

NEWS RELEASE

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USDOT announces new U.S.-China air cargo rights

(Anchorage) The U.S. Department of Transportation (USDOT) announced on Friday a plan to distribute a total of 39 new weekly all-cargo flights between three U.S. airlines - FedEx, Northwest Airlines and UPS – currently operating U.S.-China all-cargo service and named Polar Air Cargo as a new entrant in the U.S.-China market.

The new landing rights were made available by the U.S.-China aviation agreement signed July 24 in Beijing by U.S. Transportation Secretary Norman Y. Mineta and Civil Aviation Administration of China Minister Yang Yuanyuan.

USDOT proposes to award Polar nine weekly U.S.-China flights, six of which are available now and three beginning March 25, 2005. In addition, the department proposes to award the three carriers currently operating all-cargo service to China new weekly flights to expand their operations in the market. Under this plan, FedEx and UPS would each receive 12 additional weekly flights, and Northwest would receive six. For each of the three current carriers, half of the new flights would be available now, and the other half on March 25, 2005. USDOT expects to issue the final order in about two weeks.

The result of awarding these new frequencies will bring new cargo activity to ANC. According to documents filed with USDOT, the frequencies awarded will result in 36 new weekly cargo landings in Anchorage immediately and an additional 26 cargo landings per week in March 2005. The 62 new weekly cargo flights are expected to generate over \$5 million in annual airport revenues.

Airport Director Morton V. Plumb Jr. says, “These new flights will continue to enhance Anchorage’s competitive global position as an international cargo hub. In December 2003 Congress passed legislation liberalizing U.S. cargo markets to foreign carriers that operate in Anchorage. This willingness to open U.S. cargo markets is influencing other countries to open their markets to U.S. carriers.”

“These flights will also serve to increase access to foreign markets for our local businesses,” said Plumb. “And that’s good for Alaska.”

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