

August 17, 2020

such cargo codesharing on flights operated by ZIPAIR between Tokyo Narita (NRT) and Honolulu (HNL), beginning on or about October 25, 2020.

2. ZIPAIR and JAL have the necessary underlying economic authority to engage in the codeshare operations for which authority is sought herein. By Order 2020-7-7, the Department granted ZIPAIR exemption authority to engage in scheduled foreign air transportation of persons, property, and mail from points behind Japan, via Japan and intermediate points, to a point or points in the United States and beyond, charter foreign air transportation of persons, property, and mail between any point or points in Japan and any point or points in the United States, and between any point or points in the United States and any point or points in any third country or countries, provided that such service constitutes part of a continuous operation, and other charters pursuant to Part 212 of the Department's regulations.¹ JAL holds a foreign air carrier permit issued pursuant to Order 98-4-17 which authorizes JAL to provide scheduled foreign air transportation of persons, property and mail serving points behind Japan, between Japan and the United States via intermediate points, and beyond the United States, as well as charter flights in foreign air transportation.²

3. The blanket cargo codeshare authorization requested herein is consistent with the open skies relationship established between the United States and Japan by their October 25, 2010 Memorandum of Understanding ("2010 MOU") and therefore is in the public interest. Part VII.1.a of the 2010 MOU grants broad authority for any airline of either party to engage in cooperative marketing arrangements such as codesharing with any other airline of either party.

¹ See *ZIPAIR Tokyo Inc.*, Order 2020-7-7, Docket DOT-OST-2020-0045 (Jul. 10, 2020).

² See *Japan Airlines Co., Ltd.*, Order 98-4-17, Docket DOT-OST-1998-3484 (Apr. 21, 1998).

4. The cargo codeshare services are also in the public interest because they will expand the service options available to shippers in the U.S.-Japan cargo market. The codeshare operations will promote more efficient use of ZIPAIR's capacity and foster competition by increasing JAL's cargo frequencies. Further, the codeshare agreement between ZIPAIR and JAL does not restrict the parties from entering into cooperative arrangements such as codesharing with other carriers. Blanket authorizations are in the public interest because they enable codeshare partners to fully implement services permitted under applicable air transport agreements. The requested authorization is also consistent with the Department's grant of blanket cargo codesharing authority to foreign carriers whose governments have open skies relationships with the United States. *See, e.g.*, Department Action on Application, Docket DOT-OST-2018-0048 (Apr. 27, 2018) (granting reciprocal blanket cargo codesharing statements of authorization to All Nippon Airways Co., Ltd. and Nippon Cargo Airlines Co., Ltd.).

5. ZIPAIR hereby provides notice of its intent to engage in cargo codeshare services with JAL to open skies points. It also agrees to notify the Department no later than 30 days before commencing any codeshare services to non-open skies points and to inform the Department of the codeshare market(s) to be served and the date on which the services will begin. ZIPAIR will accept the Department's standard codeshare conditions.

6. To reduce unnecessary administrative burdens, and consistent with the Department's usual practice, ZIPAIR requests that the statement of authorization have an indefinite duration.

For the foregoing reasons, ZIPAIR respectfully requests that the Department grant to ZIPAIR a statement of authorization allowing ZIPAIR and JAL to engage in cargo codesharing operations as described herein.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of August, 2020, the foregoing ZIPAIR request for a statement of authorization was served by email upon the following persons:

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