



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
July 2, 1986

DOT 59-86
Contact: Jennifer Hillings
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DOLE PRAISES PEOPLE WHO RUN AIR TRAFFIC CONTROL ON 50TH ANNIVERSARY

Secretary of Transportation Elizabeth Hanford Dole today praised the 32,000 people who operate and maintain the air traffic control system she called "the best in the world."

Noting that the Federal Aviation Administration's air traffic control system marks its 50th anniversary July 6, Dole said, "We have the best system in the world. The men and women who operate and maintain the system are true professionals in every sense of the word. They perform an extremely vital service for the nation. This golden anniversary offers a good opportunity for all of us to show our appreciation."

She said that in rebuilding the controller workforce, the goal has been to create a system for the future. FAA is increasing the size of the controller workforce by 1,000 over the next two years to handle future growth in the aviation system. The Secretary said that "with our current level of 14,168 controllers, we are right on target for our September '86 goal of 14,480."

Dole said that FAA, in an effort to improve the working environment for controllers, maintains a continuing focus on potential employee morale problems. It has initiated a series of changes to improve the morale and management of the controller workforce. Using outside professional assistance, FAA has been retraining and educating managers toward a more human relations-oriented style of management.

FAA Administrator Donald D. Engen said the air traffic control specialists and maintenance technicians have established "a distinguished record of achievement that speaks for itself."

Engen said, "Due largely to their dedicated work, we have been able to accommodate the growing demand for air transportation service while improving safety levels. As we continue our effort to make the world's best system even better, they will be our greatest single asset."

In order to completely modernize this system, Dole said FAA is implementing a cost effective \$12.2 billion program--the National Airspace System Plan--to bring increased safety, productivity and economy through higher levels of automation, facility consolidations and telecommunications technology. The new system will double FAA's capacity in the air and will lead to savings of billions of dollars in future years.

Engen called the NAS Plan "essential to the continued growth and development of air transportation in the United States."

"We simply have to make more productive use of airspace if we are to meet the needs of civilian air commerce and the national defense," he added. "In the next decade-and-a-half, demands of air traffic for service are expected to exceed the capabilities of the current system. With increased automation and more efficient tools for controllers, we will meet the needs of the future."

Engen said FAA has more than 24,000 persons assigned to en route control centers, airport towers, flight service stations, regions and headquarters. Supporting their operations are some 8,300 engineers and technicians who install and maintain the computers, radars, navigation aids, landing systems and other equipment in the National Airspace System.

Today, more than 700 air traffic control (ATC) facilities are operated by FAA. The system operates around the clock, 365 days a year.

On a normal day, FAA's 22 air route traffic control centers across the country guide more than 100,000 instrument flights operating between cities and almost 400 airport control towers direct more than 160,000 take offs and landings. Some 300 flight service stations provide pilots (mainly private and business pilots) with almost 150,000 weather briefings a day and similar services for safe flight planning.

The federal government's involvement in air traffic control began July 6, 1936. On that date, it took over operation of three control facilities that had been established by the airlines the previous year at Newark, Cleveland, and Chicago. Within a year, airway control centers were opened in Detroit, Pittsburgh, Los Angeles, Washington, D.C., and Oakland, and the present system for controlling en route air traffic began to take shape.

However, airport control towers remained the responsibility of the airport operators until the eve of World War II. In the first half of November 1941, the old Civil Aeronautics Administration took over eight airport control towers as essential to the national defense and the number was expanded after the attack on Pearl Harbor a few weeks later.

After the war, aviation expanded dramatically, pointing up the need for new air traffic control procedures and technologies. The situation was further aggravated by the introduction of commercial jets in the late 1950s and a series of tragic midair collisions.

Congress responded in 1958 by establishing the Federal Aviation Agency, which was incorporated into the Department of Transportation in April 1967, as the Federal Aviation Administration. A major upgrading of the ATC system followed with expansion of radar coverage, replacement of obsolete equipment, introduction of computers, and new concepts and procedures, such as controlled airspace--areas such as those around the busiest airports and at altitudes above 18,000 feet where all aircraft must be under control of the air traffic system.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Wednesday, July 9, 1986

DOT 61-86
Contact: Jennifer Hillings
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Bob Marx
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DOT ISSUES SHOW CAUSE ORDER ON TEXAS-EASTERN ACQUISITION

The Department of Transportation today issued a show cause order concerning the acquisition of Eastern Air Lines by Texas Air Corporation. DOT states that while it appears the merger would not result in a monopoly or lessen competition substantially in any region of the United States, there are a number of outstanding issues which must be addressed before final approval can be given.

On February 28, Texas Air Corporation and Eastern Air Lines filed an application for approval of Eastern's acquisition by Texas Air. The acquisition agreement calls for Eastern to continue to operate as a separate entity. Subsequently, Texas Air Corporation agreed to sell certain assets to Pan American Corporation, which would enable Pan American to operate shuttle-type service in the Northeast Corridor. Completion of the Texas Air-Eastern transaction would make the Texas Air Corporation one of the largest combined U.S. airlines (it would include Eastern, Continental Airlines and New York Air).

The Department said that if final approval is given, the effective date for approval of Texas's control over Eastern would be postponed until after certain conditions are met in order to address competitive concerns. Those conditions are the following:

--Texas Air must complete its proposed transaction to sell some of its slots and gate space to Pan American World Airways Inc. so that Pan American has the ability to start new service in the Boston-New York-Washington "shuttle" markets.

--Texas Air cannot repurchase or control the slots and gate space sold to Pan American unless it obtains full DOT approval.

Under applicable law, the Department is required to approve an acquisition that will not lessen competition substantially in any region of the United States and is not inconsistent with the public interest. The Department tentatively concluded that Texas Air's acquisition of Eastern, as conditioned, would not have these adverse effects.

In reaching this conclusion, DOT noted that the Department of Justice believes that the acquisition could be procompetitive and produce substantial benefits for consumers in many areas of the nation. However, DOT also noted that from the beginning of this case, its main competitive concern has centered on the effect of competition in the shuttle markets between Boston and New York's LaGuardia Airport and between LaGuardia and Washington's National Airport.

Expressing the concern that bringing Eastern and New York Air under common control would substantially reduce competition in the shuttle markets, DOT stressed that a prerequisite for the acquisition's approval is alternative service on the shuttle routes involving frequent flights throughout the day. In reviewing Pan American's existing slots and facilities and those it acquired from Texas Air, the Department commented that together those slots and facilities may be inadequate to support a competitive shuttle at LaGuardia. In a serious note of caution, DOT stated that, notwithstanding the Department of Justice's endorsement of the acquisition, it must be convinced that there will be effective competition on the shuttle routes and that accordingly Texas Air and Pan American must explain how Pan American proposes to operate competitive service of the type required for the shuttle routes before DOT reaches a final decision in this case.

While the establishment of a competitive service on the shuttle routes by Pan American would resolve the acquisition's principal competitive concern, DOT said that the effective date for the Eastern takeover must be postponed until after the closing of the Texas-Pan American transaction. The Department said that it would not run the risk, by premature approval, of giving Texas Air a possible long-term monopoly if no closing took place.

In addition, the Pan American agreement contains a "snap-back" provision allowing Texas Air to repurchase the assets sold to Pan American, if Pan American fails to maintain a certain level of service. DOT said this provision creates a potential loss of competition if Texas Air exercises its snap-back rights and then does not resell the assets to another carrier. Therefore, the Department stated that "Texas Air may not reacquire any of the slots and gates being sold to Pan American without obtaining our prior approval."

Finally, DOT has tentatively determined that there is no evidence that would require it to impose labor protective provisions (LPPs) in this case. DOT emphasized that the imposition of LPPs represents a governmental intrusion into an area -- the establishment of employee benefits -- that should ordinarily be managed by private parties. In these circumstances, the Department decided to follow its policy of declining to impose LPPs unless they are necessary to prevent labor strife that could disrupt the national air transportation system. DOT found that it was unlikely that such disruption would occur in the absence of LPPs in the context of this case. In reaching these conclusions, the Department found that the acquisition should benefit employees by providing a credible remedy for Eastern's financial difficulties.

DOT gave any interested persons twenty-one days to file objections or comments to this tentative decision.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE MONDAY
July 14, 1986

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DOLE SAYS NEW BROCHURE AVAILABLE FOR PARENTS OF CHILDREN FLYING ALONE

Secretary of Transportation Elizabeth Hanford Dole today announced the availability of a brochure containing travel tips for parents who have children that will be flying alone.

"If your child must fly alone, the new brochure will help you prepare for the trip," Secretary Dole said. Every year, thousands of young people fly by themselves to visit relatives, to and from school, or to camp," she added. "The information will help ensure peace of mind for parents and a safe and enjoyable trip for their children."

The brochure is provided as a public service by the Department of Transportation and the National Child Safety Council. Aimed at parents, it provides them with general airline policy, a checklist of helpful information and a Travel Card that can be used when planning trips for their unaccompanied children or teenagers. The Travel Card, properly completed by the parent and given to the young traveler, can be made available during travel to airline personnel should the need arise.

Items on the checklist suggest making reservations on non-stop flights, checking the child's ticket to be certain the flight information is correct and advising the reservation agent that the child will be traveling unaccompanied. Additionally, it itemizes procedures the parents should go through with their young travelers from familiarizing them with their luggage stubs and providing them with entertainment material and proper identification to making sure they have money in the event they have to place a telephone call. There is also a section devoted to the teenage traveler.

When children or teenagers travel by themselves, an uneventful trip is anticipated. However, a trip without incident is not guaranteed. Problems can occur and flight connections can be missed. Should this happen, it is important that the young traveler have proper identification and adequate instructions before leaving home. In the event the unexpected occurs, the parent, child and the airline will be prepared if the proper steps have been taken.

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The Department of Transportation and the National Child Safety Council are working closely with airlines, and airports to make this brochure as widely available as possible. To date, the Airport Operators Council International, the Port Authority of New York and New Jersey, the Phoenix, Tucson and Pittsburgh Airports, as well as American West, Continental, Delta, Eastern, International Airlift, Northwest, Braniff, Midway, Pan America, Piedmont, Republic, Southwest, Trans World Airlines and Western, have agreed to distribute the brochures. The Department expects that more of the industry will join in this effort over the next few months.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE TUESDAY
July 15, 1986

DOT 63-86
Contact: Jennifer Hillings
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DOT FAVORS NATIONAL STANDARDS FOR TRUCK DRIVER LICENSING

The Department of Transportation plans to begin rulemaking to establish uniform minimum national licensing standards for the millions of drivers who operate trucks and buses on the nation's highways, a DOT official said today.

Jenna Dorn, Associate Deputy Secretary of DOT, said the standards could form the basis for a "classified" licensing system, to be administered by the states, that would specify requirements for drivers of different types of trucks and buses. Under a classified system, a commercial driver could drive only those vehicles he or she is qualified to operate. For example, a driver who wants to operate a tractor trailer combination truck would have to meet the qualifications and standards for that class of vehicle.

In testimony before the Senate Commerce, Science and Transportation Committee, Dorn also said DOT will start a rulemaking action to make it a federal violation for an interstate truck or bus driver to have multiple driver licenses. Drivers who have been cited for safety violations in one state sometimes obtain multiple licenses from other states to hide such violations from state officials.

Dorn said Secretary of Transportation Elizabeth Hanford Dole agrees with Sen. John C. Danforth, chairman of the committee, that the present driver licensing situation poses continuing safety problems.

Dorn quoted Dole as saying, "This is a natural follow-on to the work that we have already done with the states. However, because of the continuing need to improve safety, we are initiating this major rulemaking effort."

She conveyed Secretary Dole's thanks to Sen. Danforth for his leadership in identifying motor carrier safety problems and in seeking workable solutions. She noted that DOT and the Committee jointly developed major legislation enacted in 1982 and 1984, which now provide the Department with additional tools to improve motor carrier safety requirements and enforcement.

