Dakota, Minnesota and the entire upper Midwest." Meanwhile, the heads of the U.S. Senate Subcommittee on Antitrust, Business Rights and Competition have called on the Department of Justice to assess



**For many cities, access to international business centers is a key part of attracting new companies and new jobs.**

the proposed alliance.

In order for other airlines to do business at Heathrow—and keep prices competitive—each would need to be granted takeoff and landing rights (known as "slots") in time frames that are attractive to business travelers.

To help achieve this, the United States and Britain are currently negotiating a so-called "open skies" agreement that, theoretically, would lead to more competition by opening up Heathrow to other airlines. The problem is that British slot authorities have said that Heathrow is full and there simply will not be slots and facilities available to accommodate any meaningful new entry or expansion by U.S. carriers until a new terminal is completed in 2007.

In other words, what good is opening up Heathrow to competition—and promoting U.S. cities in the global marketplace—if there's no room for the new would-be competitors? Companies, especially those requiring international travel, need to locate in places that are easy to get to. Rather than being any kind of solution, the proposed American Airlines-British Airways alliance instead adds to the problem.

To let your representatives in Congress know how you feel about this or any other issue, write to the U.S. House of Representatives, Washington, DC 20515 or the U.S. Senate, Washington, DC 20510.