



SKYword *Express*

January 2013

On-Duty Contract
Guide Supplement
INSIDE

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AMR's Bankruptcy
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President's Note

Every year, around this time, I look toward to the following year, hopeful that the worst is well behind us. As 2012 draws to a close, I think we will all look back and agree that this was the most challenging year of our careers. After a decade of cuts and abuse, 2012 turned out to be the company's pièce de résistance.

The fact that we have sustained countless beatings yet continue to function successfully is an amazing accomplishment. As individuals, we show up to work day after day and, regardless of the latest crisis, we maintain the highest standards of professionalism. We wear our mismatched uniforms with pride as we maintain order on the aircraft and serve our passengers with aplomb. As an organization, we continue to stand up with one strong voice, maintaining what is arguably the strongest labor union in our industry.

“The fact that we have sustained countless beatings yet continue to function successfully is an amazing accomplishment.”

Our workforce is an extraordinary society. We band together to achieve the most basic element of a stable society and one that has been missing for as long as most of us can remember: **fairness**. What makes us a society is our collective drive to achieve

fair and equitable treatment from the public, under the law, and most of all, from our company.

“American Airlines’ bankruptcy exposed the very worst of this industry, particularly the treatment of airline employees.”

A stable society is a group of people that are willing to communicate, coordinate, sacrifice and contribute for the betterment of all. The supposition is that when each member of a society practices each of these elements, everyone is treated fairly. Our society constantly moves to advance that goal and I think this makes us extraordinary. It demonstrates our strength and resiliency. But we cannot give up.

American Airlines’ bankruptcy exposed the very worst of this industry, particularly the treatment of airline employees. Unfortunately, the bankruptcy process only begets more inequity. It prompts us to choose between bad and worse and it has pressed us to take unprecedented action.

Our profession has come a very long way since the early days of flying and that is because of the work our society has done to advance itself. Unfortunately, the bankruptcy has forced us to divert some of that energy to protection and self-preservation. Over the past decade, our brothers and sisters throughout the

industry grappled with the challenges of bankruptcy and the opportunities of consolidation. Just as we stood by them then, they stand by us today.

Fortunately, we were well prepared for this challenge because of the global society of flight attendants. Our common cause is achieving fair treatment. In pursuit of that cause, we subscribe to a democracy that allows for debate, disagreement, balloting, elections, and reform. Most importantly, our society is capable of unification.

When our pensions and benefits were under attack, we united to protect them and our voice was heard. As a society, we understand the importance of caring for our old and sick. Someday we will all be old, and once in a while everyone falls ill. When we were faced with thousands of furloughs, we came together and said, "No," and again we were heard. A threat to one flight attendant's livelihood is a threat to us all. When it became clear that the best prospect for our careers was a merger, we came together to help make it a reality. Now, as management struggles to maintain control, flight attendants are showing them the door. We are able to do these things because we have built into our society a way to share information, think, reason, communicate, and grow.

"When it became clear that the best prospect for our careers was a merger, we came together to help make it a reality. Now, as

management struggles to maintain control, flight attendants are showing them the door."

The path is not always clear. There have been disagreements in the past and there will be many more in the future. Some have tried to exploit these challenges to tear down our society. Managers have tried to leverage differences to drive a wedge between us, to break our unions and our spirits. Our unity prevails because our goal is never muddled: achieving fair treatment.

"I realize that what I initially thought were our darkest days may have turned out to be our finest hour."

As I look ahead to 2013 and the challenges and opportunities it will bring, I realize that what I initially thought were our darkest days may have turned out to be our finest hour. While we may not yet have achieved the fairness we have been working towards for decades, our society still stands strong and our fight is not over.

I look forward to another year of service as APFA President and to taking another step towards fairness together. **A**

With Respect,

Laura R. Glading

Hardship Transfers: Balancing Conflicting Interests

By Jeff Pharr, APFA Secretary

Whenever there is a change in national officers at APFA, there takes place an overlapping transition period during which the outgoing and the incoming officers confer and work together to pass along some established procedures of the office and to share particularities of the job duties that build and support our Organization. These are the history, precedents, insights helpful to fulfilling the role of serving the membership.