(more)

DOT plans to ask for public comments to determine the proper standards and how best to ensure that improved licensing requirements are adopted by the states and properly enforced, and how the single license requirement can be enforced most effectively.

Recognizing that states have exercised primary authority for licensing drivers, Dorn cautioned that "we cannot develop a solution overnight that will work nor can we develop it without the help and cooperation of the states."

In May, DOT proposed special provisions for drivers of trucks carrying hazardous materials, Dorn said. Under DOT's proposed rule, drivers of such vehicles could not hold multiple licenses and would have to pass driving tests in the type of vehicle they would be operating for a company.

Secretary Dole has taken other recent steps to improve the safety of interstate trucking operations. She proposed new procedures to ensure that all interstate trucking firms are checked to determine their safety record. DOT's Bureau of Motor Carrier Safety has also begun a rulemaking to require truck operators to keep front wheel brakes in service on large trucks and truck-tractors.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
July 17, 1986

DOT 64-86
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Tel: (202) 366-4570
Contact: Wendy DeMocker
Tel.: (202) 366-0881

AMTRAK WEATHER ALERT SYSTEM EFFECTIVE, DOLE SAYS

Secretary of Transportation Elizabeth Hanford Dole today announced that weather alert systems and procedures have increased the safety level on the nation's railroads and have reduced the number of weather-related Amtrak accidents. But, she noted, according to a study released today by the Federal Railroad Administration (FRA), the system still needs strengthening.

"While the number of weather-related accidents has decreased dramatically, we have found that further cost-effective improvements could be achieved in existing weather-alert equipment and practices on the nation's railroads," Dole said. "Gaps in the existing weather alert radio system network should be filled."

In its study, the FRA found that improved advanced weather information, clear railroad procedures for reacting to potential weather emergencies, and modern communication systems have helped cut the number of weather-related accidents on all railroads from a high of 141 in 1977-78 to a low of 35 weather-related accidents in 1985. The number of Amtrak weather-related accidents has also declined from a high of four in 1982 to only one such accident in 1985.

According to Dole, the study was prepared at the request of Congress to determine if the entire Amtrak system is properly covered by a weather reporting system. Amtrak trains currently operate over a route system of more than 23,000 miles most of which are operated by 20 freight railroads under contract to Amtrak. Each provides its own facilities and communications systems.

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The FRA has recommended that additional radio receivers used to pick up broadcasts by the National Weather Service be installed in 72 locations on 13 railroads to supplement the network now in service. The Weather Service provides continuous weather information and special alert messages if bad weather threatens.

Other recommendations include railroads strengthening their system of weather reporting in areas out of range of Weather Service coverage, and Amtrak's contract railroads developing clearer and more detailed written procedures for dealing with weather-related threats.

"Amtrak's contract railroads have been very cooperative in this endeavor and I expect them to continue to work with Amtrak to implement the recommendations in this report," the Secretary said.

Congress asked the FRA to conduct the study following the derailment of an Amtrak train near Essex Jct., Vt., after heavy rains led to the collapse of a series of beaver dams that resulted in a flash flood which washed out the track and roadbed. The accident occurred July 7, 1984 and resulted in five deaths.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
July 17, 1986

DOT 65-86
Contact: Jennifer Hillings
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Alan Pollock
Tel.: (202) 366-5580

JAPAN TO PERMIT FREIGHT-FORWARDER CHARTERS TO U.S.; NCA GETS THREE WEEKLY FLIGHTS

The U.S. Department of Transportation today announced that U.S. airlines would be authorized by the Government of Japan, on an experimental basis, to operate up to 100 air freight-forwarder charter flights per year from Japan to the United States. The flights had been prohibited by Japanese regulations until now.

DOT also announced that it would authorize Nippon Cargo Airlines (NCA), a Japanese all-cargo airline, to operate three additional U.S. flights each week in addition to the six weekly flights presently authorized. Two of the flights will be authorized effective August 15, 1986, and the third will commence on October 1, 1986. The airline operates from Tokyo to San Francisco and New York. The U.S.-Japan market is easily the largest U.S. air cargo market with approximately 60 cargo flights per week.

The new opportunities grew out of discussions held this week in Washington, D.C. between representatives of the U.S. and Japanese governments. The talks were a continuation of discussions held last April. As a further result of these meetings, the government of Japan will undertake to address a number of practical "doing business" issues raised by U.S. airlines operating to Japan. Among these issues are the need for greater aircraft operational flexibility and for improved customs clearance procedures.

The two governments agreed to continue to meet periodically to address other issues affecting airline operations.

Officials from the U.S. Departments of State, Transportation, Commerce, and Interior, and from the Japan Ministries of Foreign Affairs, Transportation and Finance participated in the discussions.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE FRIDAY
July 25, 1986

DOT 67-86
Contact: Jennifer Hillings
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Ann Linnertz
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ALLAN McARTOR NAMED CHAIRMAN OF DOT'S COMMERCIAL SPACE TRANSPORTATION ADVISORY COMMITTEE

Secretary of Transportation Elizabeth Hanford Dole has named T. Allan McArtor an chairman of the Department's Commercial Space Transportation Advisory Committee.

In making the announcement, Dole said, "Mr. McArtor's knowledge of the space industry and his leadership will be of invaluable assistance.

The advisory committee works with the Department to provide information, advice and recommendations on matters relating to all aspects of commercial space transportation. The members represent the launch vehicle, satellite, financial and insurance industries as well as government and the public.

McArtor, who will serve for a one-year term as chairman, is Senior Vice President for the Federal Express Corporation's Telecommunications Division.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
July 31, 1986

DOT 70-86
Contact: Jennifer Hillings
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Alan Pollock
Tel.: (202) 366-5580

DOT APPROVES NORTHWEST-REPUBLIC AIRLINE ACQUISITION WITHOUT LABOR PROTECTIVE PROVISIONS

The Department of Transportation today approved the acquisition of Republic Airlines by Northwest Airlines.

DOT agreed with the June 27 findings of an Administrative Law Judge (ALJ) that the transaction would not significantly reduce competition. It nevertheless disagreed with much of the ALJ's reasoning on the proper standards for reviewing airline mergers.

The Department strongly disagreed with the ALJ's assertion that, under deregulation, there is a theoretical presumption of unlimited entry which makes it nearly impossible for opponents of an airline merger to show that the merger would substantially reduce competition. The Department emphasized that no such presumption exists and that it decides each merger based on the specific facts of each case.

DOT focused its concerns on the competitive impact of the merger on routes emanating from Minneapolis/St. Paul (MSP), where both Northwest and Republic have their principal hubs. DOT agreed with the Department of Justice (DOJ), the only party opposing the acquisition, in recognizing the extensive overlap in Northwest's and Republic's routings from MSP, and also the high share of the market that the merged carrier would have.

The key question, however, was whether these factors would allow the combined Northwest-Republic to raise prices above competitive levels on its MSP routes, or whether, currently competing carriers or potential competitors would be in a position to deny the newly merged company such market power.

In today's decision DOT carefully reviewed the ALJ's market-by-market competitive analysis and, for every market, concluded that enough competitive opportunities would exist after the transaction to prevent Northwest/Republic from charging prices above competitive levels.

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DOJ had argued that (1) a truly effective check on Northwest's/Republic's market power must depend essentially on competing nonstop services, and (2) only a carrier with a major hub at MSP could mount enough nonstop services to provide the necessary check. Since DOJ saw no realistic possibility for the creation of a major new MSP hub, within two years, it saw no likelihood that the new Northwest/Republic would be effectively disciplined.

The Department determined, that DOJ's arguments were not supported by the record in this case. A thorough analysis of the record showed that many of the markets at issue here could be effectively disciplined by other carriers' services, even where those services might involve stops or connections. Furthermore, the Department found that the airport at MSP is free of constraints, thereby allowing potential competitors to enter freely. Carriers therefore, are able to move quickly to establish hubs and competitors might well be expected to take advantage of the open entry possibilities at MSP.

The Department left no question that it will continue to scrutinize thoroughly potential anticompetitive effects of mergers between hubbing carriers whose route systems overlap substantially, and will continue to decide each airline merger based on its facts and the evidence presented in the record.

While agreeing with the ALJ that the Northwest-Republic acquisition should be approved, DOT rejected the ALJ's recommendation that approval be coupled with imposition of special provisions to protect employees, so-called labor protective provisions (LPPs).

In deciding not to impose LPPs, DOT said that under deregulation, its role in airline labor matters is limited. The Department stated that LPPs will not be imposed unless necessary to prevent labor strife that would disrupt the national air transportation system or unless special circumstances of an acquisition show that LPPs are necessary to protect fair wages and equitable working conditions. The facts in this case show that private decision-making will adequately protect the employees' interests and not conflict with the Airline Deregulation Act's policy of establishing fair wages and equitable working conditions."

On January 28, 1986 Northwest and Republic filed a joint application for approval of Northwest's acquisition of Republic. The combined carrier will make it the third largest U.S. airline.

By separate order, the Department ruled on whether international route authority should be transferred from Republic to Northwest. That order is now being reviewed by the President, who has up to sixty days to disapprove it for foreign policy or national security considerations.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, August 1, 1986

DOT 71-86
Contact: Jennifer Hillings
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Elaine Matrigali
Tel.: (202) 366-5571

SECRETARY DOLE APPOINTS DEPUTY ADMINISTRATOR FOR FEDERAL HIGHWAYS

Secretary of Transportation Elizabeth Hanford Dole today announced the appointment of Robert E. Farris as Deputy Administrator of the Federal Highway Administration.

In making the announcement, Secretary Dole said, "Robert Farris's background in transportation and his expertise in highway matters makes him ideally suited for this position with the Federal Highway Administration."

Joining the Secretary in welcoming Farris to the Department's top executive team, Federal Highway Administrator Ray A. Barnhart said, "Mr. Farris is widely respected within all sectors of the highway community and brings the highest level of professional experience to his new post. I look forward to working closely with him."

Mr. Farris served as Commissioner of the Tennessee Department of Transportation. He was also affiliated with the American Association of State Highway and Transportation Officials serving as Chairman of the Standing Committee on Aviation and on the Executive Committee and Policy Board. Additionally, Mr. Farris was on the Executive Board of the Transportation Research Board, a division of the National Academy of Sciences.

Prior to joining the Tennessee Department of Transportation, Mr. Farris was active in municipal affairs and was Vice Chairman of the Nashville Electric Service Power Board.

In August of 1985, he was appointed by President Reagan to the National Council on Public Works Improvements and elected its Chairman. He has submitted his resignation of this post as a result of his appointment as Deputy Administrator in order to avoid any appearance of conflict of interest.

Mr. Farris resigned his post as Commissioner of Transportation in November 1985, to manage the campaign of former Governor Winfield Dunn in his race for Governor of Tennessee in 1986.

Mr. Farris is an active member of the Nashville Area Chamber of Commerce, the Red Cross and the Rotary Club. He is married to the former Dorothy Ann Wright and has two children and two grandchildren.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, August 1, 1986

DOT 72-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Bob Beasley
Tel.: (202) 366-5571

DOLE PSAs PROMOTE SAFETY FOR CHILDREN FLYING ALONE

Secretary of Transportation Elizabeth Hanford Dole today announced the release of a new TV Public Service Announcement (PSA) aimed at parents with children who will be flying alone.

"The new PSA will encourage parents to take those few extra steps that will ensure greater safety for their children when they have to fly alone," the Secretary said. "August is a peak time for airline travel, so the PSA is especially timely," Dole added.

The PSA, featuring Secretary Dole, describes the new brochure "Kids and Teens in Flight". The brochure provides both a checklist and a Travel Card for parents who are planning trips for their unaccompanied children or teenagers. The Travel Card, with pertinent information on the young traveler, remains with the child throughout the trip.

