

Department of Transportation  
 Bureau of Transportation Statistics  
 Office of Airline Information  
 Accounting and Reporting Directive  
 Research and Innovative Technology Administration  
 No. 300  
 Issue Date: 2-22-2011  
 Effective Immediately

Foreign Air Carrier’s Reporting U.S. to U.S. T-100 On-Flight Market Data

The purpose of this Accounting and Reporting Directive is to clarify the reporting instructions for foreign air carriers that have services between two U.S. points. When a foreign air carrier changes flights numbers in the United States on international operations or when a foreign air carrier conducts charter operations for sport teams, its T-100 On-Flight Market Data Report can give the appearance that the foreign air carrier is conducting cabotage. Thus, despite the fact that the foreign air carriers may be reporting in accordance with the Department’s reporting regulations, these carriers may occasionally receive inquiries from BTS staff to verify that the carrier is not selling transportation solely between U.S. cities. Foreign carriers may operate between two U.S. points, but they may not sell transportation services that are strictly between U.S. points.

On-flight markets are reportable when **one or both points** are within the United States (14 CFR 217.10 Appendix (b) (3). Foreign air carriers that change flight numbers, when the flight routing is between two U.S. points, **may report U.S. market data without being in violation of the cabotage restrictions**. For instance, a foreign carrier departs its homeland as Flight 123 for Anchorage. The flight continues as flight 123 to Chicago. The next leg of the flight is operated as Flight 234 back to the homeland point. The air carrier enplaned and deplaned passengers at each point of operation, but did not sell Anchorage to Chicago transportation. The carrier should report the following nonstop segments and on-flight markets:

<b>Nonstop Segments</b>	<b>On-flight Markets</b>
Homeland – Anchorage	Homeland - Anchorage
Anchorage – Chicago	Homeland - Chicago
Chicago – Homeland	Anchorage - Chicago
	Chicago - Homeland

A passenger that enplaned in Anchorage with a ticket to the foreign carrier’s homeland would be counted as an Anchorage – Chicago market passenger because the flight numbers where changed at Chicago. This passenger would also be counted as a Chicago – Homeland passenger as the new flight

number began at Chicago. The foreign carrier is prohibited from selling transportation solely between Anchorage and Chicago unless the carrier received an exemption from the cabotage restrictions.

The Department has issued guidance to some Canadian air carriers that they are allowed to perform sport team charters that involve travel between U.S. points in the itinerary without violating cabotage restrictions. This directive provides additional clarification to the Canadian carrier as to how they should report U.S. to U.S. market data when there is a change in flight numbers.

This action is taken under authority delegated by 14 CFR 38519(b).

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