AMERICAN KEEPS TOKYO ROUTE AS REGULATORS REJECT DELTA CLAIM

News / Airports / Routes

American Airlines Group Inc. will keep the right to fly between Los Angeles and Tokyo's Haneda airport, after federal regulators rejected claims by Delta Air Lines Inc. that the privilege should be revoked because American failed to begin service quickly enough.

American has until March 27 to begin the flights to Haneda airport, the U.S. Transportation Department ruled. The carrier said this month that it would begin daily service starting Feb. 11, after securing favorable arrival and departure times from Japanese officials.

The U.S. decision was the latest development in an almost yearlong spat between the carriers for one of only four existing routes between the U.S. and Haneda, which many business travelers prefer over Tokyo's Narita International Airport because it is closer to the Japanese capital. Delta gave up one of those routes to American in June after a fight between the two airlines, but argued in an Oct. 1 filing that its rival should cede the route after it didn't start service within 60 days.

"The department finds nothing on the record to suggest that, despite a brief startup delay, the anticipated benefits of American's Los Angeles-Haneda service -- benefits that led the department to award it this authority -- will not be forthcoming," the Transportation Department said in a ruling

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issued Wednesday. Regulators said the Haneda route would be awarded to Hawaiian Airlines if American doesn't meet the new deadline.

Japanese Limit

The issue wouldn't exist if Japan hadn't set a limit on landing rights for U.S. carriers, said Trebor Banstetter, a spokesman for Delta. American was pleased with the Transportation Department's ruling, said Matt Miller, a spokesman for the airline.

The dispute began last December, when American asked U.S. regulators to revoke its rival's right to fly between Seattle and Haneda because service had gone almost dormant.

The government allowed Delta to retain the route only if it agreed to fly daily, a condition the airline objected to as "draconian". Delta ceded the Seattle route over the summer. American filled the void by winning approval to fly from Los Angeles, a privilege that Delta subsequently challenged.

American shares rose less than 1 percent to $41.69 at the close in New York, while Delta gained less than 1 percent to US$47.14.

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