Items on the checklist suggest making reservations on non-stop flights, checking the child's ticket to be certain the flight information is correct and advising the reservation agent that the child will be traveling unaccompanied. It also lists procedures parents should familiarize their young travelers with on every aspect of the trip. In addition, there is a section devoted to teenage travelers.

"It is important that the proper preliminary steps be taken to prepare the child for potential problems. If a problem should occur, such as a missed flight connection, the parent, child and the airline will be better prepared to work it out," the Secretary said.

Secretary Dole said the 10, 20 and 30 second PSAs will be made available to 950 TV stations via satellite, and 400 copies will be mailed to TV stations in the Top 100 TV markets.

The "Kids and Teens in Flight" brochure, provided free of charge as a public service by the Department of Transportation and the National Child Safety Council, may be obtained from travel agencies, the Airport Operators Council International, the Port Authority of New York and New Jersey, the Phoenix, Tucson and Pittsburgh Airports, as well as these participating airlines: American West, Braniff, Continental, Delta, Eastern, International Airlift, Northwest, Midway, Pan American, Piedmont, Republic, Southwest, Trans World, United and Western. The Department expects that more of the industry will join in this effort over the next few months.

Single copies of the brochure may also be obtained from the Department of Transportation by writing to Consumer Affairs (I-20), 400 Seventh Street, S.W., Washington, D.C. 20590, or by calling (202) 366-1524.

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U.S. Department of
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News:

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Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

EMBARGOED FOR RELEASE 5:30 P.M.
Tuesday, August 5, 1986

DOT 73-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

MANILA AIRPORT LACKS EFFECTIVE SECURITY MEASURES, DOLE FINDS

Secretary of Transportation Elizabeth Hanford Dole announced today she has determined that Manila International Airport does not maintain effective security measures.

In a notice to be published in the Federal Register, the Secretary said a Federal Aviation Administration assessment of the airport in the Philippines found that security measures do not meet the standards established by the International Civil Aviation Organization (ICAO).

Accordingly, she directed that notice of her determination be "displayed prominently" in all U.S. airports regularly being served by scheduled air carrier operations and that the news media be notified. All U.S. and foreign carriers operating between this country and Manila are required to provide written notice of Dole's determination to passengers purchasing U.S.-Manila tickets.

Under the International Security and Development Cooperation Act of 1985, DOT assesses security at foreign airports. If the Secretary determines that security at a given airport is not effective, DOT is required to notify the foreign government of the findings and recommend corrective measures, after advising the Secretary of State. If deficiencies are not remedied within 90 days, DOT is required by law to publish the name of the airport and to inform the public of the determination.

Today's action represents the first time DOT has made a finding involving a foreign airport under the 1985 statute.

On May 8, 1986, Dole notified the government of the Philippines that Manila Airport did not maintain effective security measures and recommended that certain steps be taken to remedy the problem. In late July, an FAA team revisited the airport to assess its security measures again. It found that while the measures were much improved, there were several requirements, such as control of access to secure areas, in which they did not meet ICAO standards.

(more)

In a letter today to the Philippine government, Dole said that by its prompt response to many of the recommendations, "your government has demonstrated its concern about airport security." However, she expressed her desire to continue to work with the Philippine government to further improve security at its airport.

The FAA has been requiring U.S. carriers operating from Manila to the U.S. to implement enhanced security measures with regard to cargo-handling, passenger screening, aircraft security, and hand-carried and checked baggage. The FAA will continue to monitor the effectiveness of these procedures and make modifications as needed.

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FOR RELEASE WEDNESDAY
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DOT 74-86
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Bob Beasley
Tel.: (202) 366-5571

JOHN MELCHNER TO BE NOMINATED AS DOT INSPECTOR GENERAL

President Reagan has nominated John W. Melchner to be the U.S. Department of Transportation's Inspector General. The nomination is subject to Senate confirmation.

"John Melchner will bring a wealth of experience in the financial management and contracting field to this important position," Transportation Secretary Elizabeth Hanford Dole said. "His leadership and management experience at the Department of Defense will be a strong addition to our Inspector General Office," the Secretary said.

Currently the Assistant Inspector General for Auditing at the Department of Defense (DOD), Melchner's career began while serving four years in the military where he was attached to the Air Force Audit Agency. Following separation from the military in 1965, he accepted an auditor's position with Wright Patterson AFB, Ohio. He served in increasingly responsible audit positions there and at Andrews AFB, Maryland, specializing in management audits of the weapon system acquisition process. In 1981, he served as Deputy Assistant to the Secretary of Defense for audits, the office later becoming the DOD Inspector General's Office.

Melchner holds a Bachelor of Business Administration (Accounting) from Manhattan College, New York, and a Masters of Business Administration (Financial Management) from the University of Dayton, Ohio.

He is a member of the American Society of Military Comptrollers, the Association of Government Accountants, and the National Contract Management Association. He is a Certified Internal Auditor and a Certified Professional Contracts Manager.

President Reagan presented the Paul R. Boucher Annual Public Service Award to Melchner in 1985 for exceptional performance in fighting fraud and waste in Federal Government. He also received the Secretary of Defense Meritorious Civilian Service Medal in 1981 and the Distinguished Federal Executive Award in 1982.

He and his wife Carol reside in Annapolis, Maryland.

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U.S. Department of
Transportation

M-493

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE FRIDAY
August 8, 1986

DOT 75-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Fred Farrar
Tel.: (202) 267-3441

COMMUNICATIONS LINE TO LINK U.S., SOVIET, AND JAPANESE AIR CONTROLLERS

Secretary of Transportation Elizabeth Hanford Dole today announced that a new voice communications link between the U.S., Japan and U.S.S.R. will become operational August 15 to enhance the safety of flights on North Pacific routes.

Dole said, "The new communications system will permit air traffic controllers in Anchorage, Tokyo and Khabarovsk in southeastern Siberia to exchange information on North Pacific flights. If such flights have an in-flight emergency and need to land in the Soviet Union or if they have strayed from their assigned route and penetrated Soviet airspace, this system will be available around-the-clock on a priority basis."

"Using this system, Federal Aviation Administration (FAA) controllers in Anchorage or Japanese controllers in Tokyo will be able to contact Soviet controllers at Khabarovsk when they are aware or suspect that an aircraft may have departed from course," she said. "Likewise, controllers at Khabarovsk will initiate contact if they detect an unidentified aircraft in their control area."

FAA Administrator Donald D. Engen pointed out that all communications will be in English, which is the international language of air traffic control.

"FAA and Japanese controllers, for example, would provide the Soviets with such data as the nationality and operator of the aircraft, its radio call sign, and its last reported location, altitude and speed," he said. "They also would spell out the nature of any emergency, what actions have been taken and what assistance is required."

The Soviet controllers would provide similar information to the extent it is available to them, Engen added.

The new communications link consists of a dedicated voice circuit between the Tokyo and Khabarovsk air traffic control centers, using the existing telephone cable between Japan and the Asian mainland. American controllers at Anchorage will communicate with Khabarovsk by patching through the Tokyo center.

Establishment of the communications link is the result of negotiations among the three nations last year. A Memorandum of Understanding was signed in Tokyo on July 29, 1985, and was followed by an implementing agreement, which was signed in Washington, D.C., on November 19, 1985.

In recent months, FAA has taken a number of steps to improve surveillance of North Pacific flights in the airspace controlled by the Anchorage air route traffic control center. These measures include the establishment of a new secondary radar station on the island of St. Paul in the Bering Sea and the use of a military approach-control radar on the island of Shemya in the Aleutian chain.

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U.S. Department
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**Federal Aviation
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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE FRIDAY
August 8, 1986

DOT 76-86
Contact: Jennifer Hillings
Tel: (202) 366-4570
Contact: Wendy DeMocker
Tel: (202) 366-0881

RULE REFLECTS CHANGES IN RAILROAD TECHNOLOGY

Under a revised rule announced by Secretary of Transportation Elizabeth Hanford Dole, railroads will have a more efficient and less costly way of ensuring safe functioning of the train's rear end marker.

"This new rule recognizes advancements in railroad technology," Dole said. "It provides a safer operating environment by permitting the engineer to monitor the condition of the rear end marker at all times."

Rear end markers are red or amber lights attached to the last car of trains. Any train operating in low visibility or darkness are required to be equipped with a rear end marker to warn other trains of its presence. These markers must be visually inspected at each crew change point during the required periods of illumination, primarily dusk to dawn.

The new rule, issued by the Federal Railroad Administration, will allow those railroads using recently developed telemetry devices the option of electronically checking the condition of the train's rear end marker as an alternative to visual inspections. This information is transmitted by means of radio telemetry to a receiver located in the locomotive cab. This marks a dramatic break with traditional railroad operating practices and completes the process of bringing state-of-the-art technology to end-of-the-train safety operations.

For those railroads that will continue to manually check the condition of rear end markers, the revised rule permits railroad workers other than crew members to visually inspect the marker. The rule prior to this revision required a member of the oncoming crew to visually inspect the rear end marker, which could result in costly delays if the crew member then proceeded to the front of the train for departure.

The new rule will go into effect August 9, 1986.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
August 13, 1986

DOT 77-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Dennis E. Deuschl
Tel.: (202) 366-0110

SECRETARY DOLE NAMES SEAWAY STRATEGIC PLANNING GROUP

Secretary of Transportation Elizabeth Hanford Dole today announced she has invited a cross-section of Great Lakes public and private sector leaders to participate in a Seaway Strategic Planning Group. The purpose of the group is to make specific recommendations on development of a Seaway strategic plan to address marketing, incentive tolls, long-range infrastructure and financial planning within the context of the Seaway Corporation's status as a self-financing government corporation.

Secretary Dole, in a letter to participants said, "The Saint Lawrence Seaway has proven and continues to be an integral part of the national transportation system. It is now appropriate, however, to look to the future role of the Seaway in this system. For this reason, I have established an Advisory Group on Strategic Planning for the Seaway."

Seaway Administrator James L. Emery said the impetus for the group came from Seaway users including port directors, labor leaders and government officials who have requested the development of a strategic plan. The Canadian Parliament has established a special committee to examine the Seaway's future.

The first meeting of the group will be held in September in Washington, D.C. The group is expected to submit its recommendations by November 1, 1986. Emery then intends to take the recommendations up with the Seaway Authority of Canada to develop a joint United States-Canadian strategic plan.

The group will be co-chaired by Senator Mark Andrews of North Dakota, chairman of the Senate Appropriations Subcommittee on Transportation; Congressman Carl Pursell of Michigan, member of the House Appropriations Subcommittee on Transportation; and Congressman Henry Nowak of New York, member of the House Committee on Public Works.

- more -

Members of the group include:

James Thompson, Governor, State of Illinois
Steve Reimers, Chairman, Seaway Corporation Advisory Board
Thomas Burke, Executive Director, Cleveland-Cuyahoga Port Authority
Jacques LesStrang, Chairman & Publisher, Seaway Review
Donna Wise, President, Center for the Great Lakes
David Oberlin, President, Fednav Lakes Services, Inc.
Pat Sullivan, Legislative Director, International Longshoremen's Association
Roger Truckor, Director of Transportation, The Andersons
Donna Owens, Mayor of Toledo, Ohio
Karl Quast, Chairman, Quast and Company, Inc.
Raf Hirtz, Great Lakes Manager, Louis Dreyfus Corporation
William Dempsey, President, Association of American Railroads
Constance Holmes, Executive Director, Coal Exporters Association
Lana Batts, Vice President, American Trucking Association, Inc.
Don Becker, Publisher & President, Journal of Commerce
Frank Augsbury, President, Adirondack North Country Association

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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Wednesday, August 13, 1986

DOT 78-86
Contact:
Jennifer Hillings
Tel.: (202) 366-4570
Wendy DeMocker
Tel.: (202) 366-0881

GENERAL CONTRACTOR CHOSEN FOR WASHINGTON'S UNION STATION

Secretary of Transportation Elizabeth Hanford Dole announced at a ground breaking ceremony today that The Dick Corporation of Pittsburgh, PA., had been named as general contractor for Washington, D.C.'s Union Station.

