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BEFORE THE  
 DEPARTMENT OF JUSTICE  
 ANTITRUST DIVISION  
 WASHINGTON, DC

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 In the Matter of )  
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**United States et al. v. US Airways** )  
**Group, Inc. and AMR Corporation** )  
**Proposed Final Judgment, Stipulation** )  
**And Competitive Impact Statement** )  
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**Supplemental Comments of the Wayne County Airport Authority Concerning  
 Potential Anti-Competitive Impacts of the Proposed DOJ Settlement**

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Dated: January 16, 2014

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**Supplemental Comments of the Wayne County Airport Authority Concerning  
Potential Anti-Competitive Impacts of the Proposed DOJ Settlement**

On January 9, 2014, the Wayne County Airport Authority (“WCAA” or the “Authority”), which operates Detroit Metropolitan Airport (“DTW”), submitted comments to the Department of Justice (“DOJ” or the “Department”) on the Department’s proposed Final Judgment, Stipulation and Competitive Impact Statement (“Settlement”) in the case of *United States, et al. v. US Airways Group, Inc. et al.*, Civil No. 1:13-cv-01236 in the United States District Court for the District of Columbia. 78 Fed. Reg. 71378 *et seq.* (Nov. 27, 2013) (“DOJ Federal Register Notice”). In those comments, the Authority analyzed New American’s various slot commitments under the Settlement, as well as its expected business decisions, and concluded that:

once the New American preserves DCA service to the US Airways/  
American Airlines hubs at historical levels, the block of protected  
small/medium sized markets, Shuttle operations, and beyond-perimeter  
operations from DCA, it appears that there are no remaining slots that can  
be used to serve a within-perimeter large hub airport like DTW from  
DCA, absent a revision of the Settlement.

WCAA Comments at 4-5.

The Authority submits these Supplemental Comments,<sup>1</sup> because our analysis has now been confirmed by an announcement issued by American Airlines on January 15, 2015:

American Airlines Group Inc. (NASDAQ: AAL) today announced the planned network adjustments resulting from the required divestiture of slots and related assets at Washington Reagan National Airport (DCA) . . . . The divestitures, which enabled American Airlines and US Airways to complete their merger, were mandated by the previously announced settlements with the U.S. Department of Justice (DOJ), the States of Arizona, Florida, Michigan, Tennessee, the Commonwealths of Pennsylvania and Virginia, and the District of Columbia.<sup>2</sup>

Specifically, American stated that:

*As a result of the 52 slot pair divestitures at DCA required by the DOJ, American will no longer operate year-round, daily nonstop service to 17 destinations from DCA.*

*Communities no longer receiving year-round, daily service include . . . Detroit, Mich.*

*Id.* (Emphasis added.)

Thus, the Authority's concerns about losing DTW-DCA service as a result of the Settlement have proven to be well-founded. In announcing its decision, American directly attributed this loss of service to the Settlement. In order to avoid the elimination of the only competition for Delta on the DTW-DCA route, the Settlement would have to be modified, as requested by the Authority.<sup>3</sup> It would be disturbing if the Department were to allow a Settlement

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<sup>1</sup> These Supplemental Comments are submitted within the comment period established by DOJ, that is, within 60 days of the Department's Nov. 27, 2013 notice. DOJ Federal Register Notice at 71378.

<sup>2</sup> Press Release, American Airlines, *American Airlines to Implement Network Changes as a Result of DOJ-Mandated Slot Divestiture* (Jan. 15, 2014).

<sup>3</sup> In its Comments, the Authority asked DOJ to "tweak the proposed Final Order slightly, in order to ensure that DTW does not lose competitive service to the DCA market. We believe there are two potential means of doing so:

1) DOJ could secure a commitment by New American to operate the DTW-DCA route with slots it does not give up; or

that DOJ touts as promoting competition to result in the creation of a monopoly route for Delta Air Lines between a slot-controlled airport (DCA) and one of Delta's fortress hub airports (DTW). *See* Authority Comments at 13 - 16. Instead, DOJ should act consistently with its avowed pro-competitive purpose in reaching the Settlement and grant the relief requested by the Authority, so as to avoid creating a monopoly that will result in significant economic harm to air travelers and their communities.

Respectfully submitted,



January 16, 2014

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- 2) DOJ could ensure that the slots currently used by US Airways to provide DTW-DCA service are restricted so that they can only be used to provide service to DTW, whether by the New American or another carrier.

Either of these approaches – or another approach devised by DOJ to ensure that competition is not lost in the DTW-DCA market, would be acceptable to the Authority.” WCAA Comments at 6-7 (Footnote omitted).