Factsheet

American Airlines, British Airways and Iberia’s Joint Business

Making oneworld even better

Key customer benefits that will be introduced over the coming months include:

- Access to a broader network
- More access to cheaper fares
- Greater convenience through coordinated schedules and combined tickets
- Superior customer experience and service integration
- FFP consistency and integration
- Corporate customer benefit from joint sales agreements

What is the joint business?
On October 1, 2010, American Airlines, British Airways and Iberia launched their joint business after receiving approval from regulatory authorities earlier this year.

A joint business is made when two or more companies agree to do business in one specific area (in this case between Europe and the US) to provide a specific service and share revenues.

The three airlines can now co-operate commercially on flights between the EU, Switzerland and Norway and the US, Canada and Mexico.

Customers will receive even more benefits than they currently do through the airlines as members of the oneworld alliance, in turn enabling oneworld to compete more strongly with its rival alliances across the Atlantic.

Specifically, it means more destinations, more flights and therefore more fares to choose from. They will experience continuous and consistent service excellence irrespective of which of the three airlines they are flying on.

What it’s not
A merger. British Airways’ merger with Iberia later this year is separate to the joint business. A merger is the joining together of two companies to form a single company.

For British Airways and Iberia, the parent company will be known as International Airlines Group. The aim of the merger is to realise cost savings, increase revenue, offer customers a greater number of routes and improve the airlines’ ability to invest in new products and services.

BA and Iberia will both keep their own individual brands when they merge.

Customer benefit highlights

Access to a broader network
Customers can travel more easily on all three airlines’ combined route network to 433 destinations in 105 countries with 5,178 daily departures, providing more frequent and convenient schedule options than any of the three carriers could offer individually. By working together, the three airlines can expand customer choice by supporting routes that would not be economically viable for a single airline.

Customers will also still enjoy the benefits across the wider oneworld network stretching across 750 destinations in almost 150 countries, when Russia’s S7 Airlines joins later this year.

More access to cheaper fares
From the start the airlines will be code-sharing on one another’s routes over the North Atlantic.

This means that customers will have a greater number of flights to choose from to the same destination, which in turn means there will be more fares, including the cheaper ones, available on those routes.

So, for example, if a customer is travelling on a round trip from Heathrow (LHR) to New York (JFK) and finds a cheaper outbound fare with BA and a cheaper one home on a codeshare flight operated by AA, they can book that combination to realise the savings. The same would apply for a customer travelling from Madrid to Miami who would be able to combine the cheapest fares between Iberia and American Airlines.

October 6, 2010
Greater convenience through coordinated schedules and combined tickets
Alternatively, departure and arrival times may be more important to customers so they can choose the flights to suit their itinerary. This will become even easier from summer 2011 as the schedules are aligned and flights re-timed to give them a greater range of departure times.

For example, four of the six flights between London and Chicago that BA and AA operate arrive at almost exactly the same time. These will be more evenly spaced to give customers more and improved schedule options. Equally, six of the eleven daily New York JFK flights that BA and AA operate depart at very similar times. This will also be changed to benefit customers.

Superior customer experience and service integration
From flight selection to check-in, to final arrival and every point in between, the three airlines have invested in enhanced customer service. In fact, nearly 12,000 customer-facing employees have been trained to make certain they have the skills and expertise to deliver a superior experience for our customers.

Easier booking and check-in
Customers will be able to book their flight on any of the airlines’ websites, irrespective of which airline operates the aircraft for that flight. For example, APIS – Advanced Passenger Information System – data already recorded with one airline will be transferred automatically to the operating airline(s), and customers will not have to re-enter it.

The websites will also provide links to the operating carrier’s information pages, and real time arrival and departure data for all joint business flights. Customers will be able to check-in and print their boarding pass on the site of the airline due to operate their flight or the airline they booked it through.

Customers contacting any of the airlines’ call centers will be dealt with either by the airline they have called, or by the operating airline after a “warm handover.” This means a fast-track transfer to an agent of the operating airline, who will have been fully briefed about the nature of the customer’s inquiry.

Arrival Enhancements
The first oneWorld Transfer Support Center opened in June at Chicago O’Hare International Airport, bringing a trilateral approach to enhanced customer service. A team drawn from all three airlines identifies flights that have customers on board who have either already missed their onward journey or are due to arrive with less than the normal minimum connection time left before their onward flight deports.

Those who have already missed their onward journey are met at the aircraft gate by staff who have already rebooked them on the next available flight and printed the new boarding passes. Those below the minimum connection time are met at the aircraft and fast-tracked through customs and immigration before being transferred to their operating carrier’s terminal. They are again met and fast-tracked through security to connect with their aircraft in time. Similar procedures are in place for baggage.

Additional oneWorld Transfer Support Centers are open or about to open at four other main hubs including: Miami (opened Sept. 15), New York JFK (Sept. 22), London Heathrow (Sept. 30) and Madrid (Oct. 18)

Making it simple
The aim is to align policies where possible to make it easy for customers.