"In two years, the shell we see today will be transformed into an attractive, exciting commercial and transportation complex--a mecca for shoppers, tourists and travelers alike," Secretary Dole said. "The future of Union Station is bright. The Union Station we together are creating could see as many as 20 million visitors a year."

The official ground breaking ceremony marking the beginning of station reconstruction was highlighted by the ringing of a diesel locomotive bell by Secretary Dole, Washington, D.C. Mayor Marion Barry, and Amtrak Executive Vice President Marketing and Business Development William Norman. The bell, donated by Amtrak President W. Graham Claytor, will be on permanent display in the new train station.

The Dick Corporation was chosen by Union Station Redevelopment Corporation's Board of Directors after a competition among bidders deemed capable of performing this sensitive and complex historical project well and on time. The family-owned Dick Corporation has been involved in other historical renovations such as the Pennsylvania Capitol in Harrisburg and Pittsburgh's William Penn Hotel and Union Trust Building.

The \$49 million contract will run through February, 1988.

As general contractor, The Dick Corporation will rehabilitate and renovate the station to bring it to modern building code standards. This will include cleaning the interior and exterior, installing a modern electrical system, a new heating and air conditioning system, a fire protection system, and access for the handicapped. Interior modifications by the general contractor will include construction of a mezzanine level and improved access to the basement or Metrorail level of the building, allowing for expanded retail space within the station. The Dick Corporation will restore all of the important historical finishes within the building.

-more-

When the general construction is completed, the building's interior will be ready for the development phase of the project to begin. The development phase will include restaurants, retail stores, a cinema complex and office space.

Union Station was opened in 1907 consolidating all of Washington's rail passenger service into one facility. The station had its heyday during World War II when as many as 175,000 passengers a day passed through the station. As passenger train travel declined so did the importance of Union Station. In 1964, the station was designated as an historical landmark to be preserved. In 1976, the station was converted to the National Visitor Center. The Visitor Center was closed in 1981 as a result of extensive damage caused by a leaky roof. The Union Station Redevelopment Act of 1981 provided for the transfer of the station to the Secretary of Transportation as well as preservation of the building, restoration of its use as a passenger rail station, and private commercial development of its interior space.

In 1984, Dole announced the selection of Union Station Venture (USV) as developer of the commercial and retail aspects of the station renovation. Once The Dick Corporation has completed its reconstruction work, USV will select a contractor to construct the station's interior retail areas and office space.

As part of the contract, The Dick Corporation will also build a new train station including a ticketing area, waiting rooms and baggage facilities at the rear of the historic facility.

The entire project is expected to be completed by late 1988.

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U.S. Department
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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

182.50

FOR RELEASE FRIDAY
August 22, 1986

DOT 79-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOT SEEKS COMMENT ON AIRLINE PRACTICES AFFECTING BLIND PASSENGERS

The Department of Transportation today issued a notice requesting information on airline practices affecting the travel of blind passengers.

Objections have been raised in connection with seating restrictions, special conditions for leaving the aircraft, special boarding requirements, and requirements that blind persons be accompanied by an attendant. Airlines believe that some special conditions for blind and other disabled passengers are needed for safety and other reasons.

DOT needs information on the extent of these practices and the reasons for them, to help it determine whether regulatory action is needed.

Such practices vary widely among airlines, making travel planning difficult, blind and other disabled passengers have alleged. Moreover, blind persons say air carriers do not ensure that their personnel follow stated procedures, resulting in inconsistent treatment by the same carrier.

Under an existing rule that prohibits discrimination on the basis of handicap by all airlines, DOT can take enforcement action in specific cases. DOT is seeking public comment to help determine the extent of these problems and whether additional regulatory action should be taken in this area.

Comments should be addressed to Docket Clerk, Docket 56e, Department of Transportation, Room 4107, 400 7th St. S.W., Washington, D.C. 20590. The comment period will end Nov. 20, 1986.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

182.51

FOR IMMEDIATE RELEASE
Tuesday, August 26, 1986

DOT 82-86
Contact: Ownie McBride
Tel.: (202) 366-4531
Bob Marx
Tel.: (202) 366-5580

DOT DISAPPROVES TEXAS AIR - EASTERN ACQUISITION

The Department of Transportation (DOT) today disapproved the acquisition of Eastern Airlines by Texas Air Corporation.

DOT found that the acquisition would eliminate effective competition in the LaGuardia to Washington and LaGuardia to Boston "shuttle markets" because the acquisition would bring under common control the only carriers now serving those markets, Eastern and Texas Air's subsidiary, New York Air.

Although Texas Air has agreed to sell slots at Washington National Airport and New York's LaGuardia Airport to Pan American Airlines for use in operating flights in the shuttle markets, DOT found that Pan American would not have the slots and facilities necessary for effective competition in those markets. Effective competition requires hourly service, especially at peak hours, and Pan American would not have enough slots at LaGuardia to operate hourly service.

In its final order, DOT found that Texas Air and Pan American had admitted that Pan American's shuttle service would have gaps, including some at peak hours, and that these parties had failed to show how Pan American could operate a competitive service without the ability to operate hourly flights. Since Pan American would operate from LaGuardia's Marine Terminal, separate from the airport's main terminal area, Pan American had stated that its ability to provide hourly service was "particularly critical."

DOT concluded that Pan American's inability to provide an hourly service meant that the acquisition would substantially reduce competition in the shuttle markets. Under applicable law, the Department cannot approve an acquisition that would be likely to reduce substantially competition in any market.

Texas Air and Eastern may file a new application for approval of the acquisition. If the applicants have cured the competitive problems, the Department would consider expeditiously reviewing a new application with a focus on the proposed competitive remedy issue.

- more -

The Department made its decision after issuing a show cause order in July that stated DOT's tentative decision that the acquisition should be approved if Pan American could show that it had the slots and other facilities necessary for operating a competitive service in the shuttle markets. The Department stated then its concern that Pan American appeared to have too few slots at LaGuardia to be able to operate the type of frequent service required by the market.

Pan American had asked the Federal Aviation Administration (FAA) to give it slots at LaGuardia now used for general aviation. DOT's decision pointed out that the Department's ruling on the acquisition did not indicate that the FAA should grant Pan American's request, which DOT said would be considered on the basis of the FAA's usual slot allocation policies.

The Department found that the acquisition as proposed otherwise appeared to satisfy the statutory standards for approval.

The Department also found that the acquisition should not be disapproved on labor grounds and that labor protective provisions (LPPs) should not be imposed if the acquisition were approved. DOT emphasized that the imposition of LPPs represents a government intrusion into an area -- the determination of employee benefits -- that should ordinarily be decided by the private parties.

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News:

Office of the Assistant Secretary for Public Affairs
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182.52

FOR RELEASE WEDNESDAY
August 27, 1986

DOT 81-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

NO EVIDENCE THAT AIRLINE CODE SHARING REDUCES COMPETITION, STUDY FINDS

There is no evidence that regional airlines which share identifying codes with larger airlines have a competitive advantage over independent regional carriers, a Department of Transportation study found.

Code sharing agreements generally allow flights by a regional or commuter airline to be identified by the two-letter code of a large jet airline, with which it has a marketing agreement. For example, Wings West Airlines flights out of Los Angeles are listed under the code "AA," the official designator code of American Airlines. Most code sharing agreements link a regional airline and a major or national air carrier which operates large jets.

Marketing agreements between air carriers often include coordinated flight schedules at hubs where the two carriers' routes connect, favorable "through" fares for passengers using both carriers' flights, and location of ticket counters and boarding gates in close proximity.

Code sharing became controversial because it obscured the identity of the carrier actually operating a flight. The codes are used in the Official Airline Guide (OAG), in computer reservation systems (CRS), and on tickets to identify the carrier providing the service.

In a notice to be published in the Federal Register, DOT is requesting public comment on the study that will be used in making a decision on whether it should take further steps in connection with code sharing.

In September, 1985, DOT addressed the carrier identity problem when it adopted a rule stating it is an unfair and deceptive trade practice for two or more airlines to share the

(more)

same code without notifying passengers about the arrangement and of the name of the carrier actually providing the service.

At that time, the Department said it had not ruled out the possibility that code sharing is injurious to competition and might call for additional actions. DOT determined, and some members of Congress and some air carriers requested, that a study should be conducted to examine the potential effects of code sharing on competition in the regional airline industry.

The study, which was conducted by DOT's Transportation Systems Center in Cambridge, Mass., found that passenger traffic figures for a small sample of markets where code-sharing and independent regional carriers compete directly show no clear effect of code sharing on traffic volume or market share. Regional airlines that recently entered code sharing agreements have not experienced significantly faster growth rates in passenger traffic than independents. Nevertheless, many regional carriers fear they will lose passenger traffic or market share unless they align themselves with a major carrier.

Most large jet and regional airlines now participate in code sharing agreements. At the time the study was completed, some 52 such agreements were in effect or were scheduled to take effect. These agreements involved 16 large jet carriers and 46 regional airlines serving 39 airports.

Since deregulation, most major airlines have worked to develop more clearly defined "hub and spoke" route networks. Code-sharing alliances spread rapidly in 1984-85. Today at least 17 of the 20 largest regional airlines operate some or all of their flights--often including those in their busiest city-pair markets--under code sharing agreements.

The study examined whether code sharing provides benefits to travelers. Apart from those benefits already provided by other elements of joint marketing programs (coordination of schedules, reduced through fares, boarding gates in close proximity), the study found that any further benefits are "difficult to assess and essentially impossible to quantify."

Copies of the report may be obtained from Laurence Phillips, Industry Economics and Finance Division (P-37), Office of Economics, U.S. Department of Transportation, 400 Seventh Street, S.W., Washington, D.C. 20590.

Comments from interested parties on the report, "A Study of the Regional Airline Industry: The Impact of Marketing Alliances," should be sent to the Docket Section, Documentary Services Division, C-55, Department of Transportation, 400 7th St. S.W., Washington, D.C. 20590.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

182.54

FOR RELEASE TUESDAY
September 2, 1986

DOT 83-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

MANILA AIRPORT NOW HAS EFFECTIVE SECURITY SYSTEM, DOLE SAYS

Secretary of Transportation Elizabeth Hanford Dole announced today she has determined that Manila International Airport maintains and administers effective security measures.

In a notice to be published in the Federal Register, she said her determination was based on a recent assessment by the Federal Aviation Administration, which found that security measures at Manila "now meet or exceed" international standards. An FAA team visited the airport August 25-26.

On August 5, the Secretary announced she had determined that Manila airport did not maintain effective security measures. She made the determination under the International Security and Development Cooperation Act of 1985.

As a result of today's determination, she said U.S. and foreign air carriers would no longer be required to inform passengers buying tickets of her Aug. 5 determination. In addition, the FAA will direct that signs posted in U.S. airports relating to her earlier determination be removed.

In a letter to the Philippine government, she said that since her Aug. 5 finding was announced, Manila airport authorities "have made impressive gains in improving further those security measures, and I am now pleased to report that I am able to reverse that determination."

Because of the improvement, Dole said, "I shall notify the American public that I now believe that effective security measures are used at Manila Airport."

