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# KIRKLAND & ELLIS

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August 31, 1998

Paul L. Gretch, Director  
Office of International Aviation  
Department of Transportation  
400 Seventh Street, SW  
Room 6402  
Washington, DC 20590

Re: Application of United Air Lines, Inc. for Statement of Authorization (Air  
Canada: LAX-AKL)

Dear Sir:

United Air Lines, Inc. ("United") hereby requests a Statement of Authorization pursuant to 14 CFR Part 212 to allow it to display the designator code of Air Canada ("AC") on United's scheduled service between Los Angeles and Auckland, New Zealand. United operates daily Los Angeles-Auckland service with B-747 aircraft. In support of its application, United submits the following:

Both United and Air Canada hold the necessary underlying economic authority. By Order 92-3-38, the Department granted United a certificate of public convenience and necessity to provide services on Route 130 (Segment 2) between Los Angeles and any point or points within New Zealand. Air Canada holds a foreign air carrier permit authorizing it to operate scheduled service between any points in the United States and any points in Canada. See Order 98-5-11. Air Canada is authorized by the governments of Canada and New Zealand to offer services between points in these countries.

Under the 1995 Canada-U.S. Open Skies Agreement, Canadian carriers may hold out service to any point beyond the United States on a blind sector basis. The passengers carried by United under the AC\* code between Los Angeles and Auckland will be passengers transported on

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AC flights between Canada and Los Angeles. In other words, the LAX-AKL services will be a blind sector so far as concerns AC\* traffic.<sup>1</sup>

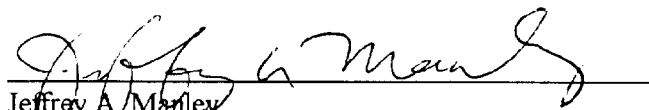
Third-country carrier code sharing is provided for under both the Canadian and New Zealand open skies bilateral agreements with the United States. See, Air Transport Agreement Between the Government of the United States and the Government of Canada, paragraph 6 of Article 10, and the Agreed Minute signed by the government of the United States and the Government of Canada, dated November 18, 1997; U.S.-New Zealand Air Transport Agreement signed June 18, 1997, paragraph 7(b) of Article 8.

United's participation in the Civil Reserve Air Fleet program ("CRAF") will not be affected by the requested authority. The agreements between United and Air Canada under which this service will be operated are already on file with the Department.

For the reasons stated above, United requests approval of this statement of authorization for an indefinite period subject to the normal conditions. Approval of this statement of authorization would be fully consistent with the public interest, and is authorized under applicable bilateral air service agreements.

A check in the amount of \$8.00 is enclosed.

Respectfully submitted,



Jeffrey A. Manley  
Counsel for  
UNITED AIR LINES, INC.

cc: Service List

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<sup>1</sup> See, e.g., Statement of Authorization #98-439 granting Air New Zealand authority to display Air Canada's designator code between any point in the U.S. and any point in New Zealand.