

## TEXAS HOUSE of REPRESENTATIVES

## Chris Turner

State Representative, District 101

August 26, 2013

The Honorable Greg Abbott Office of Attorney General P.O. Box 12548 Austin, TX 78711-2548

## Dear General Abbott:

As a member of the Texas House of Representatives representing communities in North Texas, I am writing you in an effort to determine why the State of Texas has joined the United States Department of Justice (DOJ) and five other states in the suit aimed at blocking the merger between North Texas-based American Airlines and US Airways. If successful, your lawsuit will certainly have a direct and negative impact on the lives and livelihoods of many of my constituents.

Recently you received a joint letter from the presidents of the Fort Worth and Dallas Regional Chambers of Commerce outlining the impact American Airlines has on our community, which includes directly employing more than 21,000 people and supporting another 175,000 vendor and contractor jobs. Additionally, the letter stressed the unrivaled positive economic impact American has on the North Texas region, contributing \$27 billion in GDP.

When considering the number of people employed by and/or because of American Airlines and the tremendous role the company plays in our regional economy, I have a hard time understanding why you would fight the proposed merger, especially when it will protect jobs and keep a stronger American Airlines headquartered in North Texas.

In order to gain a better understanding of why and how you came to the conclusion that this merger was not beneficial for our state, please answer the following questions:

- 1) What factors and data did you consider before deciding to join the DOJ's suit?
- 2) In your August 15<sup>th</sup> op-ed in the *Dallas Morning News*, you cite potential for lack of competition in the airline industry as justification for suing, saying "Free markets work best with competition in the marketplace." Why, then, did you not object to the 2010 merger of United Airlines and Continental Airlines, which resulted in the creation of the largest airline in the world?

- 3) If American Airlines is unable to emerge from bankruptcy proceedings due to the merger not moving forward (it has been widely reported that there is no "Plan B"), what impact do you believe this would have on the North Texas economy? Did you consider the effects of such an impact prior to filing your lawsuit?
- 4) Who did you consult prior to making the decision to file this lawsuit? Please identify any business leaders; labor union/employee representatives; local, state or federal elected officials and any others.
- 5) What industry experts or current or former officials in the airline industry did you or your staff communicate with when assessing the merits of the proposed merger? What advice did they provide to you and your office?
- 6) Will you support American Airlines' request of a November 12, 2013 trial date so that this issue can be resolved quickly, especially in light of the fact that American reports it is incurring \$500,000 a day in bankruptcy-related professional fees?
- 7) Finally, it was reported last week that your office has spent nearly \$4 million in taxpayer money to pay for numerous lawsuits against the federal government. Although this time you are joining forces with the federal government instead of suing it, there will undoubtedly be additional costs to Texas taxpayers. What do you estimate your office will spend on this legal action? Will the Office of Attorney General retain outside counsel for purposes of this litigation, or will your inhouse staff be handling the workload?

A timely and successful resolution to American Airlines' bankruptcy proceedings is of the utmost importance to North Texas. This is an issue of great concern to the people I represent and as such, I hope that you fully answer my questions as quickly as possible. If you have any questions regarding this letter, please do not hesitate to contact me by calling (512) 463-0574 or (817) 459-2800.

Thank you for your consideration of this request. I look forward to your response.

Sincerely,

Chris Turner