Under the 1985 legislation, DOT assesses security at selected foreign airports. If the Secretary determines that security at an airport is not effective, DOT is required to notify the foreign government and recommend corrective measures, after advising the Secretary of State. If deficiencies are not remedied within 90 days, DOT is required by law to publish the name of the airport and to inform the public.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

182.57

FOR RELEASE WEDNESDAY
September 17, 1986

DOT 86-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Elaine Matrigali
Tel.: (202) 366-5571

DOLE OUTLINES RECOMMENDATIONS TO IMPROVE TRUCK SAFETY

Secretary of Transportation Elizabeth Hanford Dole today released a report recommending steps that will strengthen the Federal Highway Administration's Motor Carrier Safety Program.

"The recommendations in this report, prepared by the Department's Safety Review Task Force, will significantly improve the safety of the trucking industry," the Secretary said. "For the first time, we will have a systematic framework in place that will enable us to evaluate the safety of all motor carriers and to pursue unsafe carriers with aggressive enforcement action."

During the course of its review, the Task Force identified deficiencies in the Federal Highway Administration's (FHWA's) Bureau of Motor Carrier Safety's (BMCS's) program and reported its preliminary findings and recommendations to the Secretary, who directed that they be implemented immediately. To achieve this end, the Department's Fiscal Year 1987 budget requested \$50 million, an increase of nearly 200 percent, to fund the Motor Carrier Safety Assistance Program (MCSAP), and to increase the FHWA's staff of 150 safety inspectors to 300.

The Safety Review Task Force was created by Secretary Dole to examine the Department's safety programs in all of its operating administrations. This report contains the Task Force's specific recommendations to improve: (1) the Motor Carrier Safety Enforcement Program, (2) the Motor Carrier Safety Assistance Program (MCSAP), and (3) the Department's Motor Carrier Information Systems and Data Bases.

After reviewing the report, Federal Highway Administrator Ray A. Barnhart said, "The Task's Force's recommendations will definitely improve motor carrier safety. Some of the recommendations have already been put in place, and I have directed my staff to implement the remaining recommendations as quickly as possible."

The key Task Force recommendation is a completely restructured national enforcement effort -- "a new way of doing business" -- that will focus federal resources on identifying high risk and problem carriers and targeting them for strong enforcement action. This effort will include a safety fitness determination of all interstate motor carriers to collect safety performance data and assign safety ratings to the 185,000 unrated interstate motor carriers; on-site compliance reviews to assess carrier

operating and maintenance practices, and close monitoring and technical assistance to improve carrier safety and ensure compliance with safety regulations. A high priority of the program will be to pursue aggressively enforcement actions against motor carriers that continue unsafe practices.

The motor carrier industry consists of approximately 470,000 firms and carriers engaged in interstate and intrastate operations generating annual revenues of \$200 billion, logging more than 138 billion miles annually, and hauling 77 percent of the dollar value of all freight carried in this country.

Some of the Task Force recommendations include:

-- BMCS redirect its resources toward identifying high risk and problem carriers, targeting them for strong enforcement actions, closely monitoring their safety performance, and providing technical assistance to bring them into compliance.

-- Add an additional 150 safety specialists to the field staff of enforcement personnel to closely monitor the safety performance of all interstate motor carriers. Forty-eight of these specialists have completed their training and are already in place in the FHWA's regional offices while 23 more are presently in training at the Transportation Safety Institute in Oklahoma City.

-- Develop the MCSAP as the framework for federal and state motor carrier safety programs encouraging them to work cooperatively in effectively enforcing uniform safety regulations nationwide.

-- Increase the MCSAP funding to provide sufficient resources to the states to increase dramatically the number of roadside inspections of vehicles by state officials. The states can more efficiently perform all roadside inspection of vehicles leaving BMCS free to concentrate its efforts on compliance reviews and enforcement actions against high risk and problem carriers.

-- Combine all of the information collected from the states through MCSAP with BMCS's current data files into a fully integrated data management system.

Successful implementation of all aspects of the new, refocused motor carrier safety effort will not be a simple process and cannot be accomplished overnight, the report noted. But it said, for the first time, the program has guidelines which will help resolve safety problems of the motor carrier industry.

The Safety Review Task Force also has completed in-depth reviews of the Federal Aviation Administration, the Federal Railroad Administration and the Research and Special Programs Administration.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
September 18, 1986

DOT 88-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOT TENTATIVELY APPROVES
TEXAS AIR-EASTERN ACQUISITION

The Department of Transportation today issued a show cause order tentatively approving Texas Air Corporation's proposed acquisition of Eastern Air Lines.

DOT said a new agreement between Pan American Corp., Texas Air and Eastern "appears to cure the acquisition's only competitive problem by enabling Pan Am to operate effective competition" in the New York/LaGuardia to Washington National Airport and LaGuardia to Boston shuttle markets. On Aug. 26, DOT rejected the proposed Texas Air-Eastern merger saying Pan American's inability to provide hourly service meant the acquisition would substantially reduce competition in the Northeast shuttle markets.

The Department invited any interested persons to file objections within seven days as to why it should not make the decision final.

A new application states that Texas Air and Eastern made a second agreement with Pan Am Sept. 12, 1986, under which Pan Am would acquire 12 additional slots at LaGuardia and two added slots at Washington National. The added slots will enable Pan Am to operate 15 daily round trips in both the LaGuardia to Washington National and the LaGuardia to Boston markets, the application said. Previously, Texas Air had agreed to sell other slots at Washington National and LaGuardia to Pan Am.

DOT said, "The agreement meets our requirements that Pan Am be able to operate hourly service throughout the day, especially at peak periods."

Pan Am and the Port Authority of New York and New Jersey have advised that Pan Am's facilities at LaGuardia's Marine Terminal will be ready for use October 1, the application says. Texas Air and Eastern have asked that the merger be approved by October 1.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, September 19, 1986

DOT 89-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Alan Pollock
Tel.: (202) 366-5580

DOT APPROVES TWO NEW US-JAPAN AIR SERVICE GATEWAYS: DELTA FOR PORTLAND-TOKYO AND AMERICAN FOR DALLAS/FORT WORTH-TOKYO SERVICE

The Department of Transportation (DOT) today announced that it has selected Portland, Ore., and Dallas/Fort Worth as new gateways for air service to Japan. Delta Air Lines was chosen to serve Tokyo from Portland and American Airlines was selected to operate from Dallas/Fort Worth (DFW).

In an opinion issued by Vance Fort, Deputy Assistant Secretary for Policy and International Affairs, DOT upheld most of Administrative Law Judge John M. Vittone's June 10, 1986, recommended decision. DOT's decision was sent to the White House on September 16. President Reagan has 60 days to review the decision for foreign policy or national defense considerations.

The United States' opportunity to choose new gateways to Japan stems from a 1985 Memorandum of Understanding (MOU) with Japan. The MOU allows the U.S. to select three new routes to Japan and specifies frequencies that may be operated on the routes. The Department had previously decided to reserve two of the three routes for passenger/cargo service and the other route for small package service, which is being handled separately.

Seven U.S. carriers applied to the Department for authority to operate passenger/cargo service between Japan and various points in the United States. Since the MOU provided fewer new route opportunities than requested by the applicants, it was necessary for the Department to choose among the competing applications. DOT instituted the U.S.-Japan Gateways Case for this purpose.

In selecting Delta, DOT said that Delta presented the most sensible and viable plan for Portland and that its choice will introduce a third carrier into the Japan-Pacific Northwest market, which provides the least circuitous gateway to Japan for most of the country. Delta's proposal would provide a unique combination of benefits to Portland and a wide array of behind-gateway points. Although it is already a U.S. gateway to Japan, Portland has only the most basic service at present, therefore its potential to generate traffic is largely underdeveloped. In addition, the Department stated that Delta's proposal to include its major Atlanta hub in an Atlanta-Portland-Tokyo routing minimizes the circuitry of Japan service and brings Atlanta, and the economically expanding Southeast region, direct U.S.-flag service for the first time.

The Department said American was the clear choice at Dallas/Fort Worth with its strong identity there combined with its ability to feed traffic through its substantial hub operation. DOT noted that this choice "affords us a singular opportunity to bring nonstop Tokyo service to a region of the country that had, until now, to rely exclusively on one-stop and connecting services."

According to DOT, the selection of Delta at Portland, together with the award to American at DFW, makes the most effective use of the route authority acquired from the MOU. "In establishing meaningful service at Portland," the Department said, "we have ensured that two major underserved cities in different parts of the country, Dallas and Atlanta, will have convenient access to the U.S.-Japan market."

Delta and American will each be limited to five weekly nonstop flights in each direction until April 1, 1987.

United and American were selected as back-up carriers. American at Los Angeles International Airport will serve as back-up for Delta at Portland, and United Air Lines at Washington Dulles International Airport will serve as back-up for American at DFW. This 18-month back-up authority is activated if any of the primary carriers default in their service to Japan.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
September 25, 1986

DOT 90-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Wilbur Martin
Tel.: (202) 366-5571

SAFETY TASK FORCE CHAIRMAN AWARDED DOT'S GOLD MEDAL FOR OUTSTANDING ACHIEVEMENT

Secretary of Transportation Elizabeth Hanford Dole has awarded the Gold Medal, the Department's highest honor for a civilian employee, to Carolina L. Mederos of Washington, D.C., in recognition of her leadership as Chairman of the Department's Safety Review Task Force.

"The recommendations of the Task Force, under Carolina's leadership, have improved the margin of safety in virtually every mode of transportation," Secretary Dole said in making the presentation for outstanding achievement at the Department's annual awards ceremony.

"The Task Force has been operating under her direction for little more than a year," the Secretary said, "and already there has been significant change in the aviation, railroad and other transportation modes. For example, as a direct result of the Task Force's recommendations and a 'white glove' inspection of the Airlines, the Federal Aviation Administration developed a nationwide, comprehensive surveillance plan for its inspectors, requiring a minimum number of annual inspections of all aspects of airline and aircraft operations. In addition, the FAA is conducting detailed, in-depth inspections of every major carrier on a regular basis."

The Secretary noted the Task Force's report on the Federal Railroad Administration made several strong recommendations for improvement in enforcement and the nationwide distribution of the inspection work force, which should result in further improvements in safety. In hazardous materials, she said, the Task Force made recommendations for improvements which will boost the efficiency of the DOT enforcement effort by simplifying the rules, setting uniform procedures, and targeting inspection resources.

The Secretary said she had also asked Mederos to conduct a comprehensive review of domestic aviation security policies. Some of the recommendations have already been announced by Secretary Dole.

Mederos's position is Director of the Secretary's Office of Programs and Evaluation. As such, she provides program and budget oversight for the Department's nine operating administrations.

Secretary Dole established the Safety Review Task Force in December, 1983, to study DOT's operating administrations and make recommendations to further strengthen transportation safety. Mederos became Chairman in April, 1985.

Mederos grew up in Winter Park, Fla., and holds a Bachelor of Arts Degree in Philosophy from Vanderbilt University and a Master's Degree in Public Policy from the University of Chicago.

She joined DOT in 1976 as a Program Analyst, after five years in state government and the private sector, and advanced to the Senior Executive level in less than five years, being named to her present position in 1981.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
October 1, 1986

DOT 92-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Jackelyn Viera
Tel.: (202) 366-0398

SECRETARY DOLE RECOGNIZES VALOR AND HEROISM WITH AWARDS

Secretary of Transportation Elizabeth Hanford Dole recently recognized six Department of Transportation civilian employees and six United States Coast Guard personnel for their acts of valor and heroism at the DOT Annual Awards Ceremony.

"In honoring these men and women, we express our gratitude to those rare individuals who risk their own safety to preserve the well-being of others," Secretary Dole said. "Such examples of selflessness spell the difference -- the vital difference -- between lip service and life service."

To be eligible for these awards, a civilian employee must have demonstrated heroism or courage in an emergency on or off duty. The military awards are given for extraordinary heroism and distinguished service.

The award winners are:

Secretary's Award for Valor:

Ralph Burt, FAA, Traffic Control Specialist, Saginaw, Mich., for rescuing six people from the wreckage of a two-car collision that occurred in front of his home on a snowy January day.

