



**Australian
Competition &
Consumer
Commission**

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Our Ref: A91227 & A91228
Contact Officer: Jessica Buik
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September 2010

Mr Luke Woodward
Partner
Gilber + Tobin
GPO Box 3810
SYDNEY NSW 2001

Via e-mail: lwoodward@gtlaw.com.au

cc: Ms Louise Klamka, Lawyer, Gilbert + Tobin Lawyers

Dear Mr Woodward

**Virgin Blue Airlines Pty Ltd & Ors applications for authorisation A91227 & A91228
- draft determination**

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the applications for authorisation lodged by Virgin Blue Airlines Pty Ltd, Pacific Blue Airlines (Aus) Pty Ltd, Pacific Blue Airlines (NZ) Limited (together Virgin Blue) and Air New Zealand Limited (Air New Zealand) on 6 May 2010.

Draft determination

A copy of the ACCC's draft determination is attached, including a summary of its reasons. For the reasons set out in its draft determination, the ACCC proposes to deny authorisation. The ACCC's assessment is set out in Chapter 5.

Next steps

Once the ACCC issues a draft determination, the Applicants or any interested party may request that the ACCC convene a 'pre-decision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by **Friday, 24 September 2010**.

Should a pre-decision conference be called, it will be held in the week commencing **Monday 27 September 2010**. If a conference is called, the ACCC will write to you again to confirm details.

Alternatively, you are invited to make a written submission in response to the ACCC's draft determination. Submissions should be lodged by **Friday, 24 September 2010**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

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

Timetable

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

6 May 2010	Lodgement of application and supporting submission.
12 May 2010	Public consultation process begins.
10 September 2010	Draft determination.
September 2010	Public consultation on draft determination including any conference if called.
October/November 2010	Final determination.

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 Jessica Buik on 02 6243 4940.

Yours sincerely



Dr Richard Chadwick
General Manager
Adjudication Branch