

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

November 24, 1999

**Application of
DELTA AIR LINES, INC.
for an exemption pursuant to
49 U.S.C. § 40109
(Atlanta/New York – South Africa)**

Docket OST-99-6558

**APPLICATION OF DELTA AIR LINES, INC.
FOR AN EXEMPTION**

Delta Air Lines, Inc. ("Delta") hereby applies, pursuant to 49 U.S.C. § 40109 and Subpart D of the Department of Transportation's Procedural Regulations, for an exemption from 49 U.S.C. § 41101 to permit Delta to provide scheduled foreign air transportation of persons, property and mail between Atlanta, Georgia, and New York, New York, on the one hand, and the following points in South Africa, on the other hand: Cape Town, Johannesburg, Durban, Port Elizabeth, East London and George.

Delta further requests route integration authority to permit Delta to combine the services authorized by this exemption with all other Delta services authorized by existing certificates and exemptions granted by the Department, to the extent permitted by applicable international agreements.

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Delta plans to operate the U.S.-South Africa services that are the subject of this application pursuant to a codeshare arrangement with South African Airways (“SAA”). Delta is replacing American Airlines, Inc. (“American”) as SAA’s chosen codeshare partner. The proposed codeshare services are fully consistent with the U.S.-South Africa bilateral agreement, and the Department has already determined that such services are in the public interest.

Delta and SAA plan to begin these services on or about January 31, 2000. In order to ensure a smooth commercial transition and avoid an unnecessary reduction in U.S.-South Africa online service options, it is vital that this application be approved as soon as possible. Accordingly, Delta respectfully requests that this exemption application be granted on or before December 3, 1999.¹ Delta requests that the authority remain in effect for a period of at least two years.

In support of this application, Delta submits the following:

1. Beginning on or about January 31, 2000, Delta and SAA plan to commence reciprocal codeshare operations. Specifically, SAA will display Delta’s “DL” designator code on flights operated by SAA between Atlanta and

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New York, on the one hand, and Cape Town and Johannesburg, on the other hand. SAA will also display the “DL” code on flights within South Africa that connect to these services. Delta, in turn, will display SAA’s “SA” designator code on flights within the United States that connect to SAA’s South Africa-Atlanta/New York services. Delta and SAA are today filing a joint application for a statement of authorization that would allow the carriers to operate these codeshare services.

2. In order to allow Delta to implement the codeshare services covered by the Delta/SAA codeshare agreement, Delta requires an exemption authorizing it to engage in scheduled foreign air transportation of persons, property and mail, between Atlanta and New York, on the one hand, and Cape Town, Johannesburg, Durban, Port Elizabeth, East London and George, on the other hand.²

3. Delta is fully qualified to perform the proposed services. Delta already holds a certificate of public convenience and necessity authorizing it to provide scheduled service between the United States and Johannesburg. Order 99-1-5. Pursuant to this authority, Delta provides third country codeshare service to

¹ Delta will conduct a poll of the U.S. carrier representatives listed on the attached service list to determine if there are any objections to this application and will advise the Department of the results as soon as possible.

² Delta expects that the U.S. Government will shortly transmit a diplomatic note to the Government of South Africa confirming the selection of East London, George and Port Elizabeth as codeshare-only points.

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South Africa. Delta requests that the Department take official notice, pursuant to Rule 24 of the Department's Rules of Practice, of all other data on file with the Department necessary to establish Delta's fitness.

4. The authority sought herein is governed by and consistent with the codeshare provisions of the bilateral air services agreement signed by the United States and South Africa.

5. Approval of this application is in the public interest. Approval will allow Delta to offer nonstop service between the United States and South Africa, preserving and enhancing U.S. flag competition on these important routes. Delta and its Delta Connection partners offer an extensive network of flights to and from the Atlanta and New York gateways. Accordingly, Delta will be able to offer passengers and shippers throughout the United States enhanced online U.S.-South Africa service options. Approval of this application will also allow Delta to provide the first U.S.-flag service to four points in South Africa: Durban, Port Elizabeth, East London and George.

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WHEREFORE, for the foregoing reasons, Delta respectfully requests that the Department expeditiously grant Delta an exemption authorizing it to engage in scheduled foreign air transportation of persons, property and mail between the United States and South Africa, as described herein, and grant such other and further relief as the Department deems to be consistent with the public interest.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application of Delta Air Lines, Inc., for an Exemption has been served this 24th day of November, 1999, upon each of the following persons:

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