



Joint Venture Agreement between All Nippon Airways Co., Ltd. and United Airlines, Inc.

Reference Number	:	MAVCOM/ED/CC/DIV4/2022(1)
Application	:	Individual Exemption under section 51 of Act 771 (renewal application)
Applicants	:	All Nippon Airways Co., Ltd.
Receipt of Application	:	28 January 2022
Summary of Application	:	<p>All Nippon Airways Co., Ltd. (“NH”) is seeking to renew the individual exemption granted to NH and United Airlines, Inc. (“UA”) (collectively, the “Parties”) for its Transpacific Joint Venture Agreement (“JVA”). The JVA had been implemented in respect of scheduled air passenger services between the Americas and Malaysia via transpacific routes pursuant to the individual exemption granted by MAVCOM on 11 May 2017. The individual exemption was granted for a period of five (5) years and will expire on 10 May 2022.</p> <p>The purpose of the JVA is to bring together selected routes serviced by the Parties (“Affected Routes”) to form itineraries between countries within the scope of the JVA (“Covered Countries”) in Asia and Covered Countries in the Americas in order to provide greater options to the travelling public. All passenger revenue from the Affected Routes is then redistributed to each Party according to a formula established by the Parties, achieving Metal Neutrality.</p> <p>Through the JVA, the Parties engage in, amongst others, joint scheduling and network planning, joint pricing, revenue management and sales, coordinated marketing efforts, frequent flyer programs, airport operations, and information technology with respect to the Affected Routes.</p> <p>The Parties claim that the JVA provides benefits which include increased competitiveness by the Parties and elimination of double marginalisation in the connecting flights of the Parties, thereby generating further efficiencies in the form of economies of scale, service</p>



	<p>expansion, seamless customer experience, frequent flyer program harmonisation, and coordination of schedules that result in greater consumer choice.</p> <p>The Parties claim that the JVA provides the following further benefits:</p> <ul style="list-style-type: none"> (a) Better maintenance and the expansion of the network of the Parties through joint sales and marketing promotions; (b) Improvement in the quality of online connecting services via Parties' hubs such as Tokyo Narita Airport; (c) Expansion of fare products; (d) Achieving metal neutral choice for passengers through the cooperation of the Parties' FFP; (e) Reduction in travelling time; (f) Expansion of the Parties' one-stop shopping offers to corporate clients; and (g) Expansion of the Parties' network creates service to 49 airports that no other carrier combination is able to currently offer.
Reference(s)	: <u>MAVCOM's Decision granting an Individual Exemption to the Parties' JVA dated 11 May 2017</u>
Consultation	: <p>MAVCOM welcomes any party to submit written feedback on the individual exemption renewal application regarding the JVA between NH and UA.</p> <p>Any written feedback shall be titled "Joint Venture Agreement between All Nippon Airways Co., Ltd. and United Airlines, Inc" and submitted to MAVCOM by email to competition@mavcom.my by 14 March 2022.</p> <p>If the feedback contains confidential information, the party submitting the feedback shall clearly identify the confidential information and provide a non-confidential version of the feedback (with the confidential information removed and replaced by the word ["CONFIDENTIAL"]).</p>



**Malaysian
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	<p>“Confidential information” refers to trade, business or industrial information that belongs to any person, that has economic value and is not generally available to or known by others.</p>
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