

## CASE STUDY

# Clearing the Skies for a New Airline

*“It’s tough to think of a company that has done as much to meet our standards for becoming a commercial airline.”*

—U.S. Secretary of Transportation Mary Peters



Client:	<b>Virgin America</b>
Industry:	Airline
Areas of Law:	Regulatory, litigation
Venue:	U.S. Court of Appeals for the DC Circuit
Result:	Successfully argued for the court to uphold the airline’s certification to fly in the United States



Having been named “Best Domestic Airline” by the readers of *Condé Nast Traveler* after just two years of flying, Virgin America is clearly good at its business. But if not for Pillsbury’s top-tier regulatory and litigation work, Virgin America might not be flying at all.

The California-based carrier came to Pillsbury to help secure its authority to launch a domestic airline. The U.S. Department of Transportation (DOT) rejected the carrier’s initial application because it believed the California-based airline was impermissibly controlled by non-U.S. citizens affiliated with Sir Richard Branson and the UK’s Virgin Group.

Pillsbury lawyers worked around the clock for months to help the company address DOT’s concerns. In a rarely seen turn of events, the DOT reversed itself, finding in Summer 2007 that Virgin America met all requirements for becoming a domestic airline. But Virgin America’s inaugural problems did not end there. The Association of Flight Attendants union challenged the DOT’s certification with a lawsuit they filed in the District of Columbia Circuit Court of Appeals. Pillsbury represented the airline as an Intervenor in the case and argued before the court. The three-judge panel ultimately agreed with Pillsbury and the DOT, dismissing the union’s suit for lack of standing.

Virgin America initially launched service in just three cities: San Francisco, Los Angeles, and New York. It has since expanded its fleet and service, and now also flies to Washington, DC, Fort Lauderdale, Orange County, Las Vegas, San Diego, Seattle, and Boston, with award-winning service and top in-flight amenities, including Wi-Fi on all flights.