

Order 98-4-9

Served: April 9, 1998



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

Issued by the Department of Transportation  
on the 9th day of April, 1998

In the matter of the revocation of the interstate and foreign scheduled and charter air transportation certificates issued under 49 U.S.C. 41102 to

**MILLON AIR, INC.**

pursuant to the provisions of section 204.7 of the Department's Regulations

**Dockets 41480  
46515  
48367  
OST-95-317**

Application of

**MILLON AIR, INC.**

for an exemption from the 45-day notice provision of section 204.7 and redetermination of fitness

**Docket OST-96-2012**

**ORDER REVOKING CERTIFICATES AND DISMISSING APPLICATION**

**Summary**

By this order, we are dismissing the application to resume air transportation operations filed by Millon Air, Inc. (Millon) in Docket OST-96-2012, and revoking the carrier's interstate and foreign scheduled and charter certificates for reason of dormancy.

**Discussion**

Millon holds certificate authority to conduct interstate and foreign cargo air transportation operations.<sup>1</sup> On October 24, 1996, pursuant to an informal agreement with the Federal Aviation Administration (FAA), Millon voluntarily grounded its aircraft fleet in order to facilitate what was expected to be a short-term safety review of the carrier's aircraft and operations.

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<sup>1</sup> See Orders 84-11-101, issued November 27, 1984, 90-12-52, issued November 19, 1990, 93-4-3, issued March 18, 1993, and 96-10-2, issued September 16, 1996. Order 90-12-52 also authorized the carrier to engage in foreign charter passenger operations, although that authority has never been made effective.

Section 204.7 of our rules (14 CFR 204.7) provides that, if a carrier ceases the air transportation operations for which it was found fit, it may not resume or advertise such services until its fitness to do so has been redetermined. Section 204.7 further provides that, if a carrier does not have its fitness redetermined and resume operations within one year of its cessation, the carrier's economic operating authority will be revoked for dormancy. By letter dated December 6, 1996, we reminded Millon of the requirements of section 204.7.<sup>2</sup>

On December 10, 1996, Millon filed a notice in Docket OST-96-2012 that it intended to resume operations and supplied information relative to its fitness to do so; subsequently, the carrier provided additional information in support of its fitness.<sup>3</sup>

After reviewing the information provided by Millon and other information available to us, by letter dated April 21, 1997, we advised the carrier of certain concerns we had about its fitness to resume operations and invited Millon to respond to these issues.

Over the next several months, Millon filed information detailing actions it had taken or planned to take in an effort to address our fitness concerns. More recently, in October 1997, the carrier orally advised us that it had been sold and that information relative to its new ownership would be forthcoming. No such information was filed, and in early January of this year, we were advised that this sale had fallen through, but that Millon was pursuing other purchase offers. Since early February, however, we have received no information concerning an actual or potential sale of the carrier, nor do we have any other information indicating that Millon has any plans to resume operations in the foreseeable future. We also expect that much of the information previously filed in support of the carrier's fitness is no longer valid.<sup>4</sup>

It has now been well over a year since Millon shut down, and, as discussed above, we have no reason to believe that it will be in a position to resume operations any time soon. As we noted in issuing our revocation-for-dormancy rules (14 CFR 204.7), it is not our intent to allow a non-operating carrier to retain its operating authority indefinitely. Under the circumstances, we have decided to revoke Millon's economic operating authority.

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<sup>2</sup> Concurrently with the voluntary grounding of its fleet, Millon arranged to continue its air transportation operations through wet leases with other certificated air carriers. For reasons associated with the particular circumstances then existing, we advised the carrier at that time that we would not consider it as having "ceased operating" under section 204.7 of our rules so long as there continued to be a reasonable expectation that the FAA's review would be completed, and Millon would resume operations with its own aircraft, within 30 days, *i.e.*, by November 23. That did not occur and, by letter dated December 6, 1996, we advised Millon that it had ceased operating for the purposes of section 204.7, that its DOT economic authority was suspended, that it could not recommence certificated operations, nor advertise such services, until its fitness had been redetermined, and that, if it did not resume operations by October 24, 1997, its authority would be revoked for dormancy.

<sup>3</sup> Objections to Millon's applications were filed by World Fuel International (WFI), a fuel-supplier, and Air Transport International (ATI). On May 21, 1997, WFI withdrew its objection. We will dismiss ATI's objection since it is now moot in light of our action here.

<sup>4</sup> For instance, we have learned that several of the individuals Millon had previously identified as holding key management positions have left the company, and we have no information showing Millon's current financial position.

**ACCORDINGLY**, Acting under authority assigned by the Department in its Regulations, 14 CFR 385.12:

1. We revoke the domestic all-cargo certificate issued to Millon Air, Inc., by Order 84-11-101.<sup>5</sup>
2. We dismiss the application to resume operations filed on December 10, 1996, by Millon Air, Inc., in Docket OST-96-2012.
3. We dismiss the objection filed by Air Transport International, LLC., on June 2, 1997.
4. We will serve a copy of this order on the persons listed in Attachment A.

Persons entitled to petition the Department for review of this order, under 14 CFR 385.30, may file their petitions within 10 days of the service date of this order.

The action taken in this order shall be effective immediately, and the filing of a petition for review shall not alter its effectiveness.

By:

**JOHN V. COLEMAN**  
Director  
Office of Aviation Analysis

(SEAL)

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<http://dms.dot.gov>*

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<sup>5</sup> By this order, we revoke only Millon's interstate operating authority. Revocation of the certificates authorizing it to engage in foreign air transportation is subject to Presidential review in accordance with section 41307 of the statute and will be handled in a separate order.

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