

February 4, 1998

Paul L. Gretch  
 Director  
 Office of International Aviation  
 Department of Transportation  
 400 7th Street, S.W.  
 Room 6402  
 Washington, D.C. 20590

Re: Joint Application of American Airlines, Inc.  
 and Aero California S.A. de C.V. for state-  
 ments of authorization under 14 CFR Parts 207  
 and 212 (reciprocal U.S.-Mexico codesharing)

Dear Mr. Gretch:

American Airlines, Inc. and Aero California S.A. de C.V. hereby request immediate action on discrete city-pairs included in their joint application for statements of authorization under 14 CFR Parts 207 and 212 (reciprocal U.S.-Mexico codesharing), initially submitted on May 7, 1997 and amended on September 30, 1997. The initial application was granted in part by Order 97-7-31, July 29, 1997, and the balance was deferred pending efforts by the Department to obtain additional designations (p. 7).

The city-pairs for which American and Aero California request immediate action are as follows:

Boston-La Paz	DFW-Leon
Boston-Loreto	DFW-Loreto
Boston-Mazatlan	DFW-Los Cabos
Chicago-Acapulco	DFW-Monterrey
Chicago-Culiacan	DFW-Tijuana
Chicago-Hermosillo	New York-Hermosillo
Chicago-Torreon	New York-Los Cabos
Dallas/Ft. Worth-Cancun	New York-Tijuana
DFW-Culiacan	Mexico City-Indianapolis
DFW-Durango	Mexico City-Minneapolis/ St. Paul
DFW-Guadalajara	Mexico City-Seattle
DFW-Hermosillo	

In addition, as American and Aero California requested in their joint answer to the motion of Delta Air Lines, Inc. and Aerovias de Mexico, S.A. de C.V. (OST-97-3289 and undocketed), submitted on January 28, 1998, the Department should also grant the American/Aero California application for codesharing between Mexico City and the following seven overlapping cities: Charlotte, Raleigh/Durham, Nashville, Reno, Salt Lake City, Cincinnati, and Portland.

Aero California has been designated by the Mexican Government to serve all of the city-pairs listed above. The above lists represent the applicants' near-term service plans, and codeshare authority with respect to these city-pairs should be granted on an expedited basis.

American and Aero California remain of the view that the Department should continue to encourage the Mexican aeronautical authorities to liberalize the availability of codeshare authority, so that designations would not need to be issued on each of thousands of city-pairs for which U.S. and Mexican carriers seek codeshare authority. While we understand that no immediate progress was made in recent bilateral discussions, the Department should make clear that, in granting codeshare authority on a limited number of city-pairs on an incremental basis, the Department is not effectively adopting the Mexican views on this matter. The Department should continue to seek a final resolution of the codeshare issues that separate the United States and Mexico, so that a more orderly and appropriate means of attaining codeshare authority, satisfactory to both governments, may be employed in this market.

Respectfully submitted,

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