From day one, all customers will continue to be able to check in at least one bag for free. First and longhaul business class customers will benefit from a three checked-bag limit. This is an increase for American Airlines from two bags.
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Both American and Iberia are also joining BA in waiving the heavy bag charge for First and longhaul business class customers for bags weighing between 23kgs/50 lbs. and 32kgs/70 lbs.

Disruption care
In the event of disruption, the call centers and oneworld Transfer Support Centers will be instrumental in ensuring the highest levels of customer care and will be able to rebook customers across the three airlines to help them complete their journeys. As a joint business, we will have a greater ability to rebook customers from one airline to another to mitigate the impact of disruption.

Should baggage services be affected, customers will also have the benefit of proactive baggage messaging via SMS/text message, baggage hall paging or email. There will be priority boarding and check in to recognize the airlines’ most loyal customers.

Both American Airlines and British Airways will open the doors of their Arrivals Lounges at London Heathrow, in both Terminals 5 and 3, to Emerald status cardholders in any oneworld airline frequent flyer program landing on either airline’s flights.

Frequent Flyer Program (FFP) consistency and enhancements
There will be more opportunities to earn and redeem benefits across the airline’s frequent flyer programs.

Under the transatlantic joint business, members of American Airline’s AAdvantage, British Airways’ Executive Club and the Iberia Plus scheme will be able to earn and redeem miles on each airline’s flights between the US and the UK making all routes flown by British Airways, American Airlines and Iberia eligible for earning and redeeming miles.

In addition, the three airlines are introducing more generous benefits for customers flying on American Airlines, British Airways or Iberia on transatlantic routes, depending on the type of ticket purchased or frequent flyer tier. Details of the changes to each carrier’s frequent flyer programs are available on their respective websites for customers. Members of each airline’s frequent flyer program continue to benefit from reciprocal lounge access. Together, the three airlines have approximately 200 airport lounges worldwide.

For the first time oneworld Emerald cardholders will have access to the British Airways Galleries Arrivals lounge at London Heathrow Terminal 5 and the American Airlines arrivals lounge at London Heathrow Terminal 3 when they travel on an AA or BA transatlantic flight, no matter in which cabin they fly.

Corporate customer benefit from joint sales agreements
We’ll be able to offer single account management and coordinated pricing and programs for corporate customers across the three airlines with the aim of reducing duplication, complexity and potentially cost.

Besides flexibility and value for money, the priority of most corporate customers is to travel quickly and easily on a brand they like and trust and be recognized as important customers.

The joint business’ planned schedule alignment and its ability to combine fares and itineraries will particularly suit the business market, which will have more options about timings and cost of travel.

Policies will be aligned, the oneworld Transfer Centers will benefit customers who may or have missed their connection and there will be new opportunities to “earn and burn” across the transatlantic.

The existence of a strong joint business will also help the three airlines recover from the economic recession and be in a position to provide quality services and value-for-money fares in the future.
Making oneworld even better

American Airlines, British Airways and Iberia remain members of the oneworld global airline alliance. Their joint business makes oneworld even better, allowing the group to operate across the Atlantic in the way competitors in the rival alliances have been working for many years.

This year oneworld:
- adds Russia’s leading domestic carrier S7 Airlines to the group.
- has signed India’s leading carrier Kingfisher Airlines and Germany’s second biggest airline Air Berlin, as members elect.
- expanded links with Japan Airlines after the airline reaffirmed its membership.
- added Skytrax’s World’s Best Airline Alliance title to the World Travel Awards’ World’s Leading Alliance trophies it has won for the past seven years.

Timeline

This is just the start of the transatlantic joint business between American Airlines, British Airways and Iberia.

Many of the changes such as aligned schedules and seamless account management will be introduced over the course of the coming year.

Key changes from the launch include:
- Book flights to/from the UK and USA or Spain on any of the three carrier’s websites
- More access to the cheaper fares
- Harmonized frequent fly programs giving customers more opportunities to earn and redeem miles.
- Real-time arrivals and departures information for transatlantic flights on each airline’s website
- Online check in and boarding pass printing from the website of the operating carrier or the airline the flight was booked through
- Introduction of oneworld transfer support centers at Heathrow, Chicago, JFK and Miami, which will assist customers with a tight connection or those who have missed their transfer. A center in Madrid will be added on October 18.
- Integrated customer support – call any call center for reservation inquiries and receive priority assistance
- Aligned three checked baggage policy for First and Business class customers.
- Access to approximately 200 lounges worldwide including, for the first time, the British Airways Galleries Arrivals lounge at London Heathrow Terminal 5 and the American Airlines arrivals lounge in London Heathrow Terminal 3, for oneworld Emerald cardholders travelling on transatlantic flights with either AA or BA, irrespective of cabin.
- Priority check in for First and Business Class customers of all three airlines
- Priority check in for oneworld Ruby cardholders at Business Class check in across all three airlines
- Priority boarding for First and Business Class customers across all three airlines