

Dots on a Map Podcast

“Blue Skies on the Horizon?”

Episode 3 Show Notes

Intro

- Captain Brent Allen, Scope Compliance and Analysis Committee chairman, sits down with Captain Chris Hazleton, Strategic Planning chairman, to discuss Delta’s business relationships and a new JV on the horizon

What access does the MEC have to the Company’s business plan and finances?

- The Strategic Planning Committee is tasked with meeting with the Company periodically to confer and interpret the business plans and financial statements that the Company produces

Transatlantic JV Overview

- Delta currently has two transatlantic joint ventures:
 - Delta/Air France/KLM/Alitalia
 - Virgin Atlantic
- **Section 1** of the PWA outlines the language of each JV
 - Currently, the PWA mandates that Delta aircraft can fly no less than 46.5% of the EASKs
 - If Delta flies less than 48.5% of the EASKs, Delta aircraft must fly a total of 650,000 block hours consisting of international widebody block hours and 757 transatlantic block hours

Blue Skies? A New Trans-Atlantic JV?

- JV with Delta, AF/KLM and Virgin Atlantic was announced in 2017
- Delta will have a 10% ownership in AF/KLM
- China Eastern (not part of this JV) will have a 10% ownership stake in AF/KLM
- AF/KLM will take a 31% ownership stake in Virgin Atlantic
- Delta will retain its 49% ownership stake in Virgin Atlantic
- Execution of this JV could require a new negotiated production balance

On the next episode of “Dots on a Map,” we’ll discuss how scope agreements work with regional jets — stay tuned! To listen, search “Dots on a Map” in your podcast app or, if you’re on an iPhone, follow this link from a mobile device. Dots on a Map is a Delta MEC podcast series about scope topics. Every episode is also available on DALscope.org.