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BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.

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Application of  
  
AEROMEXPRESS, S.A. DE C.V.  
  
under 49 U.S.C. § 40109(c) for renewal of  
exemption authority (Guadalajara-Los Angeles)

Docket OST-97-2506

APPLICATION OF AEROMEXPRESS, S.A. DE C.V.  
FOR RENEWAL OF EXEMPTION AUTHORITY

Communications with respect to this  
document should be addressed to:

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Counsel for Aeromexpress, S.A. de C.V.

NOTICE: Any person wishing to support or oppose this application may do so by  
filing an answer and serving a copy on counsel for Aeromexpress no  
later than May 26, 1999.

Dated: May 11, 1999

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Pursuant to 49 U.S.C. § 40109(c), and subpart D of the Department's Rules of Practice, 14 C.F.R. §§ 302.400 *et seq.*, Aeromexpress, S.A. de C.V.

("Aeromexpress") requests renewal of the exemption authority granted by Notice of Action Taken in Docket OST-97-2506, dated May 29, 1997, confirmed in Order 97-6-32, and last renewed by Notice of Action Taken, dated June 3, 1998, permitting it to provide scheduled, all-cargo foreign air transportation between Guadalajara, Mexico and Los Angeles, California. The exemption is scheduled to expire on June 3, 1999. Aeromexpress requests that this exemption be renewed for an additional period of one year. By this application, Aeromexpress intends to invoke the automatic extension provisions of 5 U.S.C. § 558(c) and Part 377 of the Department's Special Regulations.

In support of this request, Aeromexpress states as follows:

1. Aeromexpress is a flag carrier of the United Mexican States and currently holds exemption authority which authorizes scheduled, all-cargo service between Mexico and numerous points in the United States. Pursuant to this exemption

authority, Aeromexpress provides extensive service between Mexico and the United States.

2. By Notice of Action Taken in Docket OST-97-2506, dated May 29, 1997, and confirmed in Order 97-6-32, the Department granted Aeromexpress an exemption to engage in scheduled, all-cargo foreign air transportation between Guadalajara and Los Angeles. Aeromexpress currently is offering twice-weekly scheduled, all-cargo service in this market. The service has been well received by shippers and Aeromexpress seeks to renew its authority to serve this market for another year.

3. Under the U.S.-Mexico air transport agreement, a carrier designated by Mexico is permitted to operate in the Guadalajara-Los Angeles market. Aeromexpress has been designated by the Government of Mexico to serve the route, and the designation continues in effect. Aeromexpress also has been authorized by the Mexican DGAC to serve the market.

4. Under 49 U.S.C. § 40109, the Department may renew an exemption if it finds that such is consistent with the public interest. It is clear that the designation of a carrier by its homeland government pursuant to a bilateral agreement is the most significant factor in determining whether grant of an application is in the public interest. For example, in Linea Aerea Nacional de Chile, Foreign Permit, 26 C.A.B. 604 (1958), the Civil Aeronautics Board stated as follows:

Where, as here, the applicant has shown that it holds the appropriate designation under an effective bilateral

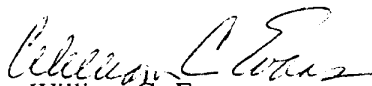
agreement to operate the route embraced by the application, the applicant has presented highly significant evidence bearing on the public interest.

See also Application of Aerovias Venezolanas S.A., Order 86-8-88 at 3 (provision for authority in a bilateral is prima facie evidence that grant thereof is in the public interest); and Aerolineas Peruanas Foreign Permit, 31 C.A.B. 181 (1960). The same findings are warranted here, where Aeromexpress is a designated carrier for the route to be served.

5. Given the fact that under the bilateral Aeromexpress has been designated for the authority requested herein and the fact that the exemption will only be effective for one year, this renewal request is limited in scope and should be noncontroversial. Moreover, grant of the exemption is warranted because of the significant service benefits to shippers provided by Aeromexpress in the Guadalajara-Los Angeles market.

WHEREFORE, Aeromexpress respectfully requests that the Department grant renewal of the exemption sought herein.

Respectfully submitted,



William C. Evans

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Counsel for Aeromexpress, S.A. de C.V.

May 11, 1999

Certificate of Service

I hereby certify that I have, this 11th day of May, 1999, caused a copy of the foregoing document to be served by first class mail, postage prepaid, on the persons named in the attached service list.

A handwritten signature in cursive script, appearing to read "William C. Evans", is written over a horizontal line.

William C. Evans