

JetBlue to end American Airlines joint venture after court ruling

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JetBlue said it will wind down a flying alliance with American Airlines after an unfavorable court ruling.

JetBlue said Wednesday it will wind down an alliance with American Airlines rather than challenge a US court ruling that determined the joint



venture was anti-competitive.

While JetBlue held a "deep conviction" that the Northeast Alliance (NEA) with American enhanced the offerings to customers at New York and Boston airports, the carrier "has made the difficult decision not to appeal the court's determination," JetBlue said in a statement.

The <u>company</u> has "instead initiated the termination of the NEA, beginning a wind down process that will take place over the coming months," it added.

The move comes after US District Judge Leo Sorokin sided in May with the federal Department of Justice (DOJ) in concluding that the American-JetBlue alliance at Boston's Logan Airport and the three New York City-area airports was anti-competitive.

JetBlue said it would now focus instead on winning approval for its \$3.8 billion takeover of low-cost carrier Spirit Airlines, which the Justice Department has also challenged in a separate case.

"As it relates to the Spirit combination, terminating the NEA renders the US Department of Justice's concerns about our partnership with a legacy carrier entirely moot," JetBlue said. "With that, the DOJ should reconsider and support our plan to bring a national low-fare competitor to the Big Four; the flying public deserves better than the status quo."

The Justice Department in March sued to block the Spirit deal, arguing that removing low-cost Spirit would expose tens of millions of travelers to higher fares.

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