Airlines Accused of Price-Fixing Conspiracy in Dallas Class-Action Lawsuit



A group of airline customers has filed a federal class-action lawsuit in Dallas accusing four major U.S. airlines of violating antitrust laws by conspiring to artificially inflate airfares in order to reap huge profits.

The lawsuit filed July 8 says Texas-based Southwest Airlines (NYSE:LUV) and American Airlines (NASDAQ:AAL), Atlanta's Delta Airlines (NYSE:DAL) and Chicago's United Airlines (NYSE:UAL) conspired to restrict capacity by limiting routes and the number of available seats in order to charge artificially high prices.

"The defendants are so intent on raising profits that they appear to have colluded to gouge customers' pocketbooks and keep airfares sky high," says Dallas attorney Warren T. Burns of Burns Charest LLP, who represents the plaintiffs. "Agreeing to restrict capacity to keep your profits high marks the very definition of an antitrust violation."

In a release, Burns Charest describes a series of economic conditions that should have resulted in more available airline seats and lower ticket prices, including increasing public demand for airline seats and the fact that airlines paid at least \$1.50 per gallon less for jet fuel in 2014 compared to 2013. Instead, the supply of seats has remained virtually flat and airline fares skyrocketed at an inflation-adjusted rate of 13 percent from 2009 to 2014, the lawsuit says.

The filing follows last week's announcement from the U.S. Department of Justice that it is investigating the airlines'

tactics. Similar lawsuits on behalf of airline customers have been filed in New York, Chicago, San Francisco, and Washington, D.C. Burns and Burns Charest have moved to transfer and consolidate all the civil cases in the U.S. District Court for the Northern District of Texas, where today's lawsuit was filed, according to the firm's release.

The case is Cumming, et al. v. American Airlines, Inc., et al., No. 3:15-cv-02253.

Burns Charest is a Dallas and New Orleans-based trial law firm with a national practice representing consumers and businesses. The firm represents clients in large, complex class actions; antitrust claims; oil and gas royalty disputes; environmental pollution cases; and asbestos exposure claims.