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Matthew Cherry
Economics Director
Economic Regulation and Competition Policy
Consumers and Markets Group
UK Civil Aviation Authority
11 Westferry Circus, Canary Wharf
London E14 4HD

Delivered via email:
economicregulation@caa.co.uk

Re: CAP 3202: Call for inputs – Review of the Traffic Distribution Rules 1991

Dear Mr Cherry:

Federal Express Corporation (FedEx) is a U.S. certificated air carrier, authorized to conduct all-cargo operations pursuant to the U.S.-United Kingdom (UK) air transport agreement (ATA).¹ FedEx has been a member of the UK business community since 1984, offering British shippers and businesses access to FedEx's global express network for both inbound and outbound shipments. Every day, we connect UK businesses to more than 220 countries and territories worldwide in one to three business days. On the ground, we make 3,500 daily ground connections across the UK with nearly 5,500 vehicles, six road hubs, and 64 stations.

FedEx is a major employer, job creator, and contributor throughout the country. We employ more than 9,000 team members in the UK to handle over 100 million inbound and outbound shipments each year. FedEx views the UK as a key partner in the FedEx global network. We believe that our operations support the continued development and growth of the economy. In this context, FedEx appreciates the opportunity to provide input to the government's review of the 1991 Traffic Distribution Rules (TDRs), as outlined in your letter dated December 18, 2025.

FedEx Air Services to/from the UK

FedEx serves six airports in the UK, including London Stansted (STN), which serves as our main air hub in the UK. The UK is a key partner in the FedEx network with approximately 100 weekly operations to/from the UK. FedEx offers these services by deploying its own U.S.-registered fleet and by contracting with U.S., EU, and UK all-cargo carriers.² Our nonstop services to/from UK airports connect directly to our U.S. hubs in Memphis (Tennessee) and Indianapolis (Indiana); and to our European hubs in Paris (CDG) and Liege (LGG), where the shipments can connect to transpacific, transatlantic, and intra-European flights. Our flights to/from STN connect our operations in Paris, Dublin, Memphis, Indianapolis, Frankfurt, and Liege. The services that we provide are crucial to consumers, to business, and to the worldwide economy.

¹ Air Transport Agreement between the Government of the United States of America and the Government of The United Kingdom of Great Britain and Northern Ireland, entered into force on March 25, 2021. (TS No.12/2021)

² FedEx holds authority from the U.S. Department of Transportation (DOT) and U.S. Federal Aviation Administration (FAA) to lease aircraft and crew leased other airlines, consistent with the traffic rights available in applicable air service agreements.

Support for Comments Filed by Industry Associations

FedEx actively participates as a member of industry associations that have filed comments with the DfT in the instant consultation. We support the comments filed by the International Air Transport Association (IATA), the European Express Association (EEA), and the Association of International Couriers and Express Services (AICES). Our limited comments below aim to emphasize our views where they may require more nuance than an association comment may offer.

FedEx-Specific Comments

As an initial matter, we note that we have raised our concerns about the TDRs in several UK consultations about aviation policy over the last three years. We appreciate that the UK is taking a serious look at this market-distorting and discriminatory policy.

In that connection, we highlight that under Article 11 of the U.S.-UK air transport services agreement, all airlines are guaranteed a “fair and equal opportunity” to compete. Carriers are specifically granted the ability to determine the frequency and capacity of service based on commercial considerations in the marketplace. The TDRs allow certain airports to create rules that prohibit all-cargo carriers from applying for historic slots during most hours because of the nature of the services that we provide to the British public. As such, we are prohibited from competing against the belly cargo services provided by the passenger carriers. Although this market interference by government in favor of passenger carriers may have been seen as appropriate at the time that the TDRs were imposed, they do not have a place in a modern economy. Nor do they have a place in the modern bilateral aviation regime that explicitly states its goals “to promote an international aviation system based on competition among airlines in the marketplace with minimum government interference and regulation[.]”

In addition, we note that the confluence of continued application of the TDR, noise restrictions (e.g., Quota Count systems), night curfews, and other limitations that negatively affect all-cargo operators may result in significant deterioration of express and all-cargo service to the London area.

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FedEx thanks you for the opportunity to continue to participate in these consultations and looks forward to contributing further. Please feel free to contact us regarding any questions. James Davies in the UK and Brian Hedberg in Washington, D.C., are best placed to assist with any such enquiries. Their details are below.

Sincerely,



Patrick M. DiMento
Director of Operations
Vice President, Flight Operations

PMD/bjh

CC: James Davies, Managing Director, Legal (NEU & EEU) (jdavies@fedex.com)
Brian Hedberg, Lead Counsel, Regulatory Affairs (brian.hedberg@fedex.com)