

**BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.**

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**U.S.-TURKEY COMBINATION SERVICE THIRD- )  
COUNTRY CODESHARING OPPORTUNITIES ) Docket OST-2000-7148  
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**CONSOLIDATED ANSWER OF  
DELTA AIR LINES, INC.**

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**April 21, 2000**

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DEPARTMENT OF TRANSPORTATION  
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COUNTRY CODESHARING OPPORTUNITIES** ) **Docket OST-2000-7148**  
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**CONSOLIDATED ANSWER OF  
DELTA AIR LINES, INC.**

Delta Air Lines, Inc. ("Delta") hereby submits this Consolidated Answer to the Applications of American, United, and Northwest regarding U.S.-Turkey third-country codeshare services. Four carriers have applied for a total of 35 frequencies out of an available pool of 21 frequencies. However, American recognizes that its comprehensive bilateral codeshare agreement with Turkish Airlines may preclude it from an award in this proceeding (AA Application at 3), and Northwest "understands that an allocation of fourteen frequencies to Northwest may be unlikely." (NW Application at 2).

In these circumstances, the Department should proceed by allocating seven frequencies each to Delta, United, and Northwest, thereby enabling each carrier to launch a new competitive daily Turkey codeshare service (and American to implement its host of new bilateral codeshare services that are now possible under the new agreement). U.S.-Turkey travelers and

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shippers will thus enjoy enhanced service and competition from four rival alliances. No other possible award of frequencies would maximize the public benefits attainable from the new Turkey codeshare opportunities.

American is one of the prime beneficiaries under the U.S.- Turkey *ad referendum* agreement. Under the provisions of the new accord, American will be able to implement its previously concluded commercial agreement with Turkish Airlines, which American's own press releases describe as a "comprehensive codeshare agreement." See [www.aa.com](http://www.aa.com). Thus, American will be able to hold out nonstop service to and from Turkey from three of American's primary hub gateways at Chicago, New York and Miami. The Department should use the new third-country codeshare opportunities to install competition against the American/Turkish Airlines Alliance, and not to reward American with more authority.

American's attempt to analogize its Turkey application with Delta's South Africa service offerings is inapposite. Here, in making its initial public interest determination, the Department is faced with a situation where two allied carriers have concluded and signed a binding commercial agreement to provide codeshare service. This is vastly different from a situation where, by virtue of changed circumstances, a bilateral codeshare partner has decided to migrate from one U.S. partner to another. The Department's longstanding policy in both direct-service and third-country codeshare service cases is to grandfather existing U.S. carrier services. To do otherwise would be contrary to the public interest because it would freeze evolution in the marketplace by forcing a carrier, such as Delta, to choose between maintaining

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service with its primary worldwide alliance partner, or, being able to implement new beneficial service through bilateral codesharing.

The proposals of Delta, United and Northwest to offer third-country codeshare services via the western European hubs of their respective alliance partners are roughly comparable.

United and Delta have applied for seven frequencies each, and, as noted above, Northwest itself recognizes that its request for 14 of the 21 available frequencies is excessive. Under these circumstances, the Department should proceed by awarding seven frequencies to Delta, United and Northwest, so that each of these three carriers' alliances can offer a new daily codeshare service to compete with the American/Turkish Airlines alliance.

WHEREFORE, Delta Air Lines, Inc. urges the Department to award Delta seven frequencies for U.S.-Turkey third-country codeshare service.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have, this 21st day of April, 2000, served the foregoing Consolidated Answer of Delta Air Lines, Inc., upon those persons listed below, by depositing copies thereof in the United States mail, first class, postage prepaid.

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