

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of)
)
CHALLENGE AIR CARGO, INC.) Docket OST-96-1379
)
for an exemption pursuant to)
49 U.S.C. §40109 (former Section)
416(b) of the Federal Aviation Act)
of 1958, as amended))

APPLICATION OF
CHALLENGE AIR CARGO, INC.
FOR RENEWAL OF AN EXEMPTION

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CHALLENGE AIR CARGO, INC.

April 6, 1998

NOTE: Any person wishing to support or oppose this
application must file an answer and serve a copy of the
answer upon the applicant and all persons served with
this application on or before April 21, 1998.

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Pursuant to 49 U.S.C. §40109 (former Section 416(b) of the Federal Aviation Act, as amended) (the "Act"), and Subpart D of the Department's Rules of Practice, Challenge Air Cargo, Inc. ("Challenge") hereby submits this application for renewal of the exemption authority granted to it by DOT Order 96-7-43.

In support of this application, Challenge respectfully states as follows:

1. By DOT Order 96-7-43, the Department renewed for an additional two years the exemption which authorizes Challenge to serve Venezuela and to integrate its Venezuelan services with other services provided pursuant to Challenge's other exemption and certificate authority. The authority granted by DOT Order

96-7-43 expires on July 15, 1998.

2. Challenge presently operates three weekly flights in the Miami-Caracas market and intends to continue operating the service.

3. Renewal of Challenge's exemption authority is in the public interest. Challenge has held scheduled all-cargo authority to serve Venezuela since 1989 and has operated scheduled all-cargo service in the Miami-Caracas market continuously since that time. Challenge's three weekly flights offer shippers a broad range of service options that are highly competitive. This request is also fully consistent with the U.S.-Venezuela aviation agreement. Further, renewal of this authority is justified for all of the reasons that supported the granting of the original authority to Challenge and the subsequent renewals of that authority. See DOT Orders 89-7-33; 90-9-33; 92-8-57; 94-9-3; 96-7-43.

4. Challenge requests that this authority be renewed for an additional two years. ¹


¹ Pursuant to Section 377.10(a) of the Department's regulations, 14 C.F.R. § 377.10(a), Challenge states its intention to rely on 5 U.S.C. § 558(c), as implemented by Part 377, to continue in effect its current authorization to operate this service pending a final determination on this renewal application.

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WHEREFORE, for the foregoing reasons, Challenge Air Cargo, Inc. respectfully urges the Department of Transportation to renew the exemption authority granted by Order 96-7-43, and requests that the Department grant such further, different and additional relief as it may deem appropriate.

Respectfully submitted,

ZUCKERT, SCOUTT & RASENBERGER, L.L.P.

By: 
William H. Callaway, Jr.

Counsel for
CHALLENGE AIR CARGO, INC.

April 6, 1998