Teena Clayton, FAA, Air Traffic Control Specialist, Fort Worth, Texas, for rescuing a motorist from a burning vehicle on I-20 between Dallas and Fort Worth.

Julius J. Jodele, FAA, Aerospace Engineer, Hawthorne, Calif., for rescuing an unconscious mountain climber buried in the snow on Mt. Gilbert near Bishop, Calif.

Sean E. King, FAA, Firefighter, Metropolitan Washington Airports, Wash., D.C., for rescuing an 11-year old boy from a lake's icy waters.

William C. Leak, FAA, Air Traffic Controller, Covington, Ky., for rescuing a handicapped co-worker from a tornado devastated control tower.

Peter H. Salmon, FAA, Assistant Manager, Air Traffic Operation, Des Plains, Iowa, for saving the life of a boy drowning in Lake Michigan.

Meritorious Service Medal:

Kenneth C. Parker, Electronics Technician, Third Class, USCG, for rescuing a woman whose car had skidded on an icy road plunging it into Rock Creek in Washington, D.C.

Air Medal:

Ralph M. Smoot, Health Services Technician, Second Class, USCG, for heroic action while evacuating an injured tug boat crew member. He hung on to the patient and litter as a wave crashed over the ship's deck engulfing both, thus averting a disaster.

Ginger M. Barnes, Aviation Electrician's Mate, Second Class, USCG, for helping in the rescue of a critically injured man who had fallen down a cliff near Ettersburg, Calif. This is the second Air Medal she has received this year.

Coast Guard Medal:

Michael J. Scanlon, Chief Warrant Officer, USCG, for giving his floatation device to three frightened Haitian refugees who were struggling to stay afloat in six-foot seas, after their boat capsized.

Distinguished Flying Cross:

Thomas D. Walters, Lieutenant Commander, USCG, for extraordinary achievement during the perilous rescue of four men from a fishing vessel which had struck submerged rocks in Portage Bay, Alaska.

Douglas E. Martin, Lieutenant, USCG, for extraordinary achievement during a 10-hour period when he responded to five search and rescue missions. This resulted in the rescue of 40 victims during the aftermath of Hurricane Juan on the Louisiana coastline.

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U.S. Department of
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M-493

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE FRIDAY
October 10, 1986

DOT 94-86
Contact: Hal Paris
Tel. No. (202)366-9550
Contact: Jennifer Hillings
Tel. No. (202)366-4570

DOLE HAILS LA POLICE PROCEDURE TO DETECT DRUGGED DRIVERS

Secretary of Transportation Elizabeth Hanford Dole today hailed a potential breakthrough in the detection and prosecution of drug-impaired drivers.

In a drug detection program developed by the Los Angeles Police Department (L.A.P.D.) within the last year, officers who have been specially trained in drug recognition examined and rated suspects brought to the police station. The program has been credited with the successful prosecution of California drivers charged with driving under the influence of drugs.

"The Los Angeles Police Department's program is an important first step in overcoming the obstacles that have hindered the ability of the police to detect, arrest and obtain convictions for drugged drivers," Dole said.

Dole added that trained police officers are able to identify many drivers who have taken moderate to large doses of drugs, as well as identify the drug involved with an extremely high degree of accuracy.

DOT's National Highway Traffic Safety Administration (NHTSA) and the National Institute on Drug Abuse (NIDA) jointly sponsored a laboratory evaluation of the L.A.P.D.'s drug detection procedures. During the study, conducted at Johns Hopkins University, specific drugs or placebos were administered in varying dosages to volunteers who were then rated independently by each of four L.A.P.D. drug recognition experts.

The results showed that the L.A.P.D. officers were over 98 percent accurate when they identified a subject as having taken a drug. In 92 percent of these cases, the officers correctly identified the class of drug administered.

A followup field evaluation confirmed the laboratory findings and showed the effectiveness of L.A.P.D. procedures in accurately recognizing drug use by drivers.

Police across the country widely use breath-testing devices to confirm that a driver is under the influence of alcohol, but no such device currently exists for detecting the use of other drugs.

In the L.A.P.D. drug detection procedure, a number of components are involved, including an interview concerning the suspect's medical and drug use history; an evaluation of the suspect's alertness and responsiveness; a measurement of certain physiological symptoms, including pulse rate, blood pressure, oral temperature, pupil size and skin signs of substance abuse; and a battery of behavioral tests similar to those used by police to test for alcohol impairment.

Summary reports of both laboratory and field evaluations are available in the form of research notes. Requests for the research notes should be addressed to the Office of Driver and Pedestrian Research, NRD-42, NHTSA, Washington, D.C. 20590. A self-addressed mailing label should accompany the request.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE TUESDAY
October 14, 1986

DOT 95-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOT TENTATIVELY APPROVES TEXAS AIR-PEOPLE EXPRESS ACQUISITION

The Department of Transportation today issued a show cause order tentatively approving Texas Air Corp.'s proposed acquisition of People Express and most of the remaining assets of Frontier Airlines.

DOT said, "We tentatively find that the transaction is not likely to substantially reduce competition." However, the Department noted that it had concerns with the level of competition that would result in the Washington National (Airport)--Newark market and Denver city pairs. The DOT order asked interested parties to comment on its concerns with these markets.

Interested persons were invited to respond or file objections to the tentative findings within seven days. DOT said the short answer period appeared to be necessary "in light of People Express' financial problems." The Department rejected the applicants' request for a summary approval of the transaction without review of competitive and public interest consequences. In reaching that conclusion, DOT said the applicants failed "to support their claims of People Express' possible imminent collapse." It pointed out, "The applicants have failed to identify the creditor owed the interest payment, and they have provided no evidence that the creditor would not agree to a delay in the payment or that People Express' failure to pay the interest on October 14 would in any way be injurious to itself." The Department also noted that People Express has failed to include in its filings the financial results of its two recent, widely publicized half-price sales.

Additionally, the Department said, "[E]ven if People Express' traffic losses were creating financial difficulties, the immediate crisis results entirely from Texas Air's potential refusal to provide the additional financial assistance required by the merger agreement."

(more)

The proposed transaction has potential competitive implications for three groupings of markets--the national market, markets in which People Express competes with New York Air and/or Eastern Airlines, and Denver.

The order noted that parties opposing the transaction cited two factors that might deter entry at Newark airport: limitations on access to gates and on the airport's capacity to handle additional aircraft operations. Based on its review of the record, DOT tentatively concluded that neither factor constitutes a significant impediment to entry or expansion at Newark.

In discussing Denver, DOT was concerned that a possible shortage of gate space at Denver's airport resulting from the acquisition could affect competition. DOT said it needed further information on the current and future status of Denver gates.

If the answers filed by the parties demonstrate that the transaction will create competitive problems that need correcting, DOT said it would not provide a specific remedy. The applicants would be required to devise a remedy for any competitive problems.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Tuesday, October 21, 1986

DOT 98-86
Contact: Jennifer A. Hillings
Tel: (202) 366-4570
Alan Pollock
Tel: (202) 366-5580

DOT INSTITUTES U.S.-LONDON GATEWAYS CASE

The U.S. Department of Transportation today announced the institution of the U.S.-London Gateways Case to consider applications for nonstop service to London from two new U.S. gateway cities and to select a carrier to replace World Airways on the Baltimore-London route.

Under the United States-United Kingdom Air Services Agreement (Bermuda 2), the United States is entitled to select one new U.S. gateway city for nonstop service to London. The United States may also switch a London Gateway designation of certain cities to other cities. The new services could begin in time for the 1987 Summer peak season.

The Department has received applications for new U.S.-London route authority from four carriers. American Airlines has proposed service from Raleigh/Durham, Delta Air Lines from Cincinnati, Piedmont Aviation from Charlotte, and Pan American World Airways from Pittsburgh.

In mid-September, World Airways announced that it had ceased all scheduled operations, including its Baltimore-London service. Subsequently, Trans World Airlines and Air America applied for Baltimore-London certificate authority.

In instituting this case, the Department has requested all other carriers interested in serving the Baltimore-London market to file applications. The Department previously requested applications for the new U.S.-London route.

The U.S.-London Gateways Case will select from among various city/carrier options two primary and two backup city/carrier combinations for new scheduled service to London. It will also select a carrier to replace World Airways in the Baltimore-London market. This proceeding will examine the overall market structure and level of competition in the U.S.-London market and will determine which applicants would provide the greatest public benefits in exercising the authority available under Bermuda 2.

The U.S.-London Gateways Case now will be assigned to an Administrative Law Judge who will determine the hearing schedule.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
October 22, 1986

DOT 99-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DAYLIGHT TIME TO END OCT. 26,
WILL START EARLIER IN 1987

Most of the nation will return to standard time at 2 a.m. Oct. 26, but the Department of Transportation reminded Americans that daylight saving time will resume earlier next April.

Under a new law, daylight time will begin April 5, 1987, the first Sunday in April.

In the past, the six-month daylight saving period has run from the last Sunday in April to the last Sunday in October. Under the new law, which was signed by President Reagan last July 8, starting next year, daylight saving time will begin on the first Sunday in April. No change was made in the ending date in October.

In most years, the new law will extend the daylight time period three weeks. In years when April has five Sundays, the law provides a four-week extension.

Most people favor daylight time in April, according to public opinion polls conducted by government and private industry.

The law made no change in the right of a state to exempt itself from daylight time. The states and territories that do not observe daylight time include Arizona, Hawaii, Puerto Rico, the Virgin Islands, American Samoa and the part of Indiana located in the Eastern Time Zone.

These time changes are observed under the Uniform Time Act, which is administered by the Department of Transportation.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Wednesday, October 22, 1986

DOT 100-86
Contact: Jennifer Hillings
Tele.: (202) 366-4570
Wendy DeMocker
Tele.: (202) 366-0881

DOLE INVITES PROPOSALS FOR MANAGING PUBLIC SALE OF CONRAIL STOCK

Secretary of Transportation Elizabeth Hanford Dole today requested written proposals from investment banking firms wishing to act as co-lead managing underwriters for the public offering of the government's stock in Consolidated Rail Corporation (Conrail).

Secretary Dole's request for submissions immediately follows yesterday's signing by President Reagan of the Conrail Privatization Act which provides for the return of Conrail to the private sector by way of a public offering.

The statute allows 30 days from enactment of the legislation for the selection process and stipulates that the total number of co-lead managing underwriters will be no less than four and no more than six. The Department is soliciting proposals only from those firms wishing to serve as a co-lead manager. It is unnecessary for underwriters wishing only to participate in the syndicate to submit a proposal.

Interested firms should submit written proposals to the U.S. Department of Transportation, Room 4107, Office of Document Services, Attention: Docket 44437, 400 7th Street S.W., Washington, D.C. 20590. Proposals must be received no later than 5:00 p.m. on November 3, 1986. Those firms who submit written proposals by this deadline will have an opportunity to make an oral presentation.

Based on the combination of written and oral presentations, the Secretary will then select not more than twelve firms for a second round of oral presentations.

Presentations must address the criteria set forth in the Conrail Privatization Act and must comply with all guidelines established by the Department.

Requests for copies of the guidelines and questions concerning them may be addressed to the Office of the Chief Counsel, Federal Railroad Administration, Room 8201, 400 7th Street S.W., Washington, D.C. 20510, (202) 366-0616.

Guidelines for the submission of proposals will be published in the Federal Register on October 24, 1986.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Thursday, October 23, 1986

DOT 101-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOT TENTATIVELY APPROVES
DELTA-WESTERN ACQUISITION

The Department of Transportation today issued a show-cause order tentatively approving Delta Air Lines' acquisition of Western Air Lines.

