

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.

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Joint Applications of	)	
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AEROVIAS DE MEXICO, S.A. DE C.V.	)	
and DELTA AIR LINES, INC.	)	Docket OST-2000-
	)	March 6, 2000
for Exemptions Under 49 U.S.C. 41301, and	)	
Statements of Authorization Under 14 C.F.R. Part	)	
212. (Las Vegas-Hermosillo)	)	
_____	)	

JOINT APPLICATION OF AEROVIAS DE MEXICO, S.A. DE C.V.  
and DELTA AIR LINES, INC., FOR EXEMPTIONS AND  
CODE-SHARE STATEMENT OF AUTHORIZATION

Pursuant to 49 U.S.C. 40109(c), and 14 C.F.R. Part 212, Aerovias de Mexico, S.A. de C.V. ("Aeromexico"), and Delta Air Lines, Inc. ("Delta") (collectively "Joint Applicants") respectfully request that the Department grant the following authorizations to permit the Joint Applicants to expand their Mexico-U.S. code-share/blocked space services:

a. Exemption authority for one year to Aeromexico to the extent necessary to permit it to engage in scheduled foreign air transportation of persons, property and mail between Hermosillo, Mexico and Las Vegas, Nevada.

b. Exemption authority for two years to Delta to the extent necessary to permit it to engage in scheduled foreign air transportation of persons, property and mail between Hermosillo, Mexico and Las Vegas, Nevada, and to combine this exemption authority with

all of Delta's existing certificate and exemption authority, consistent with international agreements.<sup>1/</sup>

c. Statement of authorization for an indefinite period to permit Aeromexico to display Delta's "DL" code on flights operated by Aeromexico between Hermosillo, Mexico and Las Vegas, Nevada.

The Joint Applicants intend to institute daily nonstop Hermosillo-Las Vegas service on or about July 1, 2000. In order to allow sufficient time to prepare for the startup dates and promote the services, the Joint Applicants request that the Department act expeditiously on this application and without awaiting the completion of the 15-day answer period; the Joint Applicants will poll U.S. carriers as to their position on the applications and report the results to the Department. In support of this application, the Joint Applicants state as follows:

1. Aeromexico is a flag carrier of the United Mexican States and currently holds a foreign air carrier permit which authorizes service between Mexico and numerous U.S. points. Order 91-5-25. Pursuant to its permit and various exemption authorities, Aeromexico provides extensive service between Mexico and the United States.

By this exemption request, Aeromexico seeks authority to engage in scheduled foreign air transportation of persons, property and mail between Hermosillo and Las Vegas.

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<sup>1/</sup> To the extent necessary, Delta also requests a code-share only authorization for this route.

Aeromexico initially will provide daily nonstop round-trip service with MD-80 Series aircraft between Hermosillo and Las Vegas. Northbound flights will depart at 1020, arriving in Las Vegas at 1205; southbound flights will depart at 1305, arriving in Hermosillo at 1445. Aeromexico also proposes to carry Delta's "DL" code on the described flights as well as any other flights Aeromexico may operate in the market.

Under Annex 1 to the 1960 Air Transport Agreement, as amended, between the United Mexican States and the United States, a carrier designated by the Government of Mexico is entitled to operate "[f]rom a point or points in Mexico to a point or points in the United States." By note dated February 23, 2000, Aeromexico was designated for the Hermosillo-Las Vegas route. In addition, Aeromexico holds authority from the DGAC to serve the routes.

2. Delta is fit, willing and able to perform the Las Vegas-Hermosillo codeshare services applied for herein. Delta operates numerous services and holds out numerous additional codeshare services on Aeromexico between the U.S. and Mexico under various exemption authorities and its certificate authority for Routes 562 and 630. See Orders 98-8-18 and 92-5-20. Delta requests that the Department take official notices, pursuant to Rule 24 of the Department's Rule of Practice, of all data on file with the Department to establish Delta's fitness.

3. There currently is no service in the Hermosillo-Las Vegas market so that grant of the requested exemption will enable Aeromexico to institute significant service improvements in the Mexico-U.S. market and generate substantial service benefits for the traveling public. In addition, grant of Delta's application for Hermosillo-Las Vegas

authority and Aeromexico's application for a statement of authorization will enable Delta to offer additional competitive options to travelers.

4. Grant of the requested exemptions and statement of authorization is consistent with the February 15, 1999, amendment to the Mexico-U.S. air transport agreement and with the policies of the Department as set forth in Order 99-6-6.

WHEREFORE, Aerovias de Mexico, S.A. de C.V., and Delta Air Lines, Inc., respectfully request that the Department grant the exemptions and statement of authorization sought herein.

Respectfully submitted,

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DATED: March 6, 2000

CERTIFICATE OF SERVICE

I hereby certify that I have this 6th day of March 2000, caused a copy of the foregoing Joint Application of Aerovias de Mexico, S.A. de C.V. and Delta Air Lines, Inc., for Exemptions and Statement of Authorization to be served by mail upon those persons on the attached list.

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William C. Evans

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NOTE: Aeromexico and Delta will conduct a poll of all carrier representatives listed on the service list to determine if any carrier objects to the grant of the authority requested herein. Answers are due by March 21, 2000.

Communications with respect to this document may be served upon:

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DATED: March 6, 2000