

# **CONTRACTING IN AIR TRANSPORTATION**

## **Course Description**

Throughout this course, especially in terms of Airline Management, these topics will be covered: definition of contract and contracting sides, legal recognition of enforceability, definition of common law, objective test, main principles of offers and acceptance, offers and counter-offers, bilateral and unilateral contracts, pricing in contracts, interpretation and consideration in contracts, methods for dealing with uncertainties in contracts, conditions and promises in contracts, stable and changing conditions and promises in contracts, breach and repudiation of contracts, differences between breach and repudiation, remedies of breach of contract, management of contracts, management in global contracts, risk management and opportunity evaluation in contract management, management of contracting sides, selection of sides and distribution of work, subcontractors, administrative constitutions in air transportation, contracts and commercial laws in air transportation, selection of contractors and subcontractors in air transportation, employment laws, unions, local, national, and international administration relationships.

## **Course Objectives**

1. Introducing definition of contract, sides in contracts, contract proposal process, contracts in changing conditions, breach and repudiation of contracts, superior-subordinate relationship between the sides, sanction powers related to national and international laws.
2. Learning outcomes of contracts, economical yields of contracts, using man force efficiently, increasing the quality and efficiency the work, communication between contracting sides and management of contractors,
3. Giving details about the contracts between air transportation related companies such as airlines, airports, and air traffic controllers and state and other companies.
4. Giving information about economical, and efficiency outcomes, legal obligations, public relations, unions, local and national management relations in contracts done by air transportation related companies.

## **Course Outcomes**

1. Definition of contracts and contract related obligations,
2. Main principles of offers and acceptance, and bargaining before the contract,
3. Objective tests, interpretation and construction,
4. Remedies for breach of contract, intents on changing the promises,
5. Comparison between do-it-yourself model and hiring a subcontractor in terms of costs, incomes, efficiency, and product/service quality,
6. Management skills for coordination between subcontractors,
7. The importance of unions and local/national/international politics in contracts,
8. National and international contracts and contracting methods implemented by air transportation related companies.

## **Course Plan**

- 1.** Introduction: The meaning of “Contract” and main properties between contracting sides, legal recognition of enforceability
- 2.** Common Law and Contract Law, paper contracts and electronic contracts, main principles of offers and acceptance, unilateral and bilateral contracts
- 3.** Objective test, main principles of offers and acceptance
- 4.** Interpretation and construction: interpreting contracts and behaviors in uncertainty
- 5.** Conditions and Promises: The problem of indefiniteness, purposes for using conditions in contracts, reasons for failing to comply to a contract, conditions and promises in international contracts
- 6.** Breach and repudiation of contracts: Difference between the materiality of breach and the nonfulfillment of a condition
- 7.** Evaluation of contracts, profit and loss analysis, selection of contractors
- 8.** Work distribution in contracts, contract management, coordination of contractors, management of subcontractors
- 9.** First and third parties in contracts, partnerships and subcontractors and their differences, unions, local and national managements, law makers, and state
- 10.** Airport Contracts: Service types, subcontractor types, national and international laws
- 11.** Selection of contractors, and subcontractors for airports, contract management for airports
- 12.** Airline Contracts: Service types, subcontractor types, national and international laws
- 13.** Selection of contractors, and subcontractors for airlines, contract management for airlines
- 14.** Air Traffic Controller Contracts: Service types, subcontractor types, national and international laws
- 15.** Selection of contractors, and subcontractors for air traffic controllers, contract management for air traffic controllers