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**VIRGIN ATLANTIC WELCOMES EUROPEAN 'OPEN SKIES' JUDGMENT AND
CALLS FOR UK GOVERNMENT TO PUSH FOR EU/US AGREEMENT**

Sir Richard Branson, Chairman of Virgin Atlantic, today welcomed the European Court's decision that certain member states' so-called "open skies" agreements with the United States are illegal.

Sir Richard Branson, Chairman of Virgin Atlantic, said:

"This historic decision will forever change the landscape of the US and Europe's aviation industry. This judgment sounds the death knell for any UK/US mini deal and also vindicates Virgin Atlantic's consistent position over the last few years. We have always lobbied for true "open skies" but only if that means full liberalisation of all regulations governing air services within and between Europe and the US.

"Today's decision presents an historic opportunity for Britain and the European Commission in partnership to negotiate a deal with the United States. Our vision of the future is a complete deregulation of everything from routes and airline access rights, all the way through to changing ownership and control regulations which would allow mergers and acquisitions. This would bring aviation into line with other mature industries and bring in

cheaper fares, a higher quality of service and a much more efficient industry.

"I have written to Alistair Darling to encourage him to throw the

UK Government's weight behind the decision and to be a leading

influence on the European Commission's negotiations. The UK's

uniquely dynamic aviation sector stands to gain more than most in

Europe from this historic decision.

"A new EU/US agreement would bring many benefits to consumers including US carriers gaining the right to fly within Europe and British carriers the right to fly within the US."

**For further information please contact the Virgin Atlantic Press
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