



**Australian
Competition &
Consumer
Commission**

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Our Ref: 46236
Contact Officer: Clare McGinness
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24 June 2011

Dear Sir or Madam

Virgin Australia and Singapore Airlines - applications for authorisation A91267 & A91268 - interested party consultation

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

Virgin Australia and Singapore Airlines are seeking authorisation for a proposed alliance in relation to international passenger transport services. The proposed alliance comprises an 'Alliance Framework Agreement', and includes:

- freesale codeshare agreements
- a special prorate agreement
- reciprocal frequent flyer and lounge agreements.

Under the alliance, the Virgin Australia and Singapore Airlines will fully cooperate on all aspects of their Australia–Singapore services and any international and domestic connecting routes, including joint pricing, scheduling, marketing and sales. The airlines will cooperate in relation to the marketing of services to corporate and government accounts, including joint bidding and joint pricing.

Virgin Australia and Singapore Airlines do not intend to share revenues at this stage, however, will possibly implement metal neutral policies in the event the airlines begin operating any overlapping routes in future or agree to jointly deploy new services.

A full copy of the applications for authorisation is available on the ACCC's website [<www.accc.gov.au/AuthorisationsRegister>](http://www.accc.gov.au/AuthorisationsRegister).

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. In particular the ACCC would appreciate your views on the following issues:

- the impact that the authorised alliance is likely to have on competition on Australia–Singapore services and connecting international routes and/or domestic routes
- the likely public benefits of the proposed alliance

If you intend to provide a submission in relation to the applications for authorisation, please do so by **15 July 2011**.

Alternatively, if you would like to provide comments orally, please contact Clare McGinness on (03) 9290 6909 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.

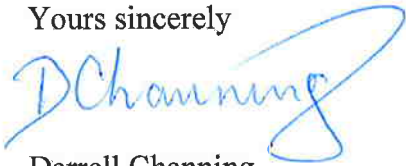
20 June 2011	Lodgement of application and supporting submission.
24 June 2011	Applicant provides revised public register version of supporting submission.
24 June 2011	Public consultation process begins.
15 July 2011	Closing date for submissions from interested parties.
29 July 2011	Applicant responds to issues raised in the public consultation process.
September/October 2011	Draft determination.
October 2011	Public consultation on draft determination including any conference if called.
November/December 2011	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 applications 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 applications.

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 Clare McGinness on (03) 9290 6909.

Yours sincerely

A handwritten signature in blue ink that reads "DChanning". The signature is stylized with a large, sweeping loop at the end of the word.

Darrell Channing
Director
Adjudication Branch

Applications for authorisation A91267 & A91268
List of interested parties consulted

Aerolineas Argentinas
AFS Projects and Logistics
Air Canada
Air China
Air New Zealand
Air Niugini
Air Tahiti Nui
Air Vanuatu
AirAsia X
Aircalin
AirTran Airways
Ambassador Cargo Management
American Express International Inc.
Asiana Airlines Inc.
Asiana Cargo
Auckland Airport
Australian Air Express
Australian and International Pilots Association
Australian Chamber of Commerce and Industry
Australian Federation of Air Pilots
Australian Federation of International Forwarders
Australian Federation of Travel Agents
Australian Services Union
Australian Tourism Export Council
Board of Airline Representatives of Australia
Brisbane Airport Corporation
British Airways
BTi Logistics
Cargolux Airlines International S.A.
Cathay Pacific Airways
Centre for Asia Pacific Aviation
China Airlines
China Eastern
China Southern Airlines
CHOICE
Concorde International Travel
Consolidated Travel Group
Consumer Action Law Centre
Delta Air Lines, Inc
Department of Infrastructure, Transport, Regional Development and Local Government
EgyptAir
Emirates
Etihad Airways
FedEx
Flight Centre Limited
Garuda Indonesia
Hamilton Airport
Harvey World Travel

International Air Services Commission
International Air Transport Association
Japan Airlines Ltd
JetBlue Airways
KLM Royal Dutch Airlines
Korean Air
LAN Airlines
Lufthansa German Airlines
Malaysia Airlines
Melbourne Airport
Pakistan International Airlines
Philippine Airlines
Qantas Airways
Qatar Airlines
Regional Express Airlines
Royal Brunei
Skywest Airlines
Solomon Airlines
South African Airways
STA Travel
Strategic Airlines
Sydney Airport
Thai Airways
Tiger Airways
Tourism Australia
United Airlines
UPS
Vietnam Airlines
Webjet
Wellington International Airport
West Australian Tourism Commission