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April 19, 1999

VIA FACSIMILE

Attn: Allen F. Brown
Office of International Aviation
Licensing Division
Foreign Carrier Branch
U.S. Department of Transportation
400 Seventh Street, S.W., Room 6412
Washington, D.C. 20590

Re: ABSA - Aerolinhas Brasilieras, S.A.

Dear Mr. Brown:

Pursuant to 14 C.F.R. §212(e), Fine Air Services, Inc. ("Fine Air"), respectfully submits this letter memorandum in opposition to a set of two (2) applications for Statements of Authorization filed by the Brazilian carrier ABSA - Aerolinhas Brasilieras, S.A. ("ABSA").

BACKGROUND

On Monday April 8, 1999, ABSA filed an application for a series of twice-weekly Bogota, Colombia - Miami one-way flights stated to be on behalf of the Colombian carrier TAMPA. This application was withdrawn on April 12. On April 12, 1999, ABSA re-applied for authority to conduct the same series of BOG-MIA flights during the 6-month period April 15 - October 15, 1999. On April 16, ABSA filed an additional application for a series of four times weekly U.S. - Ecuador flights stated to be on behalf of AECA.

DISCUSSION

As the Department is aware, Brazil is a restricted-entry market for U.S. carriers and, upon Brazilian insistence, the total number of flights which can be operated by the all-cargo carriers of

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each country is numerically limited. ABSA is currently authorized to operate a total of one hundred (100) U.S. - Brazil all-cargo flights during the period December 30, 1998 - July 3, 1999, a rate of slightly less than four (4) flights per week.

As an initial matter therefore, ABSA is seeking to operate considerably more flights in U.S./non-Brazil markets than ABSA does in its homeland Brazil/U.S. market by a rate of approximately 60%/40% raising an undue reliance issue. Since Brazil is a restricted-entry market and ABSA seeks to rely primarily on U.S. - Third Country operations, the pending applications should be denied.

Particularly serious however, is the case of Colombia where ABSA is seeking to operate BOG-MIA one-ways, presumably pursuant to a triangular service pattern (MIA-Brazil-Colombia-MIA) which the Colombian authorities have consistently prohibited U.S. carriers from operating (e.g. Challenge, Southern, etc.). Fine Air therefore respectfully submits that ABSA should not be permitted to do what U.S. carriers are precluded from doing by the Colombian authorities.

Lastly, Ecuador is hardly an open market for U.S. carriers and it is not at all clear that U.S. carriers would be permitted to operate the level of service sought by ABSA herein. ABSA's application for Ecuador service should be denied.

In light of the foregoing, Fine Air submits that the pending applications of ABSA should be denied.

Sincerely,



Pierre Murphy
Attorney for
Fine Air Services, Inc.

cc: J. Frank Fine
Barry H. Fine
Celeste Lipworth