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

2016 U.S.-CUBA FREQUENCY ALLOCATION PROCEEDING

Docket DOT-OST-2016-0021

### MOTION OF FEDERAL EXPRESS CORPORATION FOR ADDITIONAL EXTENSION OF START -UP DATE

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**POLLING:** Federal Express Corporation will poll the parties listed on the Certificate of Service herein to confirm that there are no objections to this motion and advise the Department of Transportation accordingly.

June 14, 2018

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

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#### MOTION OF FEDERAL EXPRESS CORPORATION FOR ADDITIONAL EXTENSION OF START -UP DATE

Federal Express Corporation ("FedEx") hereby respectfully moves the

Department of Transportation ("DOT") for a six-month extension of time (*i.e.*, through

December 15, 2018) to inaugurate U.S.-Cuba scheduled, all-cargo air services. In its July

15, 2016 Notice of Action Taken, the DOT granted FedEx an allocation of five weekly

frequencies to provide business daily (*i.e.*, Monday-Friday) all-cargo air services

between Miami, Florida (MIA) and Matanzas/Varadero, Cuba (VRA).¹ Under the

Notice's standard ninety (90) day start-up requirement, FedEx was required to

inaugurate its U.S.-Cuba air services by April 15, 2017.² However, the DOT granted

FedEx two extensions of this start-up deadline, the latest giving FedEx until June 15,

2018, to inaugurate its U.S.-Cuba all-cargo services.³ FedEx needs this new extension

See Notice of Action Taken re: Federal Express Corporation, Docket DOT-OST-2016-0021 (July 15, 2016).

<sup>&</sup>lt;sup>2</sup> Id. at 2.

<sup>3</sup> See Approval of the Motion of Federal Express Corporation for Extension of Start-Up Date, Docket DOT-OST-2016-0021 (October 5, 2017).

to provide it with additional time to work through the continuing doing-business challenges and operational constraints that persist in the Cuba market, especially given its emergent nature and the Cuban and U.S. legal, regulatory and policy complexities overlaying such matters.

In additional support of this Motion, FedEx respectfully submits the following:

- 1. As the only all-cargo participant in the Department's 2016 U.S.-Cuba Frequency Allocation Proceeding, FedEx is pleased to have received authority from the Department to operate five weekly all-cargo flights between MIA and VRA. Since FedEx is the only U.S. all-cargo carrier seeking to provide U.S.-Cuba scheduled air services, DOT's granting this request for an additional extension will not adversely affect any other U.S. carriers nor the U.S. shipping public.
- 2. As previously indicated in this docket, FedEx began the rigorous preparatory and planning work for its Cuba services some time ago. However, FedEx requires another six-month extension of time because of several continuing inextricable dynamics, such as securing and establishing business relationships with Cuban service providers in relation to air operations support services, customs clearance, and ground/delivery operations. The company must ensure these service providers would appropriately complement the express delivery services for which FedEx is world-renowned while simultaneously remaining within the limits of the existing, relevant U.S. and Cuban laws, regulations and policies.
- 3. The Department's grant of FedEx's extension request would be consistent with the public interest and Department precedent. FedEx remains committed to using

its Cuba authority to provide the highest quality of reliable and efficient U.S.-Cuba air express and general cargo services, which would maximize the public benefit of the U.S.-Cuba Memorandum of Understanding for U.S. shippers and commerce alike. The six-month extension requested herein would not impact such longer-term benefits. Moreover, all other U.S. carriers who received U.S.-Cuba authority from the Department have requested, and ultimately received, start-up extensions relating to certain U.S.-Cuba flights, including flights serving markets which are in much higher demand than VRA.

WHEREFORE, FedEx respectfully requests that the Department grant this motion for a six-month extension of time, to December 15, 2018, for the start-up of FedEx's scheduled all-cargo air services between Miami, Florida, and Matanzas/Varadero, Cuba.

Respectfully submitted,

FEDERAL EXPRESS CORPORATION

G. Bailey Leopard Jr.

Regulatory Affairs

June 14, 2018

#### **CERTIFICATE OF SERVICE**

I hereby certify that on or before June 14, 2018, a copy of the foregoing Motion of Federal Express Corporation for an Additional Extension of Start-up Time was served

upon the following persons via email.

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