BEFORE THE
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Application of

BOSTON-MAINE AIRWAYS CORP.

for issuance of an amended certificate of public
c convenience and necessity pursuant to 49 U.S.C. § 41102
(Interstate Large-Aircraft Operations)

SUPPLEMENT NO. 5 TO
APPLICATION OF
BOSTON-MAINE AIRWAYS CORP.
FOR AMENDED CERTIFICATE AUTHORITY

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December 4, 2002
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Docket OST-00-7668

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FOR AMENDED CERTIFICATE AUTHORITY

Boston-Maine Airways Corp., d/b/a Pan Am Clipper Connection (“BMAC”) hereby submits this Supplement No. 5 to the captioned application for the purpose of responding to certain requests of and discussions with representatives of the Department’s Office of Aviation Enforcement and Proceedings (“AEP”), as follows:

1. Holding Out Issue. The AEP has expressed concern that certain public holding-out practices utilized by BMAC and its affiliated sister carrier, Pan American Airways Corp. (“Pan Am”) in their schedule listings in the Official Airline Guide, on their shared Internet website and in their shared use of a single WATS line 800 number
could result in potential public confusion regarding the separate and independent character of the two carriers and the separate air services provided by each carrier.

In the interest of resolving the AEP’s concerns, and further emphasizing the separate and independent character of the two companies, BMAC and Pan Am have taken the following steps, which have been completed or will be completed on the dates indicated:

1. **Schedule Publications.** BMAC has now been issued its own two-character IATA designator code (E9*), effective as of November 21, 2002, and has filed a revised flight schedule for publication in the OAG listing all flights operated by BMAC under that code. Flights operated by Pan Am will continue to be published under Pan Am’s own IATA designator code (PN). All markets served through a combination of one flight segment operated by Pan Am connecting to a BMAC flight over a second segment will now be shown in the OAG as an interline connection between the two carriers, rather than as a one-stop flight operated jointly by Pan Am and BMAC. As authorized by the Department, BMAC’s service will be held out, sold and operated under the name “Boston-Maine Airways Corp. d/b/a Pan Am Clipper Connection” (Order 2001-12-21, served December 27, 2001).

2. **Internet Website Revisions.** Both Pan Am and BMAC maintain separate Internet websites. The Internet website addresses for the two carriers are [www.flypanam.com](http://www.flypanam.com) and [www.bmairways.com](http://www.bmairways.com), respectively. Links from each of those two addresses open up a shared website which contains the names of both carriers on
the first page, with further links to various sub-pages which provide additional information regarding each carrier. When the prospective customer clicks to enter the online reservation process, the customer’s selection of the origin point and destination point for travel brings up the flight schedule operated by either Pan Am or BMAC in that city-pair, and indicates the times and availability of space on particular flights in that market. The reservation process then proceeds on a carrier-specific basis with regard to the confirmed dates and times of travel, flight numbers, payment information and travel itinerary. All of the foregoing changes have previously been incorporated into the Internet websites of the two carriers.

The one remaining adjustment relates to a request by the customer for travel between a pair of points in which the first leg of transportation is provided by one carrier and the second leg of the transportation is provided on a connecting basis by the other. At this time, the foregoing service is shown on the website as “operated jointly by Pan Am and Boston-Maine Airways”. The online reservations system is being reprogrammed to separately identify the carrier on each flight segment. That process will to be completed, tested and implemented by December 31, 2002.

3. WATS Telephone Reservations. Pan Am and BMAC currently utilize a single 800-number information and reservations line, and all calls to that number are handled in a shared Call Center. Pan Am and BMAC have taken and plan to take a number of steps to clearly differentiate the services of the two carriers as held out to the public via the WATS line. First, BMAC has taken steps to ensure that separate
telephone directory listings for BMAC are published at all appropriate locations throughout its flight network. Second, Pan Am and BMAC have revised the recorded messages heard by all callers to the 800 number clearly indicating that the caller has reached the information and reservations center for both Pan Am and Boston-Maine Airways. The caller is then connected to a reservation agent who identifies the appropriate carrier for that customer and completes the balance of the information and flight booking process. The script utilized by all employees in the Reservations Center is set forth in full in Exhibit BMA-S/5-1, infra.

4. **Ticket Stock.** Virtually all travel on both Pan Am and BMAC is described and authorized on electronic e-tickets, rather than traditional ticket stock. The printed version of those e-tickets shows the name of the carrier which is providing the described service. In the event that travel arrangements are reflected in a traditional ticket format, both Pan Am and BMAC have and would utilize their own ticket stock for that purpose.

5. **Other Public Communications.** In all other respects, all advertising, brochures, printed schedules, letterhead, press releases, airport signage, and aircraft liveries utilized or published by Pan Am and BMAC, and the uniforms worn by station and on-board personnel of each carrier, clearly differentiate between Pan Am and BMAC, and clearly indicate to the public that the two carriers are separate and independent, but affiliated, air carriers.
A Title 18 Certification verifying the accuracy and completeness of the foregoing responses of BMAC is set forth in Exhibit BMA-S/5-2, infra.

WHEREFORE, BMAC requests the Department to expedite its issuance of an amended Certificate of Public Convenience and Necessity authorizing BMAC to provide interstate air transportation of persons, property and mail, utilizing both small and large aircraft, as requested in its pending application in this proceeding.

Respectfully submitted,

[Signature]
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Supplement No. 5 to Application of Boston-Maine Airways Corp. by messenger, telexcourier transmission, or United States mail, properly addressed and with postage prepaid, upon each of the persons listed in the Service List attached hereto.

[Signature]
Joyce S. Allen

Washington, D.C.
December 4, 2002