

# Us airways and u.s. government regulation assignment

[Environment](#), [Air](#)



This paper will address the following listed Issues posed by the week two assignment - domestic environment. The company addressed Is US Airways Group. About US Airways: What they do and the domestic environment. US Airways: Time in business, least admired attributes and, business theory and theorist. Government Regulations: The Airline industry in the domestic environment. Domestic government regulations: How to overcome them. About US Airways: US Airways Group is an airline holding company that provides services to individuals o fly from one destination to another.

The group consists of three entitles, US Airways, US Airways Shuttle and US Airways Express. US Airways domestic environment is based out of Tempe, Arizona, united States. The company manages approximately 3, 200 flights daily and functions throughout the united States and internationally. US Airways serves over 80 million customers annually and has hubs in Phoenix, Charlotte, Washington D. C. And Philadelphia. US Airways: US Airways has been in business since 1937. Originally, the company was known as ' All American Aviation'. In 1952 the name changed to ' Allegheny Airlines', then In 1979 they became Sari. Ultimately, In 1 996 the airline announced that It would again change its name to US Airways. The airline has been published in the Fortune 500 worst list for issues such as quality management, social responsibility and, the quality of products and services keeping them in a position of non-competitiveness. This is where Porters five forces of competitive position models and diagrams can benefit. The five forces are " competitive rivalries, threat of new market entrants, regaling power of buyers, the power of suppliers and threat of substitute products" (Chapman, 2004-2009, Para. 6).

Michael Porter, a business theorist who developed the theory validates that government regulations are one of the largest factors within the airline industry. Government Regulations: The airline industry has countless amounts of government regulations. These regulations are national security, traffic control, aircraft integrity, local government and competition. “ The Industry was deregulated In 1978, but you wouldn’t know It from all the extra baggage It carries” (Butane, 2005, p. 5). The main reasons are increasing taxes, lack of modern air traffic control systems, aging airports, and various rules and regulations set by the U.

S. Government. These domestic government regulations affect the airline industry in several ways for example, airport security is not in the airline’s control it is controlled by the city in which the airport is based. Increasing taxes is another example, “ Congress has found the ultimate cash cow in the U. S. Airlines, which pay 14 separate taxes” (Butane, 2005, p. 55). This demonstrates that there is a need for there to be a middle ground for the airline government regulations. Domestic government regulations: Government regulations are in place for various reasons.