BEFORE THE DEPARTMENT OF TRANSPORTATION WASHINGTON, D.C.

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Application of)
DELTA AIR LINES, INC.) Docket OST-2000-7292
for an exemption pursuant to 49 U.S.C. § 40109 (Los Angeles-Durango; Atlanta-Merida))) _)
Joint Application of	
DELTA AIR LINES, INC. and AEROVIAS de MEXICO, S.A. de C.V.)
for a statement of authorization Under 14 C.F.R. Part 212 (Los Angeles-Durango; Atlanta-Merida))))
)

JOINT APPLICATION OF DELTA AIR LINES, INC. and AEROVIAS de MEXICO, S.A. de C.V. FOR AN EXEMPTION AND STATEMENT OF AUTHORIZATION

April 26, 2000

Note: Delta and Aeromexico will conduct a poll of all carrier representatives listed on the service list attached to this application to determine if any carrier objects to the grant of the authority requested herein.

Communications with respect to this document should be addressed to:

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JOINT APPLICATION OF DELTA AIR LINES, INC. and AEROVIAS de MEXICO, S.A. de C.V. FOR AN EXEMPTION AND STATEMENT OF AUTHORIZATION

Delta Air Lines, Inc. ("Delta"), and Aerovias de Mexico, S.A. de C.V. ("Aeromexico") (together, the "Joint Applicants") hereby apply for authority to implement codeshare/blocked-space services on flights operated by Aeromexico between (1) Los Angeles, California, and Durango, Mexico, and (2) Atlanta, Georgia, and Merida, Mexico. Specifically, the Joint Applicants request the issuance of the following authorities:

- a) an exemption to Delta, pursuant to 49 U.S.C. § 40109 and Subpart C of the Department's Procedural Regulations, to permit Delta to engage in scheduled foreign air transportation of persons, property and mail between (i) Los Angeles, California, and Durango, Mexico, and (ii) Atlanta, Georgia, and Merida, Mexico; and to combine this exemption authority with all of Delta's existing certificate and exemption authority, consistent with applicable international agreements; ¹ and
- b) a statement of authorization to Aeromexico, pursuant to 14 C.F.R. Part 212, to permit Aeromexico to display Delta's "DL" designator code on flights operated by Aeromexico between (i) Los Angeles, California, and Durango, Mexico, and (ii) Atlanta, Georgia, and Merida, Mexico.²

The proposed Los Angeles-Durango services are scheduled to begin on or about June 16, 2000; the Atlanta-Merida services are scheduled to begin on or about September 1, 2000. Thus, the Joint Applicants request that the exemption and statement of authorization be granted by no later than **May 5, 2000**, to provide Delta

¹ To the extent necessary, Delta also requests a codeshare-only authorization for these routes.

² Delta hereby states that this application will have no impact on Delta's CRAF commitments.

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with adequate time to effectively market and sell these new services.³ Delta requests that its exemption authority be effective for a period of at least two years, or until 90 days after it is granted certificate authority for these routes. The Joint Applicants request that the codesharing statement of authorization remain in effect indefinitely, consistent with the duration of the U.S.-Mexico codeshare authorities granted by Order 99-6-6.

In support of this Joint Application, Delta and Aeromexico state the following:

1. Delta plans to begin Los Angeles-Durango service in June and Atlanta-Merida service in September, by displaying its "DL" designator code on Aeromexico's nonstop flights on these routes.⁴ Pursuant to the existing Delta/Aeromexico codesharing/blocked space agreement, Aeromexico will provide

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³ The Joint Applicants will conduct a poll of all persons listed on the attached service list and will promptly notify the Department of the results.

⁴ Aeromexico is authorized to provide scheduled service between Los Angeles and Durango by Notice of Action Taken dated June 2, 1998 (Docket OST-97-2343), with respect to which a timely renewal application remains pending. On April 11, 2000, Aeromexico applied for Atlanta-Merida exemption authority (Docket OST-2000-7230).

Delta with a certain number of seats on its Los Angeles-Durango and Atlanta-Merida flights for independent marketing and sale by Delta.

- 2. Delta is fit, willing, and able to perform the services applied for herein. Delta operates numerous services between the United States and Mexico under various exemptions and pursuant to Delta's certificate authority for Routes 562 and 630. See Orders 98-8-18 and 92-5-20. Delta requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all data on file with the Department necessary to establish Delta's fitness.
- 3. Approval of the requested authority is in the public interest and will provide important new service and competitive options to U.S.-Mexico travelers and shippers. Delta's nonstop Los Angeles-Durango and Atlanta-Merida services will enhance competition and expand price and service options for consumers seeking to travel between the United States and Mexico.
- 4. Approval of both the exemption and statement of authorization is consistent with the amendment to the U.S.-Mexico Air Transport Services

 Agreement, signed on February 15, 1999. The Department has granted multiple similar U.S.-Mexico transborder codesharing requests, finding that the exercise of the codeshare rights available under the 1999 bilateral amendment "will benefit travelers, shippers, businesses, cities, airlines, and airports." Order 99-6-6 at 6.

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WHEREFORE, Delta and Aeromexico request that the Department promptly grant the statement of authorization and exemption authority described herein, to enable the Joint Applicants to engage in a codeshare/blocked-space arrangement on flights operated by Aeromexico between (1) Los Angeles, California, and Durango, Mexico, and (2) Atlanta, Georgia, and Merida, Mexico, and grant such other and further relief as the Department deems to be in the public interest.

Respectfully submitted,

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Counsel for **DELTA AIR LINES, INC.**

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Joint Application of
Delta Air Lines, Inc. and Aerovias de Mexico, S.A. de C.V. for an Exemption and
Statement of Authorization has been served this 26th day of April, 2000, via
facsimile or U.S. Mail, postage prepaid, upon all persons listed on the attached
service list.

Jonathan Echmalian	

SERVICE LIST

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