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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
DOCKET SECTION

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Joint Application of)
)
 UNITED AIR LINES, INC.)
)
 and)
)
 DEUTSCHE LUFTHANSA, A.G.)
 (LUFTHANSA GERMAN AIRLINES))
)
 under 49 U.S.C. 41308 and 41309 for)
 approval of and antitrust immunity for)
 an expanded alliance agreement)

Docket OST 96-1 116 - 24

ANSWER OF
THE CITY AND COUNTY OF DENVER

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May 17, 1996

8 pgs.

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

Joint Application of)	
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UNITED AIR LINES, INC.)	Docket OST 96-1116
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DEUTSCHE LUFTHANSA, A.G.)	
(LUFTHANSA GERMAN AIRLINES))	
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under 49 U.S.C. 41308 and 41309 for)	
approval of and antitrust immunity for)	
an expanded alliance agreement)	

ANSWER OF
THE CITY AND COUNTY OF DENVER

The City and County of Denver (“Denver”) hereby submits this answer to the objections of American Airlines (“American”) to the Department’s Order to Show Cause (“Order”).

1. Denver supports the approval of antitrust immunity for the Alliance Expansion Agreement (“**UA/LH Alliance**”) between United Air Lines (“United”) and Deutsche Lufthansa, A.G. (“Lufthansa”).

2. As noted in Denver’s Answer dated April 3, 1996, Denver International Airport (“**DIA**”) ranks seventh nationwide in terms of passengers and serves the State of Colorado and the entire Intermountain West region. Yet, except for once per week service to Amsterdam during the winter and summer seasons, DIA has no non-stop scheduled service

to Europe. The **UA/LH** Alliance provides a significant opportunity for Denver to solve this problem and to increase its European service.

3. The **UA/LH** Alliance will allow the carriers to coordinate schedules and routes more efficiently and effectively, thereby saving time and money and providing more options to the traveling public. This should immediately provide Denver better connecting service to points throughout Europe. Ultimately, the Alliance should also provide Denver its long sought-after non-stop service to Germany by fully utilizing the strong feed traffic from United's Denver hub and Lufthansa's Frankfurt hub. Approval of the Alliance will also ensure that the *Open Skies* Agreement with Germany is fully implemented.

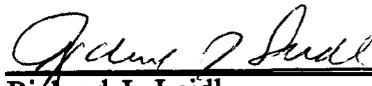
4. The Order properly recognizes the public interest in these and other benefits of the Alliance when it states that:

the Alliance . . . will benefit the public interest by enhancing service options available to travelers . . . and encouraging a further liberalization of the transatlantic and global marketplace. We believe that the Alliance Agreement will strengthen competition in the markets that the applicants serve, since it will enable them to offer better service and to operate more efficiently . . .
Order at 31.

Denver fully agrees with the Department and urges the issuance of a Final Order adopting the tentative findings and conclusions as soon as possible.

5. American proposes that the Department not act until it issues a decision on the American/Canadian Airlines International application for antitrust immunity. The fact that the Department may need additional time to consider that application is no reason to postpone action on the United/Lufthansa application and delay the substantial public benefits that will flow from the **UA/LH** Alliance.

Respectfully submitted,



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Dated: May 17, 1996

CERTIFICATE OF SERVICE

I certify that I have on this date served the foregoing Answer on all persons named in the attached service list by hand delivery or by fax.

A handwritten signature in cursive script, appearing to read "H. Fayth", is written over a solid horizontal line.

May 17, 1996

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