



**U.S. Department of  
Transportation**  
Office of the Secretary  
of Transportation

## NOTICE OF ACTION TAKEN

DOCKET OST-96-1988

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decisional document will be issued as soon as possible.

Joint Applicants: UNITED AIR LINES, INC. and COMPANIA MEXICANA de AVIACION, S.A. de C.V.

Date filed: November 26, 1996

Relief requested: Exemption from 49 USC section 41301 to permit Compania Mexicana to conduct scheduled, combination services in certain U.S.-Mexico markets (see Attachment 4 of the application), including both Zacatecas-San Francisco and Tijuana-San Francisco, for a period of two years. (The application also includes requests by United for underlying operating authority in certain markets and by both carriers for authority to carry the other airline's code in certain markets.)

If renewal, date of last action(s): Compania Mexicana previously held Zacatecas-San Francisco authority in Docket 48401 (see confirmation Order 95-1-24). Tijuana-San Francisco is new authority.

Applicant representative(s): Robert D. Papkin (for Compania Mexicana)

Responsive pleadings: On December 6 and 11, 1996, Northwest Airlines and American Airlines each filed (respectively) an answer to the application. Both answers address code-sharing aspects of the United/Compania Mexicana arrangement; however, neither opposes Compania Mexicana's request for underlying authority in the Zacatecas-San Francisco and Tijuana-San Francisco markets. On December 20, 1996, the joint applicants each filed a reply.

### DISPOSITION

Action: On June 13, 1997, we granted Compania Mexicana's request to conduct Zacatecas-San Francisco and Tijuana-San Francisco services for a period of one year, and deferred action on the remaining portion of its request to conduct operations in these two markets beyond one year and on the remainder of both carriers other requests in this matter.

Effective dates of authority granted: June 13, 1997, through June 13, 1998.

Basis for approval: United States-Mexico Air Transport Services Agreement of August 15, 1969, as amended and extended (Agreement).

Except to the extent exempted/waived, this authority is subject to the terms, conditions, and limitations of Compania Mexicana's foreign air carrier permit.

Special conditions/Partial grant/Denial basis/Remarks: In reaching our decision to grant Compania Mexicana authority to conduct Zacatecas-San Francisco and Tijuana-San Francisco services, we found that the subject operations are encompassed by the U.S.-Mexico Agreement, and we noted that the Mexican carrier's request for underlying authority to conduct these operations is unopposed. We determined that the circumstances of this case warranted duration of authority for one year (which is consistent with our usual policy of granting interim exemption authority).

Action taken by: Paul L. Gretch, Director, Office of International Aviation, under assigned authority (14 CFR 385) (Petitions for review may be filed from now until 10 days after the service date of the confirming order/letter. Filing of a petition shall not stay the effectiveness of this action.)