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New York
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August 26, 1997

VIA MESSENGER

Ms. Paulette Twine
Chief, Documentary Services Division
DEPARTMENT OF TRANSPORTATION
400 Seventh Street, S.W., Plaza 401
Washington, D.C. 20590

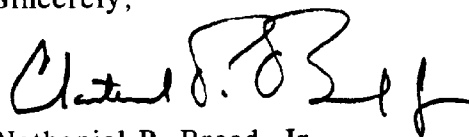
Re: Application of Federal Express Corporation (U.S. Vietnam
Cargo Service), Docket OST-97-2856

Dear Ms. Twine:

Enclosed herewith, for inclusion in the referenced docket, are an original and seven copies of a revised page 3 of the referenced application, filed yesterday on behalf of Federal Express Corporation in Docket OST-97-2856. The enclosed revised page adds a sentence referring to certain commercial discussions between Federal Express and Vietnam Airlines which was inadvertently omitted from the original application.

A copy of this letter and the enclosed revised page is being mailed to all persons served with the original application.

Sincerely,



Nathaniel P. Breed, Jr.
SHAW, PITTMAN, POTTS & TROWBRIDGE
Attorneys for
FEDERAL EXPRESS CORPORATION

Enclosures

cc: All persons served in Docket OST-97-2856
484655

North Vietnam. That prohibition was lifted by Executive Order No. 13002, February 3, 1994, implemented by DOT and Commerce Notice No. 2105-AC04, effective February 3, 1994, lifting the ban on travel and trade with Vietnam.

3. Federal Express is currently preparing to perform all-cargo charter flights between the United States and Vietnam on an ad hoc basis. In the near future, Federal Express plans to inaugurate scheduled service between Oakland and Anchorage and Ho Chi Minh City, operated via its Subic Bay hub, at a frequency of five roundtrip flights a week. That service will be operated on a change-of-gauge basis at Subic Bay linking the Oakland/Anchorage-Subic Bay line-haul flights operated by Federal Express utilizing the 170,000-pound payload MD-11 freighter aircraft (limited to 150,000 pounds payload in long-range operations) and the 140,000-pound payload DC-10-30 freighter aircraft, connecting to Subic Bay-Ho Chi Minh City flights operated by Federal Express utilizing the 76,300-pound payload Airbus A-310 aircraft and flights operated on a wet-lease basis for Federal Express by Vietnam Airlines, utilizing comparable aircraft. Federal Express and Vietnam Airlines are currently engaged in commercial discussions toward the objective of establishing a cooperative joint operating and marketing arrangement between the two carriers.^{1/}

4. At the present time, there is no bilateral air transport service agreement in effect between the U.S. and Vietnam. Federal Express requests

^{1/} In the event that Federal Express and Vietnam Airlines enter into a mutual code-sharing and blocked-space agreement, as anticipated, both carriers will file applications for the issuance of appropriate Statements of Authorization pursuant to Part 207 and Part 212 of the DOT's Economic Regulations.