

Copa Airlines expands partnership with United and Avianca

By **Ronnie Lovler** on December, 4 2018 | Airlines & Airports



Copa Airlines has announced a new agreement with United and Avianca airlines that will expand services to customers and benefit the common marketplace for air travel between the United States and 19 countries in Latin America.

The joint business agreement (JBA) is pending necessary government approvals, but is expected to get a green light from all involved.

The JBA will allow the three airlines to give customers more choices for travel to and from the United States including integrated service in more than 12,000 city pairs that will make new nonstop routes available and provide additional flights on existing routes as well as reducing travel time.

It will also provide customers with expanded codeshare flight opportunities, competitive fares and a more streamlined travel experience, according to a news release.

Expectations are that the integration of complementary route networks will increase traffic at major gateway cities in the region, attracting new investments and creating more economic development opportunities

"We are delighted to further solidify our existing partnership with United Airlines and look forward to increasing service options for our customers by working more closely with Avianca," said Pedro Heilbron, Copa Airlines' Chief Executive Officer. "We believe this agreement benefits our passengers by providing competitive fares and a superior network of more than 275 destinations throughout Latin America and the US, and also promotes tourism and investment in our region."

Scott Kirby, United's President, echoed Heilbron's sentiments. "We are excited to work with our Star Alliance partners Copa and Avianca to bring much-needed competition and growth to many underserved markets while providing a better overall experience for business and leisure customers traveling across the Western Hemisphere," he said.

Hernan Rincon, Executive President-CEO of Avianca emphasized the benefits of forming the three-way partnership. "We are certain that together we are stronger in the United States - Latin America market than any of the three airlines individually," he said. "This Partnership will allow Avianca to strengthen its position as a first-level player in the airline industry in America, as we will expand our scope in the continent with United and Copa, offering better connectivity to our customers."

By serving customers as if it were a single airline, the three companies will be better able to coordinate their frequent flyer programs and flight schedules, and of course offer customers overall better service. The carriers believe the JBA is an innovative, best-in-class new product that will make competition in the market even stronger.

Regulatory approval is expected to be obtained within the next 12 to 18 months.

Copa, United and Avianca plan to apply for regulatory approval of the agreement and an accompanying grant of antitrust immunity from the U.S. Department of Transportation and other regulatory agencies. The parties will fully implement the JBA after receiving the necessary government approvals.

The JBA currently includes cooperation between the United States and Central and South America, excluding Brazil. With the recently concluded Open Skies agreement between the United States and Brazil, the carriers are exploring the possibility of adding Brazil to the JBA.

Each of the three airlines will remain independent companies, but cooperation in terms of itineraries will be enhanced.