



The Senate  
State of Hawaii

## NEWS RELEASE

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### **STATE SENATE TRANSPORTATION CHAIR COMMENTS ON JUDGE'S \$80M AIRLINE AWARD**

HONOLULU – Responding to today's ruling by U.S. Bankruptcy Judge Robert Faris, which found that Mesa Air Group used confidential information to "gain a competitive advantage...to enter the market for Hawai'i interisland air transportation services," and ordered Mesa to pay Hawaiian Airlines \$80 million in damages, **Senator J. Kalani English**, chair of the Senate Committee on Transportation and International Affairs, issued the following statement:

"While this may be good news for Hawaiian Airlines in their efforts to protect their proprietary information, it is more problematic for Hawai'i's inter-island travelers. Over the past few years, we have been seeing artificially low prices for inter-island travel, fueled by fierce three-way competition. Even as consumers enjoyed the low prices and increased travel alternatives, the airlines operated at a consistent loss. We knew those conditions couldn't last.

"The departure from Hawai'i of one of the three current inter-island carriers, whether through court action, revenue shortfalls or cutthroat competition, would likely mean a return to the former status quo of high prices and limited schedules, which would not be a positive development for Hawai'i travelers.

"The best result for Hawai'i travelers would be for all three airlines to participate in a truly competitive manner, where they find an equilibrium in prices and services that offer Hawai'i residents affordable fares in a sustainable market. If today's ruling helps us keep our existing travel alternatives in play, it will be positive for our state. But if it leads to a reduction in the number of players, we could see negative results for our travel industry."

Senator J. Kalani English represents the 6<sup>th</sup> District (Hana, East and Upcountry Maui, Moloka'i, Lana'i and Kaho'olawe).

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