

BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

In the matter of)
)
)

U.S.-HAVANA Public Charter Authorizations)
_____)

Docket No. OST-2020-0011

REPLY OF CUBA TRAVEL SERVICES, INC.
TO THE ANSWER OF HAVANA AIR

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INC.

February 20, 2020

BEFORE THE
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Cuba Travel Services, Inc. (“CTS” or the “Company”) hereby submits this Reply to the Answer of Havana Air, which was filed with the Department on February 19, 2020.¹ As explained below, CTS corrects certain misstatements in Havana Air’s Answer. It also emphasizes its intention to seek Part 380 authorization for a reasonable series of public charter flights between Miami International Airport (“MIA”) and Havana-José Martí International Airport (“HAV”).

In its Objection to the Show Cause Order 2020-1-16, CTS explained that it (a) had to re-evaluate the charter market after scheduled services commenced to HAV and (b) ultimately decided to suspend – temporarily – charter services to allow for the U.S.-Cuba charter market to adjust. CTS did not state that it suspended charter flights in November 2016; rather, it stated that it evaluated the charter market after November 2016. To correct the record, and as is reflected in the public charter prospectuses on file with the Department, CTS arranged public charter flights through mid-January 2019. The Company temporarily ceased arranging charter flights at that

¹ Pursuant to Section 302.6(c), CTS moves for leave to file this Reply to the Answer of Havana Air. There is good cause for allowing CTS to (a) correct inaccuracies and misstatements in the Answer of Havana Air and (b) to ensure that the Department has a complete factual record.

time, so that it could consider and negotiate a charter agreement with another direct air carrier.

Although CTS did not arranged charters for most of 2019, there was no intent to leave this market permanently. Importantly, the Department did not propose an allocation process only for existing charter operators. CTS's direct air carrier should be able to seek allocation of HAV charter flights to the same extent as any other charter operator interested in entering or returning to the U.S.-Cuba charter market.

Havana Air also suggested that the Department should not allocate HAV charters to the direct air carrier of a charter operator that provides ticket agent services. CTS strongly objects to any such suggestion. The Department's regulations do not prohibit a charter operator from offering other services, including ticket agent services. Therefore, Havana Air's comments about ticket services should not be given any weight in this proceeding.

Finally, the Show Cause Order sought comments on the Department's tentative process for allocating charter flights to HAV. The Order did not require direct air carriers or charter operators to submit applications for allocation, together with their comments on the tentative process. CTS did not provide its flight schedule in its February 12, 2020 Objection because it was following the tentative process. In other words, as proposed by the Department, CTS will file the public charter prospectus after the direct air carrier receives an allocation. See Show Cause Order 2020-1-16, at 6.

As explained in its February 12, 2020 Objection, CTS wants to offer public charter flights between MIA and HAV. CTS believes the established U.S.-Cuba charter market supports and deserves a fair and streamlined process for allocating HAV charter authorizations. For all of the reasons set forth in its Objection and as further clarified in this Reply, CTS respectfully requests that the Department reconsider its proposed allocation process, deny Swift's attempt to gain an

advantage over other direct air carriers, and deny Havana Air's attempt to prevent CTS from returning to a market it helped establish nearly twenty (20) years ago.

Respectfully submitted,


Lonnie Anne Pera

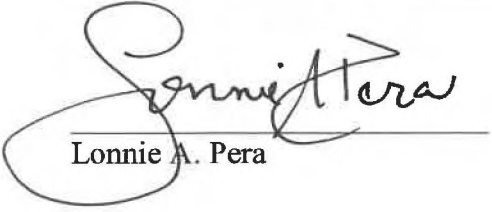
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CERTIFICATE OF SERVICE

I hereby certify that I caused a copy of the foregoing Reply of Cuba Travel Services, Inc. to be served, this the 20th day of February 2020, upon each of the parties below by electronic mail:

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