Street SW., Room 4107, Washington, DC 20590. To facilitate consideration of the comments, we ask commenters to file twelve copies of each comment. We encourage commenters who wish to do so also to submit comments to the Department through the Internet; our Internet address is dot__dockets@postmaster.dot.gov.[1] Note, however, that at this time the Department considers only the paper copies filed with the Docket Section to be the official comments. Comments will be available for inspection at this address from 9:00 a.m. to 5:00 p.m., Monday through Friday. Commenters who wish the Department to acknowledge the receipt of their comments should include a stamped, self-addressed postcard with their comments. The Docket Section will date-stamp the postcard and mail it back to the commenter.

FOR FURTHER INFORMATION CONTACT: Patricia N. Snyder or Laura Trejo, Office of International Law, Office of the General Counsel, U.S. Department of Transportation, 400 7th Street SW., Room 10105, Washington, DC 20590. (202) 366–9183.

SUPPLEMENTARY INFORMATION:

Background

The Department issued a Notice of Proposed Rulemaking (NPRM), 59 FR 40836 (August 10, 1994), seeking comments on a proposed rule to strengthen the disclosure of code-sharing arrangements and long-term wet leases. In code-sharing arrangements and long-term wet leases, the operator of a flight, or ''transporting carrier,'' differs from the airline in whose name the transportation is sold. The NPRM proposed, *inter alia:* (1) to require ticket agents (including travel agents) doing business in the United States and foreign air carriers, as well as U.S. air carriers, to provide notice in schedules and in any direct oral communication with consumers that the transportation they are considering purchasing will be provided by an airline different from the airline holding out the transportation, and to disclose the identity of the airline that will actually operate the aircraft; and (2) for tickets issued in the United States, to require U.S. and foreign air carriers and ticket agents (including travel agents) to provide written notice of the transporting carrier's identity at the time of sale of transportation involving a code-sharing or long-term wet-lease arrangement.

The NPRM stated that identifying a transporting carrier by a network name, such as ''The Delta Connection,'' would be acceptable if that is the name in which the service is generally held out to the public. It did not require the notice to include the operator's corporate name. However, the NPRM reminded airlines and ticket agents that the proposed rule would require disclosure not only of the name of the transporting carrier or network, but also of the fact that the transporting entity is not the one shown on the ticket. Since many network names may connote a special type of service rather than a different carrier, the NPRM stated that the transporting carrier should be identified, for example, as ''our affiliate, Northwest Airlink.'' In addition, since the purpose of this rule is to prevent deception and to avoid consumer confusion, the NPRM did not require disclosure of a corporate name that is not the name used by the carrier to identify itself in airports or in advertisements and that would thus mean nothing to consumers.

We received comments and reply comments to the NPRM from ten U.S. airlines (Alaska Airlines, Inc., American Airlines, Inc., Continental Airlines, Inc., Delta Air Lines, Inc., Frontier Airlines, Inc., Northwest Airlines, Inc., Southwest Airlines, Co., Trans World Airlines, United Air Lines, Inc., and USAir, Inc.), eight foreign airlines (Aerovias de Mexico, S.A. de C.V., British Airways, Qantas Airways Limited, SwissAir, LTU Lufttransport-Unternehmen GmbH. & Co. KG, British Midland Airways, Ansett Australia Holdings, and LanChile), four associations (International Association of Machinists, Regional Airline Association, International Airline Passengers Association, and National Air Carrier Association), three CRS vendors (Galileo International Partnership, Worldspan, and System One Information Management, Inc.), nine travel agent/industry groups (Action 6, Admiral Travel Bureau, American Automobile Association, American Society of Travel Agents, Mercury Travel, OmegaWorld Travel, Rogal Associates, Township Travel, and USTravel), and five other groups or individuals (Americans for Sound Aviation Policy, the City of Philadelphia, Donald Pevsner, the British Embassy, and Congresswoman Rosa De Lauro).

The International Airline Passenger Association, Americans for Sound Aviation Policy (ASAP), and Frontier argued that the rule should require disclosure of the name of the actual, transporting carrier to avoid confusion between the network name and the name of the major code-sharing partner. ASAP claimed that the commuter airlines' aircraft, seat pitch, comfort, in-flight amenities, and cockpit crews age and experience are inferior to those of the major airlines with which they connect. To ensure that passengers are fully informed in making purchase decisions, they argue that the corporate name must be disclosed. Frontier also stated that major carriers typically code-share with a number of otherwise independent commuter carriers, all of which operate under a general network name such as United Express. Masking the true corporate identities, according to Frontier, in accurately suggests that the major carrier is the operator of the commuter service. Moreover, Frontier noted that the aircraft operated by the commuter carriers vary among the commuters themselves.

The Regional Airline Association and United agreed with the NPRM that, in disclosing the transporting carrier for purposes of this rule, it should be permissible to use a network name if that is the name in which the service is generally held out to the public. United argued that reprogramming CRSs to include the corporate name on the primary flight display screen would require considerable effort and cost. In addition, United argued that the commuter's corporate name is readily available to interested passengers in existing schedules and CRS displays. According to United, comments seeking revisions on the network-names-disclosure policy are beyond the scope of this rulemaking, because the NPRM did not propose to require the use of corporate names.

Supplemental Proposal

Having reviewed these comments, the Department has reconsidered its earlier view and now proposes a requirement that the corporate name itself be disclosed to consumers in code-share and long-term wet lease operations. By ''corporate name,'' we mean the carrier's own name, rather than its network name. Thus, for example, under our new proposal, it would not be acceptable for a travel agent or carrier to identify a transporting carrier simply as ''United Express.'' The purpose of the proposal is to prevent any misunderstanding regarding the separate identity of the transporting carrier. Our proposal should help to ensure that consumers will not assume that a major airline is the transporting carrier when purchasing transportation operated by one of its regional airline partners.

[1] Our X.400 e-mail address is G=DOT/S=dockets/OU1=qmail/O=hq/p=gov+dot/a=attmail/c=us.