The Department said the merger is not likely to lessen competition substantially. In its discussion of competitive effects, DOT said the relevant markets are the national market and the city-pair markets affected by the proposed acquisition.

The order invited interested parties to file comments or objections within 15 days, and said answers to those comments will be due ten days after that. The Department denied the applicants' request for immediate approval of the acquisition. In reaching this conclusion the Department stated that the applicants had not established a need for such swift action and that "a transaction of this significance should be considered under the substantive standards and hearing requirements" of applicable law.

While noting that a combined Delta/Western would become the third largest airline, DOT said it tentatively found that the transaction is unlikely to lessen substantially competition in the national market.

DOT said that although Delta and Western compete in a few city-pair markets, it found no evidence of barriers that would prevent other carriers from offering competitive service in the overlap markets.

-more-

For example, DOT noted that Delta and Western compete in four nonstop city-pair markets: Salt Lake City-Portland, Ore., Salt Lake City-Dallas/Fort Worth, Oklahoma City-Tulsa, and Los Angeles-San Francisco. In three of the four markets, other airlines offer nonstop or single-plane service. In the Salt Lake City-Portland market, no other carrier currently provides nonstop or single-plane service. Yet the transaction appears unlikely to substantially reduce competition on that route because there are no barriers to entry at either point, and because at Portland, United Airlines has a market share twice as large as the combined Western/Delta, and thus would be a formidable disciplining force.

The Department tentatively decided not to impose labor protective provisions (LPPs). Under deregulation, DOT noted that its role in labor matters is limited. It said that the imposition of LPPs represents a government intrusion into an area--the determination of employee benefits--that should normally be managed by private parties. The Department found no special reason for adopting a different approach in the context of this case.

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U.S. Department of
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News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, October 24, 1986

DOT 102-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Robert Marx
Tel.: (202) 366-5580

TEXAS AIR-PEOPLE EXPRESS ACQUISITION IS APPROVED BY DOT

The Department of Transportation (DOT) today gave final approval for the acquisition of People Express and most of the remaining assets of Frontier Airlines by Texas Air Corporation.

Today's decision finalized a tentative conclusion announced on October 14. The Department's prompt approval of this transaction was required by People Express' extremely precarious financial condition. DOT found that without quick action there would be a significant and unnecessary risk that People Express would fail and Frontier's system would not be revitalized. Moreover, the Department emphasized that in addition to permitting People Express to continue operations, today's decision would permit Texas Air to rapidly restore service lost when Frontier ceased operating and permit the reemployment of former Frontier personnel.

DOT found that the acquisition would not substantially reduce competition in any market. The Department carefully reviewed the competitive situation in the Washington National (Airport)-Newark route and in Denver and Newark markets. The Department had requested interested parties to comment on its concerns with these markets. It found that the existing facilities as well as new terminal facilities scheduled to be completed in 1987 at both Denver and Newark would insure the ability of other carriers to compete with Texas Air Corporation's subsidiaries at these airports. As for the Washington National-Newark route, the Department again found that competitive entry into this airport pair was possible and that services in other Washington-New York airport pairs would also provide competitive discipline.

DOT's decision to approve the acquisition is consistent with the conclusion of the Department of Justice that the acquisition would not be anti-competitive. Although the Justice Department had recommended allowing Texas Air to take immediate control of People Express, DOT gave final approval only after providing other persons an opportunity to comment on its tentative decision and obtaining the additional information necessary for final approval.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE TUESDAY
October 28, 1986

DOT 103-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOT ISSUES ORDER AIMED AT ENDING U.S.-SOUTH AFRICA AIR SERVICE

The Department of Transportation today issued a show-cause order aimed at terminating air service between the United States and South Africa.

The President directed the Department to terminate these air services as required by the Comprehensive Anti-Apartheid Act of 1986.

The Department's order proposes to revoke the permit of South African Airways to provide service between New York and Johannesburg, and to add a condition to the operating authorization of U.S. air carriers prohibiting them from providing service between the United States and South Africa. The condition would also prohibit any aircraft owned by U.S. air carriers from landing or taking off in South Africa.

South African Airways recently reduced from four to two the number of weekly round trips it operates between New York and Johannesburg under a bilateral aviation agreement between the governments of the two countries. No U.S. carriers currently provide direct service between the two countries.

DOT invited any interested persons to file objections or comments as to why it should not make the order final. Comments on the proposal must be filed by 5 p.m. Oct. 30, 1986. If the order is made final, it will take effect on the third day following the effective date of the final order.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, October 31, 1986

DOT 105-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Robert Marx
Tel.: (202) 366-5580

TRANSPORTATION OFFICIALS SEEK NEW TRADE OPPORTUNITIES FOR U.S. CARRIERS

To underscore U.S. concern, Secretary of Transportation Elizabeth Hanford Dole has directed the Department's number two official, Deputy Secretary Jim Burnley to join Maritime Administrator John Gaughan on his trip to the Far East to discuss with foreign officials an array of restrictions their governments impose on U.S.-flag shipping lines. The delegation will depart Washington Nov. 3 and return Nov. 19.

"U.S.-flag carriers face many impediments in their efforts to compete with foreign-flag shipping lines," Burnley said. "Foreign carriers have full and free access to our shipping market, and we are determined to see that American carriers have the same access to foreign markets."

"The decision by Secretary Dole to send the Deputy Secretary underscores the concern of the Administration over the problems U.S. carriers face abroad and the importance of our mission," Gaughan added.

Among the restrictions encountered by American carriers are bans on or impediments to their operation of container terminals, warehouses, trucking firms and shipping agencies. U.S.-flag carriers also are adversely affected by cargo reservation practices of some of the nation's trading partners in the Far East.

As previously announced, the delegation will meet with Japanese officials in Tokyo and Korean officials in Seoul, as well as with U.S. carriers and local officials in Hong Kong.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
November 26, 1986

DOT 109-86
Contact: George Kovatch
Tel.: (617) 494-2756

DOT AWARDS \$3 MILLION FOR SMALL BUSINESS INNOVATION RESEARCH

Secretary of Transportation Elizabeth Hanford Dole has awarded more than \$3 million in 1986 DOT Small Business Innovation Research (SBIR) contracts for scientific and engineering projects aimed at solving difficult transportation problems.

Secretary Dole said, "This program is a simple and effective way to reach a broad cross section of the small business research community that would normally not compete for DOT programs. We plan to continue our efforts to increase the participation of small and disadvantaged businesses, including minority and women-owned firms, in the Department's procurements. We hope to see the commercial application of these efforts for which we have funded the initial stages of research and development."

Eight companies selected for SBIR awards will receive about \$300,000 each to develop, within two years, prototypes of their proposed technologies. Another 29 contracts totaling \$1.5 million were awarded to carry out experimental research over a six-month period. Each of the 29 contracts is for a value up to \$50,000. The research projects were selected from more than 400 proposals submitted by small businesses in response to the Department's solicitation earlier this year.

Some of the research to be performed includes longitudinal stress measurement of rail under operating conditions; adhesive materials for sealing conductors and light units in airport pavements; developing a technique to measure forces that crush a car's roof in a rollover crash and more stringent structural standards for cars; advanced techniques for detection of plastic weapons; a safe stopping-distance detector for vehicles; exploring innovative ways to suppress fires in vehicles with sprinklers or sprays so as to minimize fire damage to the vehicle; research to understand better how aircraft wakes impact other airplanes under different atmospheric conditions and provide safe separation procedures that increase airport capacity; research on an airborne wind shear sensor.

The companies awarded development contracts include:
Kelley/Strazer Associates, Inc., Portland, Ore.
Magnasonics, Inc., Albuquerque, N.M.
Sinnar Associates, Columbia, Md.
Springborn Laboratories, Inc., Enfield, Conn.
SSDD Research Corporation, Boston, Mass.
Technology & Management Systems, Inc., Burlington, Mass.
Tesa Design, Inc., San Diego, Calif.
UFA, Inc., Newton, Mass.

Companies receiving contracts for experimental research include:

Advanced Retro Technology, Inc., LaMesa, Calif.
Analysis and Simulation, Inc; Buffalo, N.Y.
Association Management and Consultation, Inc., Boulder, Mont.
Applied Technology Associates, Inc., Albuquerque, N.M.
Beltran, Inc., Brooklyn, N.Y.
Charles River Analytics, Inc., Cambridge, Mass.
Collision Safety Engineering, Inc., Orem, Utah
Computer Technology Associates, Inc., Englewood, Colo.
DVP, Inc., Rockville, Md.
Epsilon Lambda Electronics, Geneva, Ill.
First Omega Group, Inc., Lakewood, Colo.
Flow Research Company, Kent, Wash.
J & J Technologies, Inc., Orchard Park, N.Y.
JVW Electronic, Inc., Wilmette, Ill.
Medical Microwave Research Corporation, Silver Spring Md.
Northwest Research Associates, Bellevue, Wash.
OPHIR Corporation, Lakewood, Colo.
Physical Optics Corporation, Redondo Beach, Calif.
Risk and Industrial Safety Consultants, Inc., Chicago, Ill.
S & S Associates, Berkeley, Calif.
Shenandoah Systems Company, Inc., Vienna, Va.
Sigma Research, Inc., Redmond, Wash.
Sigmastat, Inc., Seabrook, Md.
Systan, Inc., Los Altos, Calif.
Technical Innovations, Cleveland, Ohio
Tempe Transit Authority, Tempe, Ariz.
UFA, Inc., Newton, Mass.
West Coast Research Corporation, Santa Monica, Calif.

The SBIR program is a three-phase process. During Phase I, recipients conduct feasibility-related experimental or theoretical research or R&D efforts on research topics related to transportation. The dollar value is limited to \$50,000, with a six-month period of performance.

Phase II, the principal research effort, has a period of performance of approximately two years and has been limited to \$300,000 in FY 86. Phase III is to be conducted by the small business with funds other than SBIR in an effort to pursue commercial applications of R&D funded by the Department in Phases I and II.

Any small business wishing to receive information on the list of 1986 awards or to be placed on the mailing list for the 1987 SBIR solicitation that will be issued in February of 1987, may write to: DOT SBIR Program Manager, DTS-23, Transportation Systems Center, Kendall Square, Cambridge, Mass., 02142.

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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
November 26, 1986

DOT 110-86
Contact: Jennifer Hillings
Tel.: (202) 366-4570
Ed O'Hara
Tel.: (202) 366-5571

DOLE PRAISES ICAO PLAN TO EASE ACCESS TO AIR TRAVEL FOR THE DISABLED

Secretary of Transportation Elizabeth Hanford Dole today praised the International Civil Aviation Organization (ICAO) for making plans to improve access to air travel for elderly and disabled persons.

The ICAO Assembly recently adopted a resolution proposed by the U.S. and Canada calling on the organization's Council to review air transportation problems faced by elderly and disabled travelers.

Dole said, "The Assembly's action demonstrates genuine concern by the international aviation community about making air travel more accessible to handicapped persons."

She said estimates indicate that at least 10 percent of the world's people are disabled in some way and that six percent of air passengers have one or more disabilities serious enough to make travel difficult.

"The barriers that handicapped persons must face while traveling are both attitudinal and physical. Such barriers are unfortunate since air transportation is the major mode of travel between countries," she said.

"Many of these barriers can be reduced or eliminated at little cost and effort on the part of airports and air carriers." Many countries are making progress in eliminating such barriers.

She said that in this country, level boarding devices, which enable persons in wheelchairs to enplane and deplane, are available at most airports. Some airports are upgrading their telecommunications devices for the deaf (TDDs), which enable them to communicate with families and friends. Further removal of barriers will come about on U.S. airlines with implementation of recently-passed legislation prohibiting discrimination against disabled persons in air travel.

"I hope ICAO and its member states will be creative in finding effective ways to take down the barriers that inhibit travel by disabled persons," she said.



