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Our ref: AA1000443
Contact officer: Robert Janissen
Contact phone: 02 6243 1387

7/06/2019

adjudication@accc.gov.au www.accc.gov.au

Dear Sir/Madam

Virgin Australia and Virgin Atlantic application for authorisation AA1000443 - interested party consultation

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from Virgin Australia and Virgin Atlantic. The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

Virgin Australia and Virgin Atlantic (**the Applicants**) are seeking authorisation to enter into and give effect to a formal cooperation agreement which would enable joint pricing, inventory management, scheduling, network planning; and marketing on services between Australia and the United Kingdom and Ireland via mutual mid-points in Hong Kong and Los Angeles (and any other future mutual connecting points that may be operated by the Applicants); the Applicants also propose to cooperate in relation to product alignment, airport operations, joint procurement and tenders for corporate contracts (together, **the Conduct**).

The Applicants submit that authorisation is granted they also intend to extend their existing codeshare agreements, and enhance their existing agreements in relation to lounge access, frequent flyer reciprocity and the recognition of high value quests.

A full copy of the application for authorisation is available on the ACCC's website www.accc.gov.au/AuthorisationsRegister. Alternatively, you can contact Robert Janissen on 02 6243 1387 to obtain a hard copy of the application and submission.

Interim authorisation

The Applicants have requested interim authorisation to make and give effect to arrangements that would enable the Conduct.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements.

If you intend to provide a submission in relation to the Applicants' application for authorisation, please do so by **28 June 2019**.

Submissions in relation to interim authorisation should be provided by **21 June 2019**. Submissions should be emailed to adjudication@accc.gov.au with the subject AA1000443 – Virgin Australia and Virgin Atlantic – submission'.

Alternatively, if you would like to provide comments orally, please contact Robert Janissen on 02 6243 1387 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information

3 June 2019	Lodgement of application and supporting submission.
7 June 2019	Public consultation process begins.
21 June 2019	Closing date for submissions on interim authorisation.
28 June 2019	Closing date for submissions on substantive authorisation.
July 2019	ACCC decision regarding interim authorisation.
July 2019	Applicant responds to issues raised in the public consultation process.
September 2019	Draft determination.
September/October 2019	Public consultation on draft determination including any conference if called.
November 2019	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application. A list of the interested parties contacted by the ACCC is **enclosed** with this letter.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Robert Janissen on 02 6243 1387 or adjudication@accc.gov.au.

Yours sincerely

Darrell Channing Director

Adjudication

Interested Party List

Qantas

Cathay Pacific Airways

Hong Kong Airlines

Air China

China Airlines

China Southern Airlines

HK Express

Hainan airlines

Emirates

Aer Lingus

Lufthansa

KLM

Jumpjet Airlines Limited

Air France

Malaysia Airlines

Regional Express (Rex)

Singapore Airlines Ltd

AirAsia X

China Eastern

China Southern

Sichuan Airlines

Xiamen Airlines

Air Mauritius

Air New Zealand

British Airways

Etihad Airways

LAN Airlines

Qatar Airlines

Regional Express (Rex)

Solomon Airlines

Tiger Airlines

United Airlines

Delta Air Lines, Inc

Hawaiian Air

Aerolineas Argentinas

Air China

Royal Brunei

Thai Airways

Airports

Adelaide Airport

Australia Pacific Airports (Melbourne) Pty Ltd

Brisbane Airport Corporation Limited

Canberra Airport

Melbourne Airport

Northern Territory Airports Pty Ltd / Darwin Airport

Perth Airport

Queensland Airports Limited

Sydney Airport

Cairns Airport

Hobart Airport

Hong Kong International Airport

Wellington International Airport

Govt depts, ministers

Airport Coordination Australia (ACA)

Airservices Australia

Australian Transport Safety Bureau

Civil Aviation Safety Authority (CASA)

Department of Infrastructure and Regional Development

International Air Services Commission

Tourism Australia

Tourism NSW

Tourism Queensland

Tourism Victoria

Tourism WA

Austrade

South Australian Tourism Commission

Wellington Regional Chamber of Commerce

Key Wellington Stakeholders

Industry Associations

Australian & International Pilots Association

Australian Airports Association (AAA)

Australian Federation of Travel Agents

Australian Industry Group

Australian Licenced Aircraft Engineers Association

Australian Services Union

Australian Tourism Export Council

Australian Chamber - Tourism (formerly the National Tourism Alliance)

Regional Aviation Association of Australia (RAAA)

Transport Workers Union

Virgin International Pilots Association

Catering

Alpha Flight Services

AVIA Flight Services

Executive Gourmet

Gate Gourmet

Fuel Supplier

Caltex

ExxonMobil Aviation

Ground handling provider

Aero-Care

Gate Aviation

Menzies Aviation

Patrick Air Services

Toll Dnata

Wymap Group

Other IPs

Centre for Asia Pacific Aviation

CHOICE

Consolidated Travel Group

Consumer Action Law Centre

Consumers' Federation of Australia

Fed Ex

K.I.S.S. Travel International

AVIA Flight Services

International Air Services Commission