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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
DOCKETS

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Joint Application of)
)
 AMERICAN AIRLINES, INC.)
 and)
 BRITISH AIRWAYS PLC)
)
 Under 49 U.S.C. §§ 41308 and 41309 for approval of)
 and antitrust immunity for agreement)

Docket OST-2001-10387 - 49

Joint Application of)
)
 AMERICAN AIRLINES, INC.)
 and)
 BRITISH AIRWAYS PLC)
)
 Under 14 C.F.R. Part 212 for statements of)
 authorization (blanket code-sharing) and under 49)
 U.S.C. § 40109 for related exemption authority)

Docket OST-2001-10388 - 39

**ANSWER OF THE CITY OF HOUSTON
AND THE GREATER HOUSTON PARTNERSHIP**

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Dated: September 10, 2001

**Answer of the City of Houston and
the Greater Houston Partnership
Page 2**

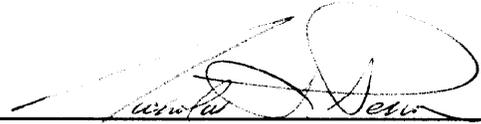
The Houston Parties support Continental and Northwest's motions. The motions should be granted, on the grounds that: (1) a necessary predicate for the applications – a U.S.-U.K. Open Skies agreement that guarantees new entrants meaningful access to London Heathrow – does not now exist and appears unlikely to be obtained in the near future, and (2) the volume of materials submitted and issues raised by the applicants requires detailed and thorough scrutiny, which cannot be accomplished in the timeframe established by the Department's August 27, 2001 procedural notice.

Given that there are no scheduled formal negotiations between the United States and the United Kingdom concerning revisions to the current Bermuda II bilateral aviation agreement, much less concerning Open Skies, there is no reason that the Department should allow interested parties so little time to review the important issues raised by the applications. Likewise, there is no reason that the Department should assemble a record that likely will be both moot and incomplete because interested parties will not have been able to review all of the materials filed by American Airlines and British Airways. In this light, and as noted by both Continental and Northwest in their motions, the current procedural schedule is wasteful for interested parties and U.S. taxpayers, and also raises serious due process concerns. The Department should take measures to ensure that it receives the most complete and most accurate input from interested parties, such as the Houston Parties and other civic entities.

**Answer of the City of Houston and
the Greater Houston Partnership
Page 3**

WHEREFORE, the Houston Parties respectfully urge the Department to grant the pending motions to suspend consideration of the aforementioned applications.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nicholas S. Penn", is written over a horizontal line.

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Dated: September 10, 2001

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of September, 2001, a copy of the foregoing Answer of the City of Houston and the Greater Houston Partnership was served by first-class mail on the parties named below:


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