U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE THURSDAY
December 4, 1986

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DOT APPROVES NORTHWEST'S PURCHASE OF ONE-HALF OF TWA RESERVATION SYSTEM

Secretary of Transportation Elizabeth Hanford Dole today announced that the Department of Transportation will allow NWA Inc., parent company of Northwest Airlines, to purchase 50 percent of the assets of Trans World Airlines' computer reservations system (CRS).

Dole said "We have found that NWA's purchase creates the potential for more competition in the computer reservations industry and for stronger competition in the airline industry as a whole."

DOT issued an order granting an exemption from Section 408 of the Federal Aviation Act to the proposed purchase by NWA, after finding the transaction would not substantially reduce competition. In the order, the Department noted that the exemption does not constitute a ruling on the legality of the plans of NWA and TWA to establish a joint venture to operate TWA's system, called PARS.

The two companies said NWA would purchase one-half interest in the assets used for PARS for \$140 million. NWA and TWA will then create a joint venture for the operation and marketing of PARS by establishing two partnerships, one for the marketing of PARS and one for the operation of its computer facilities, DOT said.

The Secretary said, "We anticipate that the proposed joint venture will strengthen airline competition by enabling non-vendor carriers to become partners in the operation of a CRS."

NWA and TWA said they intend to invite other carriers to become partners in the marketing partnership, the order said. At the present time, five airlines provide computer reservations systems to travel agents and other marketers of air trans-

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portation. They are American, United, TWA, Eastern and Delta. American's SABRE system has 46 percent market share and United's APOLLO 28 percent. TWA's PARS has the fourth largest market share with 13 percent.

DOT decided it would be premature to rule on the legality of the proposed joint venture since it has not yet been established and no other carriers have been granted or denied permission to join the marketing partnerships. The Department emphasized it will maintain oversight of the joint venture as part of its continuing review of the competitive effects of airline CRSSs.

The Department of Justice has advised DOT that the proposed transaction is not likely to substantially reduce competition. The Justice Department expressed no opinion on whether the actual operation of the joint venture would be consistent with the anti-trust laws.

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FOR IMMEDIATE RELEASE
Thursday, December 4, 1986

DOT 112-86
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DOLE SEEKS COMMENT ON HOW TO COMBAT DRUG, ALCOHOL ABUSE IN AVIATION

Secretary of Transportation Elizabeth Hanford Dole today announced she is asking for public comment on proposed regulations that would more effectively combat drug and alcohol abuse in the aviation industry.

She said the Federal Aviation Administration is issuing an Advance Notice of Proposed Rulemaking (ANPRM) inviting comments on the issue within 45 days.

"This is an important step in the Department's ongoing, comprehensive program to help ensure the traveling public a drug-free transportation system," Dole said. "Where the safe transportation of the public is concerned, there can be no tolerance for drug and alcohol abuse."

She said, "We need to find the best ways to enforce rigorous standards concerning drug and alcohol abuse. We want to make sure the additional steps we take are guided by the best information available."

The notice requests public comment on measures including scheduled and random testing of employees, pre-employment screening, prohibition of off-duty drug use, requiring employers to set up employee assistance programs for abusers, and permitting employers to test employees on "reasonable suspicion" of use of intoxicants. It also requests comments on what categories of airline employees and other FAA-regulated individuals should be covered.

The notice asks for specific comments on what actions should be taken by the FAA in the case of drug or alcohol related motor vehicle offenses by pilots or other aviation industry personnel.

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The rule being considered would supplement existing FAA regulations. Under existing rules, pilots, flight attendants, flight engineers and flight navigators may not act as crewmembers within eight hours after drinking, while under the influence of alcohol, with .04 percent or more alcohol in the blood, or while using a drug that adversely affects faculties necessary for safety.

When there is a reasonable basis to suspect a violation, pilots and other crew members must furnish FAA with results of tests, taken within four hours of serving as a crewmember, that indicates percent of alcohol in the blood or the presence of drugs in the body. FAA rules also require that pilots and other crewmembers must submit to a blood alcohol test when requested by a law enforcement officer who suspects violation of a state or local law.

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Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

FOR RELEASE WEDNESDAY
December 10, 1986

DOT 113-86
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DOLE ORDERS IMPROVEMENTS IN U.S. AIRLINE SECURITY TRAINING

Secretary of Transportation Elizabeth Hanford Dole today announced recommendations for improved new security training programs for airline flight crews and employees with special security roles.

Dole said, "The actions recommended by my Safety Review Task Force will assure that flight crews are better trained and prepared to deal with any security incidents that might occur." She directed Federal Aviation Administrator Donald D. Engen to implement the recommendations.

Dole said, "The task force recommends that FAA and the airlines develop new training material covering recent incidents, terrorist profiles, and methods of defending against terrorists. The task force found that the training could be improved by the addition of material on the current terrorist threat against civil aviation, as well as by improved methods of presentation and use of instructors.

"The task force made a series of recommendations designed to assure that required recurrent training and initial training for newly-hired employees is regularly updated," Dole said. "Other recommendations were aimed at improving the communication between ground security coordinators and pilots-in-command, who serve as inflight security coordinators. The recommendations were based on a nationwide study of security training for airline flight crews and an assessment of how well airline security coordinators are doing their jobs."

In July 1985, FAA required that airlines designate and train both ground and in-flight security coordinators for each flight and provide additional security training for flight crews. The ground coordinator is required to monitor pre-flight procedures and requirements; as inflight coordinator, the pilot-in-command is expected to brief the crew on how any incidents should be handled.

The findings announced today cover one segment of the Department's five-part review of U.S. aviation security policy and

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procedures ordered by Secretary Dole last February. Initial recommendations by the task force were released in August. In conducting the review of training and security coordinators, task force members met with officials of 21 air carriers, pilots and crewmembers, organizations representing airports, airlines, and flight crews, FAA security personnel, and visited many airports.

The task force's recommendations include:

- o FAA should immediately begin to work with the airline industry to develop a "core program" of updated training materials which address terrorism and other current aviation security threats.
- o To assure that both regular and newly-hired personnel receive improved training, FAA should review and approve training programs on an annual basis to guarantee that they remain current and relevant.
- o FAA should ensure timely reviews of proposed training programs that cover both content and method of presentation.
- o FAA should give high priority to producing videotapes and other training aids that can be incorporated into the airline security training programs.

The task force also recommended that six months after completion of initial training of ground security coordinators, FAA should evaluate the changes made as a result of the recommendations and the effectiveness of communication between ground and inflight coordinators.

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Office of the Assistant Secretary for Public Affairs
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FOR RELEASE THURSDAY
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DOT 114-86
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DOT GIVES FINAL APPROVAL TO DELTA-WESTERN ACQUISITION

The Department of Transportation today gave final approval for Delta Air Lines' acquisition of Western Air Lines.

The Department said it decided to make final its Oct. 23 tentative conclusion that the merger would not substantially reduce competition in any market. It also said the transaction did not justify the imposition of Labor Protective Provisions (LPPs).

In its October decision, DOT noted that Delta and Western compete directly in only nine city-pair markets and that each applicant has, at most, only a minor presence at hubs operated by the other. DOT found no evidence of barriers that would prevent other carriers from providing competitive service in these markets. In view of the apparent ease of entry and the competitive service already being offered, the Department tentatively concluded that the proposed acquisition is unlikely to reduce competition and should therefore be approved under the competitive standards established by law.

The Department affirmed its tentative findings after a thorough review of the record revealed no facts or arguments that would warrant a different determination.

In its approval, DOT denied America West Airlines' request that it require Delta and Western to surrender some of their gate space to other carriers at Los Angeles International Airport. The Department found there was no public need to require the applicants to give up such gates in order to maintain competition there. In reaching this conclusion, DOT pointed to its previous finding that the acquisition would not reduce competition in any Los Angeles airport market and to the fact that America West did not dispute this finding. DOT also emphasized that there appeared to be no substantial barriers to entry at Los Angeles, as shown by America West's ability to obtain enough gate space to operate 19 daily round-trip flights between Los Angeles and Phoenix.

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DOT said it does not impose LPPs unless they are necessary to prevent labor strife that could disrupt the national air transportation system or, because of special circumstances, are needed to carry out the public interest goal of encouraging fair wages and working conditions.

In this case, DOT determined that the circumstances that would support imposition of LPPs were not present. It found no likelihood that the lack of such provisions could result in disruption of the air transportation system. It also concluded there were no special circumstances requiring LPPs, particularly since Delta's agreement with Western requires Delta to provide LPP benefits.

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FOR RELEASE TUESDAY
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U.S., PERU AGREE TO RESUME
DIRECT AIR SERVICE NEXT YEAR

The United States and Peru have agreed to resume direct air service between the two countries, Secretary of Transportation Elizabeth Hanford Dole announced today.

Jose Murgia Zannier, Peru's Minister of Transportation and Communications, and Secretary Dole signed a new aviation agreement today in the Secretary's office in Washington.

Secretary Dole said, "Starting next June 12, travelers in both North and South America will be able to enjoy the convenience of direct flights between Peru and the U.S. The lack of direct service for the past two and one-half years has made it inconvenient for air passengers."

The agreement provides for the resumption of air service on June 12, 1987. Direct air service between the two countries was suspended in May 1984.

Under the agreement, Peruvian air carriers will have the right to operate passenger flights from Peru to Miami, Orlando, New York and Los Angeles via these intermediate points: Bogota and Cali in Colombia, Guayaquil, Ecuador, Panama City, Panama, and one point to be chosen later. Peruvian carriers will have the right to serve these points beyond U.S. destinations: beyond Los Angeles to Vancouver, B.C.; beyond New York to Montreal; and beyond Miami to Madrid and to one additional point in Europe, to be selected later.

The agreement provides that U.S. carriers can operate passenger service from this country to Lima, Peru, via intermediate points of Bogota, Cali, Guayaquil and Quito, Ecuador, and Panama City. Beyond Lima, U.S. carriers will be able to serve Buenos Aires, Argentina, Santiago, Chile, Asuncion, Paraguay, and La Paz, Bolivia.

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Both countries will have the right to provide all-cargo services between Miami and Lima via intermediate points under the agreement.

During the past 14 months, U.S. and Peruvian officials have held discussions aimed at reaching an agreement to resume air services.

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FOR RELEASE MONDAY
December 22, 1986

DOT 122-86
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COURTNEY STADD NAMED DIRECTOR, OFFICE OF COMMERCIAL SPACE TRANSPORTATION

Secretary of Transportation Elizabeth Hanford Dole has named Courtney Stadd as the new director of DOT's Office of Commercial Space Transportation. Stadd will oversee the Department's activities as lead Federal agency in cutting the red tape to allow the development of a commercial space launch industry in the United States.

Secretary Dole said, "Courtney Stadd brings nearly ten years of experience in a wide range of commercial space endeavors. He has the kind of qualifications and leadership needed to help the Department implement the President's commercial space transportation policies."

Before joining the Department of Transportation, Stadd worked in the Department of Commerce's Office of the General Counsel, advising the Office of the Secretary on commercial space policy issues. He has been active in a variety of national space policy forums, in particular, the Economic Policy Council's Commercial Space Working Group.

Stadd had previously been the director of the Washington office of Starstruck, Inc., a California-based spacecraft manufacturer. He has also been active in a variety of non-profit educational and scientific organizations, including executive positions with the National Space Institute and Georgetown University's Institute for the Social Study of Space. Stadd's private sector experience includes production management and business development. He has authored numerous articles, including a collaborating on the Aerospace Industries Association's report on Space commercialization.

Stadd holds a Bachelor of Science degree in International Economics from Georgetown University.

He is a member of the American Institute of Aeronautics and Astronautics, the American Astronautical Society, the American Association for the Advancement of Science, the Planetary Society, the National Space Institute, the National Space Club, Congressional Space Caucus, and the Space Studies Institute.