

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

<u>Application of</u>	)	
	)	
<b>DELTA AIR LINES, INC.</b>	)	<b>Docket OST-2000-</b>
	)	<b>7078</b>
<b>for an exemption, for a designation to provide</b>	)	
<b>third-country codeshare service, and for an</b>	)	
<b>allocation of frequencies (U.S.-Vietnam)</b>	)	

**APPLICATION OF DELTA AIR LINES, INC.**

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**March 15, 2000**

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**APPLICATION OF DELTA AIR LINES, INC.**

Delta Air Lines, Inc. (“Delta”) hereby applies for the following authority in order to allow Delta to commence third-country codeshare services to Vietnam:

(1) an exemption under 49 U.S.C. § 40109 authorizing Delta to engage in scheduled foreign air transportation of persons, property, and mail between points in the United States, on the one hand, and Ho Chi Minh City and Hanoi, Vietnam, on the other hand, and to combine such authority with Delta’s existing certificate and exemption authorities; (2) a designation authorizing Delta to provide third-country codeshare service to Vietnam; and (3) an allocation to Delta of seven weekly frequencies for use in its third-country codeshare services to Vietnam.

Delta requests that its designation and frequency allocation be granted indefinitely and that its exemption authority be granted for a period of at least two years, consistent with Department practice.

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In support of this application, Delta states the following:

1. On March 3, 2000, the United States and Vietnam signed a Memorandum of Discussions (“MOD”) stating that the two sides’ respective aeronautical authorities would permit carriers of each country to engage in bilateral and third-country U.S.-Vietnam codeshare services. The MOD provides, inter alia, that up to three U.S. carriers may offer service between the United States and up to three points in Vietnam, via any intermediate points, through codeshare arrangements with carriers of third countries, operating a combined maximum of 21 weekly roundtrip frequencies.

2. Delta hereby applies for one of the three available third-country codeshare designations for service to Vietnam and an allocation of seven weekly U.S.-Vietnam frequencies. Delta requests that the United States select Ho Chi Minh City and Hanoi as two of the three Vietnamese points that U.S. carriers may serve on a third-country codeshare basis, and hereby applies for an exemption authorizing it to provide service between the United States and these points.<sup>1</sup>

Delta initially proposes to use such authority to operate U.S.-Vietnam

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<sup>1</sup> Delta hereby requests that the Department take official notice, pursuant to Rule 24(n), of all data on file with the Department necessary to establish Delta’s fitness to perform the proposed U.S.-Vietnam operations.

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services in conjunction with its alliance partner, Société Air France (“Air France”). Specifically, Delta will display its “DL” designator code on flights operate by Air France between (a) Paris (CDG) and Ho Chi Minh City, via Singapore (four weekly roundtrip flights), and (b) Paris (CDG) and Hanoi, via Bangkok, Thailand (three weekly roundtrip flights). Delta proposes to commence these services promptly following the Department’s grant of the requested authority.

3. Delta and Air France hold a blanket statement of authorization that allows the carriers to display Delta’s “DL” designator code on any flight operated by Air France between points in France and points in third countries, subject to the condition that the carriers provide the Department with at least 30 days’ notice prior to commencing any new services. See statement of authorization #98-303, issued August 6, 1998. Pursuant to the advance notice requirement, Delta hereby notifies the Department, on its own behalf and on behalf of Air France, of the carriers’ intent to provide the codeshare services to Vietnam described in this application, subject to the Department’s approval of this application and the completion of any necessary carrier selection procedures.

4. The third-country codeshare services proposed by Delta are fully consistent with the U.S.-France bilateral agreement and the U.S.-Vietnam MOD.

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5. Through the proposed arrangement with Air France, Delta would provide travelers and shippers throughout the United States with daily U.S.-flag departures to and from Vietnam. Air France operates, on alternating days, one stop service between Paris and Ho Chi Minh City using Boeing 777 aircraft (four days per week), and one stop service between Paris and Hanoi using Boeing 747-400 aircraft (three days per week). As a result of the approval of this application, Delta's passengers and cargo traffic moving between the United States and Paris would be able to make convenient online connections to the daily U.S.-Vietnam services operated by Air France.

6. The grant of Delta's application is in the public interest and will maximize the service and competitive benefits made available under the MOD. No carrier is better positioned to utilize the new codeshare opportunities than Delta. In conjunction with Air France, Delta provides nonstop service to Paris from eight U.S. gateways (Atlanta, Boston, Chicago, Cincinnati, Los Angeles, New York, San Francisco, and Washington). With this wide-ranging geographical coverage, Delta will provide a significant number of communities throughout the United States with the first U.S.-flag service connecting to Vietnam. Indeed, among Delta's gateways to Paris are Atlanta (the largest airline hub in the world, where Delta and its Delta Connection partners operate more than 900 daily departures to 160 nonstop U.S. destinations), Cincinnati, and New York (JFK),

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which represent Delta's most important international gateways and domestic connecting points. Delta's extensive domestic route system, which includes nonstop flights between numerous U.S. cities and these gateways, will guarantee that U.S. consumers are provided with the most convenient and comprehensive new U.S.-flag services to Vietnam.

WHEREFORE, Delta Air Lines, Inc., respectfully urges the Department to grant this application and to grant such other and further relief as the Department deems to be in the public interest.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

I hereby certify that I have caused a copy of the foregoing Application of Delta Air Lines, Inc., to be served this 15th day of March, 2000, by first class mail, postage prepaid, upon each of the following persons:

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