



NORTHWEST
A I R L I N E S

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February 2, 1998

Mr. Paul L. Gretch
Director, Office of International Aviation
U.S. Department of Transportation
Room 6402D, X-40
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Application of LTU Lufttransport-Unternehmen GmbH. &
Co. KG. (LTU) for a Statement of Authorization to
Operate Charter Flights Zurich-Miami-Zurich

Dear Mr. Gretch:

By application dated January 22, 1998, LTU Lufttransport-Unternehmen GmbH. & Co. KG. ("LTU") has requested a statement of authorization to permit the operation of weekly roundtrip charter service in the Zurich-Miami market for a period of approximately six months. Because LTU is seeking authority outside the scope of the U.S.-Germany bilateral, Northwest Airlines, Inc. ("Northwest") opposes the request.

The contemplated operation is to be between a third country and the United States, without nexus with LTU's operations to and from Germany. By its terms, therefore, the operation is to be fifth freedom charter service. Additionally, given the regularity of the operation and its long duration, it is akin to seventh freedom scheduled service.

The U.S.-Germany agreement does not allow U.S. or German airlines to conduct seventh freedom operations. Moreover, it does not establish an unfettered right to operate fifth freedom charters. Part II, section 1 of the agreement permits charters:

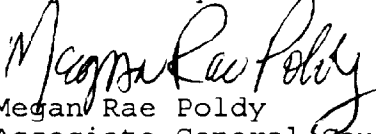
between any point or points in the territory of the other contracting party and any point or points in a third country or countries, provided that, except with respect to cargo charters, such service constitutes part of a continuous operation, with or without a change of aircraft, that includes service to the homeland for the purpose of carrying local traffic between the homeland and the territory of the other contracting party.



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Two weeks ago, the Department addressed a similar type of situation, arising from an Icelandair request for authority to operate seventh freedom service between Luxembourg and Minneapolis/St. Paul. In its Notice of Action Taken, dated January 16, 1998, the Department denied Icelandair's request, explaining that "the grant of this authority is not provided for in our aviation agreement with Iceland and was not within the scope of authority we were prepared to grant the carrier." The same reasoning should apply here.

Respectfully submitted,


Megan Rae Poldy
Associate General Counsel

cc: Counsel for LTU

All persons served with
LTU's application