

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of)

DELTA AIR LINES, INC.)

Docket OST-97-3218)

under 49 U.S.C. §§41102 and 41108)
for a certificate of Public)
Convenience and Necessity)
(Atlanta/New York - South America)
U.S. - Belize))

ANSWER OF UNITED AIR LINES, INC. AND
MOTION TO MODIFY SCOPE

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DATED: January 7, 1998

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United Air Lines, Inc. ("United") pursuant to 14 CFR §§302.18(b)(2) and 302.1750(c) and (d) submits the following answer and motion to modify the scope relating to the above-captioned application of Delta Air Lines, Inc. ("Delta"):

1. By its application Delta seeks authority to serve virtually every country in South America. Among the points for which Delta seeks authority are Colombia, Ecuador, Bolivia and Paraguay.

2. United has been attempting for several years to compete with American Airlines, Inc. ("American") for U.S.-South America traffic. In 1992 United acquired the U.S.-South America authority of Pan American World Airways, Inc. ("Pan Am") in order

to offer competition in this increasingly important region. Pan Am's route system did not, however, include authority to serve several key points in South America. For example, Pan Am's authority to serve Colombia was limited to Barranquilla, precluding service to the key market of Bogota. In addition, Pan Am's certificate contained no authority to serve points in Ecuador, Bolivia, or Paraguay. United, therefore, does not have authority to serve these countries despite the fact that American, its primary competitor, is authorized to serve and is serving these countries.

3. In an amendment filed today to its application which was originally filed in Docket 48295, United has requested authority to serve these missing links in its U.S.-South America system. United has no objection to the grant of the authority requested by Delta in this proceeding to serve these same countries so long as United's application in Docket 48295, as contemporaneously amended, is also granted at the same time. If the Department should conclude that these two applications are in any way mutually exclusive in that grant of any part of Delta's application in Docket OST-97-3218 would to any extent preclude grant of any part of United's application in Docket 48295, as amended, then United contingently requests that the Department consolidate the two applications for contemporaneous

Answer of United
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consideration to the extent that they are deemed to be mutually
exclusive. Ashbacker Radio Corp. v. FCC, 326 U.S. 327 (1945).

Respectfully submitted,

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