

Served: June 22, 1999

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, DC**

**Joint Application of ALITALIA-LINEE AEREE ITALIANE-S.p.A.
KLM ROYAL DUTCH AIRLINES and NORTHWEST AIRLINES, INC.
for Approval of and Antitrust Immunity for an Alliance Agreement
under 49 U.S.C. §§ 41308 and 41309
Docket OST-1999-5674**

NOTICE REQUIRING SUPPLEMENTAL INFORMATION

On May 25, 1999, Trans World Airlines, Inc. filed a petition for reconsideration of Order 99-5-10. TWA petitions the Department to require the Joint Applicants to file additional information concerning competition between Continental Airlines, Inc., which has certain business interests with Northwest, and Alitalia, Northwest's proposed partner in this case. On June 4, 1999, Continental filed an answer opposing TWA's petition. Contrary to TWA's assertions, it argues that Northwest does not control Continental and the alliance among Alitalia, KLM and Northwest will have no impact upon competition between Continental and Alitalia.

We find that the matters raised by TWA in its petition are relevant to our assessment of the competitive implications that we must address in this case. To enable us to consider the potential impact of this arrangement on the proposed alliance, we direct the Joint Applicants to provide in English (1) a description of whether and if so how Continental's operations will be integrated with those of the proposed alliance; and (2) an analysis of the competitive effect in city-pair markets where Continental competes, or engages or may engage in cooperative arrangements, with Alitalia.

When we have determined that the record of this case is complete, we will announce an appropriate procedural schedule for reaching a decision expeditiously. We shall serve a copy of this notice on all persons on the service list in this docket.

By:

A. BRADLEY MIMS
Acting Assistant Secretary for Aviation
And International Affairs

Date: June 22, 1999

(SEAL)

*An electronic version of this document is available on the World Wide Web at:
http://dms.dot.gov/reports/reports_aviation.asp*