

99-9

February 12, 1999

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

Re: Application of American Airlines, Inc. for Amend-
ment of Statement of Authorization Under 14 CFR
Part 212 (Codesharing with Aero California)

Dear Mr. Gretch:

American Airlines, Inc. hereby applies, under 14 CFR Part 212 (formerly 14 CFR Part 207), for amendment of its statement of authorization, most recently renewed under assigned authority on December 4, 1998, to engage in codesharing services with Aero California, S.A. de C.V. By this application, American seeks authority to display Aero California's "JR" designator code on transborder flights operated by American on two routes, Chicago-Monterrey and Dallas/Ft. Worth-Acapulco.

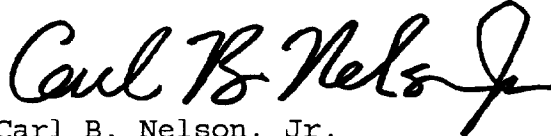
On January 26, 1999, the United States and Mexico signed a Memorandum of Consultations that allows up to four codeshare authorization on each gateway-to-gateway route segment. Aero California is this day submitting a docketed exemption application for underlying route authority to serve the Chicago-Monterrey and Dallas/Ft. Worth-Acapulco routes pursuant to the American/Aero California codesharing arrangement.

American's request for an amended statement of authorization is fully consistent with the new agreement, and with the public interest, and should be granted promptly. The proposed codesharing services will provide a more efficient use of capacity in the marketplace, and additional options for the traveling and shipping public. See Statement of United States International Air Transportation Policy, 60 Fed. Reg. 21841, 21842, May 3, 1995, recognizing the public benefits offered by codesharing arrangements between U.S. and foreign carriers.

In response to the Department's letter of June 1, 1995 to participants in the Civil Reserve Air Fleet Program, American states that the codesharing services at issue here will have no impact on American's CRAF commitments.

To reduce unnecessary administrative burdens, American requests authority for an indefinite duration, consistent with American's petition for a policy statement under 14 CFR Part 399 submitted on January 29, 1998 (OST-98-3375).

Respectfully submitted,



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