

OST 96-1660

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U.S. Department of Transportation

Office of the Secretary of Transportation

DEPARTMENT OF TRANSPORTATION Assistant Secretary

400 Seventh St., S.W.
Washington, D.C. 20590

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DOCKET SECTION

October 03, 1997

The Honorable Bill Nelson
Treasurer
State of Florida
The Capitol
Tallahassee, Florida 32399-0300

OST-96-1660-55

Dear Mr. Nelson:

This is in response to your letter, cosigned by Florida Attorney General Robert A. Butterworth, expressing concern about US Airways' decision to cease service at Daytona Beach and Melbourne.

We understand your concerns about the impact of this action on these communities and the state of Florida generally. However, it is not within the Department of Transportation's statutory power to require an airline to begin or discontinue serving specific markets.

We are aware, as you noted, that US Airways has filed an application to serve London from several United States cities, including Charlotte, and that it identified a number of communities, such as Melbourne and Daytona Beach, as feeder points for these international routes.

As US Airways' application is pending and has been contested, I am sure you understand that the Department's rules preclude me from commenting on its merits. I assure you, however, that we will consider all relevant factors in reaching our decision.

I am placing a copy of your letter and my response in Docket OST 96-1660 and in the file for contacts outside the record of such cases.

Thank you for sharing your views.

Sincerely,

Charles A. Hunnicutt
Assistant Secretary for Aviation
and International Affairs

3 pp



Bill Nelson

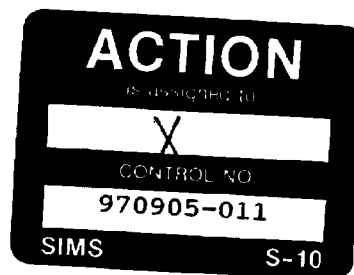
*State Treasurer, Fire Marshal,
Insurance Commissioner*

Robert A. Butterworth

Attorney General

September 5, 1997

Mr. Rodney Slater, Secretary
United States Department of Transportation
400 7th Street, Southwest
Washington, D.C. 20590



Dear Secretary Slater:

As you may know, another round of air service reductions hit Florida this week when US Airways withdrew jet service from Daytona Beach and Melbourne, along with seven other secondary markets across the nation. These harmful withdrawals only serve to reduce or eliminate competition in two key areas of our state that are dependent upon efficient air travel for their economic health and growth.

This action was taken despite the efforts of community leaders in both Daytona Beach and Melbourne to assure the profitability of continued jet service to their airports by reducing local costs and producing the business passengers that US Airways said were needed. U.S. Reps. Dave Weldon and John Mica have both lent their support to these efforts. Yet it is our understanding the airline has been unwilling to reconsider its decision.

We have no desire to intercede in the current contract negotiations between US Airways and its employees, which the airline says will impact its future service plans. But neither are we willing to allow these two Florida communities to be held hostage to a labor dispute.

Further, and most importantly, US Airways identified communities such as Daytona Beach and Melbourne as important feeders for proposed international flights from Charlotte. In seeking congressional support for its application for international route awards last April, the airline stressed the importance of these "behind gateway" markets to our national economy and the success of any new international routes.

We are writing to request that you hold US Airways to those statements. Certainly, such service is as crucial today as it was when the airline made its original application. We hope your involvement in this issue will help prompt US Airways to reconsider its abandonment of two growing Florida areas that clearly add to the viability of its international expansion plans.

Thank you for your consideration of an issue that is of great concern to our state.

Sincerely,

*State Treasurer, Fire Marshal,
Insurance Commissioner*

Attorney General