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**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

**Joint Application of American Airlines, Inc. and the TACA Group
for Approval of and Antitrust Immunity for
an Alliance Agreement under 49 U.S.C. §§ 41308 and 41309
Docket OST-2000-7088 - 18
and
American Airlines, Inc., *et al.*, and the TACA Group
Reciprocal Code-Share Service Proceeding
Docket OST-1996-1700 - 164**

NOTICE ESTABLISHING PROCEDURAL SCHEDULE

On March 17, 2000, American Airlines, Inc. ("American"), and its regional affiliates, and the TACA Group airlines ("TACA")¹ filed a joint application for approval of and antitrust immunity for their Alliance Agreement dated September 27, 1996.² They also filed a joint application for renewal and amendment of their code-share authority and other related exemption authority.³

On April 7, 2000, the Department issued a Notice suspending the procedural schedules in both of these cases, pending a determination that the requests were complete.⁴

¹ The TACA Group includes Aviateca S.A., Lineas Aereas Costarricenses S.A., Nicaraguense de Aviacion S.A., TACA International Airlines, and TACA de Honduras S.A.

² They each submitted additional evidence in connection with the application and filed a joint motion under 14 C.F.R. 302.12 (Rule 12) of our regulations requesting confidential treatment for this material.

³ See Docket OST-96-1700. The joint applicants invoked the automatic extension provisions of the Administrative Procedure Act, 5 U.S.C. 558(c), as implemented by 14 C.F.R. Part 377.

⁴ At that time, we granted interim access to all documents covered by the joint applicants Rule 12 Motion to counsel and outside experts for interested parties who filed appropriate affidavits with the Department in advance. Moreover, we granted interim access to any subsequent materials filed under a Rule 12 Motion to counsel and outside experts for interested parties who filed appropriate affidavits with the Department in advance, unless the party filing the motion objected.

By Order 2000-7-8, issued July 7, 2000, we directed the partners to submit additional information and documents that we found to be relevant to our assessment.⁵ On February 28, 2001, the partners individually and jointly submitted material in response to our Order. Based on our review, we found the material incomplete.

By letter dated March 26, 2001, we clarified our evidentiary request, consistent with Order 2000-7-8, and directed the partners to provide us with a more comprehensive assessment of information Item 3. On April 11, 2001, they submitted material in response to our letter. Based on our review of this material, we find that the application is now substantially complete.⁶

Therefore, we direct interested parties to file answers in Dockets OST-2000-7088 and OST-96-1700 no later than 21 days from the date that this Notice is served, and replies shall be filed no later than 7 business days after the last day for filing answers. Interim access to confidential materials is subject to the procedures and restrictions set forth in the Department's Notice of April 7, 2000, and Order 2000-7-8. We will serve this Notice on all persons on the service lists in both dockets.

By:

SUSAN MCDERMOTT
Deputy Assistant Secretary for Aviation
and International Affairs

Dated: April 27, 2001

(SEAL)

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<http://dms.dot.gov/search>*

⁵ Consistent with our established affidavit procedures, we also made all evidentiary materials available for use by interested parties in either of the pending cases.

⁶ We reserve the right, however, to require the filing of additional information deemed relevant to the proceeding at any time.