

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

Application of

CHINA SOUTHERN AIRLINES COMPANY LIMITED

for an exemption pursuant to 49 U.S.C. § 40109

Docket No. OST-1999-5031

APPLICATION OF
CHINA SOUTHERN AIRLINES COMPANY LIMITED
TO RENEW EXEMPTION

Communications with respect to
this document should be sent to:

Moffett B. Roller
Lee A. Bauer
ROLLER & BAUER, PLLC
1020 Nineteenth Street, N.W.; Suite 400
Washington, D.C. 20036
Phone: (202) 331-3300
Fax: (202) 331-3322

Attorneys for
China Southern Airlines Company Limited

November 5, 2002

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

Application of

CHINA SOUTHERN AIRLINES COMPANY LIMITED

for an exemption pursuant to 49 U.S.C. § 40109

Docket No. OST-1999-5031
November 5, 2002

APPLICATION OF
CHINA SOUTHERN AIRLINES COMPANY LIMITED
TO RENEW EXEMPTION

Pursuant to 49 U.S.C. § 40109 (c), China Southern Airlines Company Limited applies to renew its exemption to engage in scheduled foreign air transportation of persons, property and mail between Guangzhou, China, on the one hand, and Anchorage, Atlanta, Boston, Chicago, Dallas/Ft. Worth, Detroit, Fairbanks, Honolulu, Las Vegas, Miami, Minneapolis/St. Paul, New York, Philadelphia, Portland, San Francisco, Seattle and Washington, D.C., on the other hand, pursuant to a Code-Sharing/Blocked Space Agreement with Delta Air Lines, Inc. China Southern requests renewal for a term of at least two years.

In support of this request, China Southern states the following:

1. China Southern currently operates scheduled combination service between Guangzhou, China and Los Angeles, California pursuant to its foreign air carrier permit issued in Docket OST-96-2008 by DOT Order 2001-11-14.

APPLICATION OF CHINA SOUTHERN
AIRLINES TO RENEW EXEMPTION

2. Under its Code-Sharing/Blocked Space Agreement with Delta, China Southern also provides scheduled foreign air transportation between Ghangzhou, China, and the U.S. points listed above. DOT first granted this exemption authority on February 19, 1999, and renewed it on May 26, 2000, and November 14, 2001.

3. Renewal of this exemption is in the public interest. The code share service in question provides additional competitive travel options for persons traveling between Ghangzhou, China, and the U.S. points named above. The service is also in the public interest because the Code-Sharing Blocked Space Agreement directly benefits Delta, a U.S. airline, by producing greater passenger traffic for Delta flights than would otherwise be the case. The Delta/China Southern code share arrangement is fully consistent with the applicable bilateral aviation agreement, as is reflected in the Department's prior approvals of the authority necessary for China Southern and Delta to operate under this arrangement.

CONCLUSION

The Department of Transportation should therefore renew the exemption of China Southern Airlines pursuant to 49 U.S.C. § 40901(c) to engage in scheduled foreign air transportation of persons, property and mail between Guangzhou, China, on the one hand, and Anchorage, Atlanta, Boston, Chicago, Dallas/Ft. Worth, Detroit, Fairbanks, Honolulu, Las Vegas, Miami, Minneapolis/St. Paul, New York, Philadelphia, Portland,

APPLICATION OF CHINA SOUTHERN
AIRLINES TO RENEW EXEMPTION

San Francisco, Seattle and Washington, D.C., on the other hand, pursuant to the
Code-Sharing/Blocked Space Agreement with Delta Air Lines, Inc.^{1/}

Respectfully submitted,

Moffett B. Roller
Lee A. Bauer
ROLLER & BAUER, PLLC
1020 19th Street, N.W.; Suite 400
Washington, D.C. 20036

Attorneys for
China Southern Airline Company Limited

November 5, 2002

¹ China Southern relies on the automatic extension provisions of 5 U.S.C. § 558(c) and 14 C.F.R. Part 377.10(d) of the Department's Regulations to continue this exemption in effect pending final action on this Application to Renew.

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Application of China Southern Airlines Company Limited to Renew Exemption was this 5th day of November 2002 served upon the following by mail or fax. For service by fax no indication was received that any transmission failed.

Chief, Transportation, Energy &
Agriculture Section
Antitrust Division
Department of Justice
325 7th Street, N.W., Suite 500
Washington, D.C. 20530

Delta Air Lines, Inc.
Alexander Van der Bellen
Shaw Pittman
2300 N Street, N.W.
Washington, DC 20037
Sascha.VanderBellen@shawpittman.com

United Air Lines, Inc.
Jeffrey A. Manley
Wilmer, Cutler & Pickering
2445 M Street, N.W.
Washington, DC 20037
202-663-6670
202-663-6363 FAX
Jmanley@wilmer.com

Carl B. Nelson, Jr.
Associate General Counsel
American Airlines, Inc.
1101 Seventeenth Street, N.W.; Suite 600
Washington, DC 20036
202-496-5647
202-857-4246 FAX
carl.nelson@aa.com

Ms. Angela Garbuzinski
Legal Department
Federal Express
Building B, 3rd Floor
3620 Hacks Cross Road
Memphis, TN 38125
908-434-8581
901-434-8581 FAX
anbird@fedex.com

Mr. Hershhal Kamen
Continental Airlines
Houston, TX
713-324-6697
713-324-2749 FAX
hkamen@coair.com

Mr. Tom Lydon
Evergreen International Airlines, Inc.
1629 K St, N.W.; Suite 301
Washington, DC 20006
FAX: 202-659-2184

Cecilia Bethke
Northwest Airlines, Inc.
901 Fifteenth Street, N.W.
Washington, DC 20006
202-842-3193
202-289-6834 FAX
cecilia.bethke@nwa.com

U.S. Transcom
TCJ5
Attention: Air Mobility Analysis
508 Scott Drive
Scott AFB, IL 62225

Deputy Assistant Secretary for
Transportation Affairs
U.S. Department of State
2201 C Street, N.W.; Room 5830
Washington, D.C. 20520

Airport Director
San Francisco Airports Commission
P.O. Box 8097
San Francisco International Airport
San Francisco, CA 94 128

Director
Miami International Airport
P.O. Box 59-2075, AMF
Miami, FL 33 159

Director - Airports
Minneapolis-St. Paul Int'l. Airport
P.O. Box 11700 - T/C Int'l Airport
Public Passenger Terminal Building
St. Paul, MN 55111

James A. Wilding
General Manager
Metropolitan Washington Airports Authority
44 Canal Center Plaza
Alexandria, VA 22314-1562

Executive Director
Los Angeles World Airports
P.O. Box 92216 - Los Angeles
International Airport
Los Angeles, CA 90009-2216

Director - Aviation
McCarran International Airport
P.O. Box 1105 - Airport Station
Las Vegas, NV 89111-1005

Director - Aviation
Philadelphia Department of Commerce
Division of Aviation
Philadelphia International Airport
Terminal E
Philadelphia, PA 19153

Moffett B. Roller