



UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.

Issued by the Department of Transportation on August 14, 1998

**NOTICE OF ACTION TAKEN -- DOCKET OST 98-4277**

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **CHALLENGE AIR CARGO, INC.**, filed **8/3/98**, for:

**XX** Allocation of 2.0 additional weekly frequencies for a total of 4.5 weekly U.S.-Brazil all-cargo flights.

Challenge states that beginning on or about September 15, 1998, it plans to add four weekly narrow-body flights (2.0 wide-body equivalents) in the Miami-Sao Paulo market over a Miami-Caracas-Sao Paulo-Caracas-Miami routing with B-757 freighter aircraft.

American International Airways, Inc. (AIA) filed an answer to Challenge's exemption request, stating that it does not object to the Challenge application provided that the Department does not act on the Challenge request before granting AIA's application for an increase of 1.5 U.S.-Brazil frequencies (Docket OST-98-4184). At the time of AIA's application, 3.5 frequencies remained unallocated for U.S. carrier scheduled all-cargo services to Brazil.

Applicant rep: **William H. Callaway, Jr. (202) 298-8660** DOT Analyst: **Linda Senese (202) 366-2367**

**DISPOSITION**

**XX** Granted, subject to conditions (see below).

The action above was effective when taken: **August 14, 1998**. The frequency allocation will remain in effect provided that Challenge continues to hold underlying economic authority to operate U.S.-Brazil all-cargo service.

**Action taken by: Paul L. Gretch, Director  
Office of International Aviation**

**XX** Authority granted is consistent with the U.S.-Brazil aviation agreement.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

**XX** Holder's certificate of public convenience and necessity

**Conditions:** Consistent with our standard practice, the frequency allocation granted is subject to the condition that the allocation will expire automatically and the frequencies will revert to the Department if they are not used for a period of ninety days. The 90-day dormancy period for the 2.0 frequencies granted by this Notice will begin on September 15, 1998, Challenge's proposed startup date for the additional U.S.-Brazil services.

**Remarks:** We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served. With respect to AIA's comments, we contemporaneously granted AIA's application in Docket OST-98-4184 for allocation of additional U.S.-Brazil all-cargo frequencies.

(See Reverse Side)

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; and (2) grant of the application was consistent with the public interest. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

*An electronic version of this document is available on the World Wide Web at:  
<http://dms.dot.gov/general/orders/aviation.html>.*