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DEPT. OF TRANSPORTATION
DOCKET SECTION

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D. C.

96 FEB -6 AM 9:04

Joint Application of :
:
AMERICAN AIRLINES, INC. and :
EXECUTIVE AIRLINES, INC., FLAGSHIP :
AIRLINES, INC., SIMMONS AIRLINES, :
INC., and WINGS WEST AIRLINES, INC. :
(d/b/a AMERICAN EAGLE) :
and :
CANADIAN AIRLINES INTERNATIONAL LTD. :
and ONTARIO EXPRESS LTD. and TIME AIR :
INC. (d/b/a CANADIAN REGIONAL) and :
INTER-CANADIEN (1991) INC. :
:
under 49 USC 41308 and 41309 for approval :
of and antitrust immunity for commercial :
alliance agreement :

OST-95-792 - 20

JOINT MOTION OF AMERICAN AIRLINES, INC.
AND CANADIAN AIRLINES INTERNATIONAL LTD.
FOR LEAVE TO FILE ONE DAY LATE

Communications with respect to this document should be sent to:

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February 6, 1996

BEFORE THE
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JOINT MOTION OF AMERICAN AIRLINES, INC.
AND CANADIAN AIRLINES INTERNATIONAL LTD.
FOR LEAVE TO FILE ONE DAY LATE

American Airlines, Inc. and Canadian Airlines International Ltd. hereby jointly move for leave to file one day late the accompanying joint answer to the motion of United Air Lines, Inc. to defer.

The joint answer was not received by the Docket Branch on the due date of February 5, 1996 because of the failure of the messenger service to deliver the filing to the Department in a timely manner. The joint answer was served on interested parties by fax (and on all parties by first-class

mail) on February 5, and its receipt by the Docket Branch one day late should not prejudice any parties to this proceeding.

Respectfully submitted,

Kenneth J. Fredeen
KENNETH J. FREDEEN *cbw*
Canadian Airlines
International Ltd.

Carl B. Nelson, Jr.
CARL B. NELSON, JR.
GARY R. DOERNHOEFER
American Airlines, Inc.

February 6, 1996

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document by fax or first-class mail on all persons named on the service list attached to the joint application.


CARL B. NELSON, JR.

February 6, 1996

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D. C.

Joint Application of :
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JOINT ANSWER OF AMERICAN AIRLINES, INC.
AND CANADIAN AIRLINES INTERNATIONAL LTD.
TO MOTION OF UNITED AIR LINES, INC. TO DEFER

Communications with respect to this document should be sent to:

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February 5, 1996

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JOINT ANSWER OF AMERICAN AIRLINES, INC.
AND CANADIAN AIRLINES INTERNATIONAL LTD.
TO MOTION OF UNITED AIR LINES, INC. TO DEFER

American Airlines, Inc. and Canadian Airlines International Ltd. hereby jointly answer in opposition to the motion filed on January 25, 1996 by United Air Lines, Inc. to defer action on the American/Canadian joint application for approval of and antitrust immunity for their commercial alliance agreement.

Pursuant to Order 96-1-6, January 11, 1996, answers on the merits of the joint application are due tomorrow, February 6, and replies are due on February 15. United's motion -- filed two weeks after the Department's governing

procedural order was issued, and some 12 weeks after the joint application was filed on November 3, 1995 -- is without merit, is interposed solely for delay, and should be denied.

In its motion, United argues that the phase-in provisions in the U.S.-Canada bilateral agreement should preclude the Department from granting antitrust immunity to the proposed American/Canadian alliance. United is of course free to present such a theory on the February 6 answer date. In their reply on February 15, the joint applicants will show that the U.S.-Canada market is the most competitive international market in the world, and that United's arguments are without substance. In the meantime, there is no reason to derail the established answer and reply dates simply because United has decided to preview its position in a procedural motion.

As for United's assertion that "due process" and "fundamental fairness" require that the Department "notify other carriers of its intent to proceed" so that "other applications for antitrust immunity for transborder alliances" can be "considered simultaneously" (p. 2), what is the basis for such a statement? If United is itself interested in seeking antitrust immunity, it is free to file an application at any time. The Department's consideration of the American/Canadian joint application should not be brought to a standstill simply

because United apparently wants more time to sort out its own potential relationships with other carriers.

Accordingly, United's motion should be denied, and the Department should grant the American/Canadian joint application on an expedited basis following the receipt of answers on February 6 and replies on February 15.

Respectfully submitted,


KENNETH J. FREDEEN
Canadian Airlines
International Ltd.


CARL B. NELSON, JR.
GARY R. DOERNHOEFER
American Airlines, Inc.

February 5, 1996

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing answer by fax or first-class mail on all persons named on the service list attached to the joint application.


CARL B. NELSON, JR.

February 5, 1996