

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

Application of)
)
 American Airlines, Inc.) **Docket OST-98-4328**
)
 under 49 U.S.C. § 40109 for an)
 exemption and frequency allocation)
 (Chicago-Moscow))

Application of)
)
 Continental Airlines, Inc.) **Docket OST-99-5049**
)
 for an exemption and frequency allocation)
 (U.S.-Russia code-sharing))

CONSOLIDATED ANSWER
OF DELTA AIR LINES, INC.

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DATED: February 10, 1999

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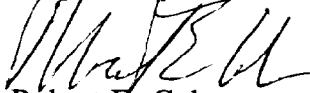
Delta Air Lines, Inc. ("Delta") hereby files this Consolidated Answer in opposition to the above-referenced applications of Continental Airlines, Inc. ("Continental") and American Air Lines, Inc. ("American").

It is Delta's understanding that the Department will shortly issue a Notice inviting interested carriers to file applications for U.S.-Russia third-country code-share opportunities as a result of the Memorandum of Consultation signed on January 22, 1999 by the Governments of the United States and Russia. Delta intends to file an application for U.S.-Russia third-country code-share service and detailed responses to the applications of other carriers in accordance with the procedural schedule established in the Department's Notice.

Delta currently operates third-country code-share service to Russia, and, as the Department is well aware, Delta has been seeking to expand its third-country code-share offerings to Russia. Those expansion efforts have been blocked, until recently, by the Federal Aviation Authority of Russia's refusal to authorize additional third-country code-share operations. Delta's existing and planned future services that will be announced in accordance with the Department's scheduling notice for the new U.S.-Russia third-country code-share opportunities are entitled to contemporaneous consideration with other applications. See, Ashbacker Radio Corp. v. FCC, 326 U.S. 327 (1945).

Delta will demonstrate that its U.S.-Russia third-country code-share service proposal will maximize service and competitive benefits and should be granted in favor of other carrier applications. Accordingly, Delta opposes the applications of Continental and American to the extent that an award to either or both carriers would foreclose the full grant of Delta's application.

Respectfully submitted,



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