



Tim Griffiths
Airport Regulation section
Regulatory Policy Group
Civil Aviation Authority
CAA House
45-59 Kingsway
London
WC2B 6TE

25th June 2013

Dear Sirs,

Re: Economic Regulation at Gatwick from 2014: Initial Proposals

I am writing in response to the consultation relating to the above on behalf of the Thomas Cook Group plc (TCG).

TCG is a vertically integrated travel group, owning tour operating businesses, as well as high street retail travel agency outlets, a significant online business and call centre operations, as well as being the majority shareholder in the Co-Operative Travel and Midlands Co-Op Travel retail businesses.

Most relevantly to this consultation, TCG also operates an airline, Thomas Cook Airlines, which currently has a fleet of 31 UK registered aircraft, of which 7 are based in Gatwick during the tour operating Summer season (from 1st May to 31st October), dropping to 5 in the Winter season.

TCG is an active member of the Airport Consultative Committee (ACC) at Gatwick Airport, and has been involved in work undertaken by that group in relation to the consultation. We have had the benefit of seeing the comprehensive response to the consultation document which has been prepared by the ACC.

We would confirm that TCG supports the views and opinions expressed by the Gatwick ACC in their response to the CAA, as well as the analysis undertaken therein.

In the circumstances, we do not propose producing a separate detailed response to the consultation – and we would be grateful if the CAA could note our support for the ACC position.

We have noted the proposal put forward by Gatwick Airport to introduce a voluntary Commitments Framework with individual airlines. We have significant concerns regarding the level of resource and time required on the part of individual airlines using Gatwick to deal with the existing regulatory arrangements, and as such, a voluntary solution certainly has attractions. However, we do share the concerns previously expressed by the CAA that Gatwick Airport does effectively have a local

monopoly as a significantly slot constrained airport. As such, we do not believe that a voluntary solution in itself will provide sufficient protection to passengers that charges will not increase beyond necessary or appropriate levels, and therefore support a continuing regulatory regime administered by the CAA. We would however suggest that within a framework of a new regulatory regime, imposing appropriate caps on charges which may be introduced by the Airport that there are merits in looking at how some aspects of the voluntary commitments could be utilised at Gatwick. It is however essential that effective and appropriate limits on maximum charges remain in place, and we would strongly support the concerns of the ACC that the current CAA proposal does not go far enough in this regard.

We would be happy to provide any further information that the CAA may require as part of the consultation process.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'A. Cooper', written in a cursive style.

ANDREW V COOPER
DIRECTOR OF GOVERNMENT AND EXTERNAL AFFAIRS