Each incoming officer is not expected to “reinvent the wheel” as it were. Like those who have occupied this office before me, I have relied on this passing down of the wisdom of previous National Secretaries, particularly when it comes to the tasks and obligations that call upon judgment and subjective decision making.

The APFA Policy Manual, as written and amended by the APFA Board of Directors, assigns to the Secretary the role of representing the Union in the process of approving or denying hardship requests. Section 2.J of the manual reads in part:

“(1) Requests for hardship transfer... and any other request to supersede the seniority of other flight attendants shall be coordinated through the Office of the Secretary...(2) Decisions to approve or deny hardship requests shall be made by the Secretary...”

Members can review the entire section text and policy manual online through the “Members’ Resources” link from the

APFA.org main page.

Many of our members erroneously think of a hardship transfer as being just one of the accepted and readily available ways a flight attendant can move to a desired base should the normal transfer awarding process not be available. However, though requests may be frequent, actual hardship transfers are rare. This rarity is by design.

“... though requests may be frequent, actual hardship transfers are rare.”

The wording of the Policy Manual makes clear that a hardship transfer, however compelling, is a superseding—a violation—of seniority. Accordingly, the positive benefit to the flight attendant receiving a hardship transfer must be carefully weighed against the negative effects on other members: on the flight attendant(s) who might have otherwise been next in line for an opening to the base; on the flight attendant(s) who might now have someone more senior come into a base which otherwise had not been open to transfers.

In resolving one person’s hardship, we cannot—without extraordinary and overwhelming cause—visit undue disadvantage on another. The “transfer” in question here is from base A to base B, not a transfer of a hardship from member A to member B.

No APFA Secretary before me has attempted to provide a road map to

a successful hardship transfer petition. Frankly, such a thing does not exist. There is no checklist of absolute requirements, no minimum threshold of adversity, no magic bullet that guarantees approval. Each case is exceptional in both the needs of the petitioning member, and the domino effect of a potential approval. The uniqueness and the complexity of each case—the innumerable facets of one’s individual and particular circumstances—mean that hardship transfers, when approved, do not establish a precedent from one to the next. There are just too many variables. Nevertheless, those petitions, both successful and unsuccessful, that have been reviewed over the past decades have left in their wake a thorough, if laborious, set of procedures to ensure each receives the serious consideration due.

“...hardship transfers, when approved, do not establish a precedent from one to the next.”

As mentioned earlier and as stated in the APFA Policy Manual, the APFA Secretary represents the Union in the hardship transfer review process. AA flight service Administration, through its designated representative, is also an integral part of the review. In fact, both Flight Service and APFA must concur for a hardship transfer to be granted and the process itself begins with a request and submission of supporting documents to the company through one’s Flight Service Manager (FSM).

If you are petitioning for a hardship transfer, it is your burden and responsibility to make your case and to provide clear,

compelling and factual documentation to back up your hardship claim, supersede the seniority of other flight attendants and justify a transfer. It is suggested that you advise your current base chair of your petition; she or he may have insight to provide on how to proceed. A copy of all documents should also be sent to the APFA Secretary’s office, however there is no requirement to provide your chairperson with copies.

“Your FSM may offer support or an opinion on your case, but does not approve or deny your petition.”

Though you begin the petition process by submitting your request and substantiating documentation to your FSM, he or she is primarily a conduit to pass along the paperwork to the designated. The designated flight service representative and I meet regularly (every four to six weeks) to review and consider the hardship transfer requests. Together we study and consider the facts as presented in your petition and provided in your documentation. Your case must be convincing and thorough. You must provide written evidence to back up claims, be they medical, financial, etc.

It cannot be overemphasized that pleas and assertions are not enough. The merits of your petition must be proven through complete, unequivocal and above all factual documentation that leaves no potential questions unanswered. There must be decisive evidence not just that a verifiable

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Where Do My Union Dues Go?

By Greg Gunter, APFA Treasurer

As APFA Treasurer, I am often asked questions like, "What do I get for my Union dues?" or "Where do my Union dues go?" APFA dues are \$41 per month per flight attendant. That money, in part, covers expenses for all departments at APFA Headquarters and APFA operations at each of the bases.

Each year, the APFA Budget Committee meets to allocate the projected dues revenue to the various budgets for each APFA department and base, the APFA Board of Directors and Executive Committee, as well as a capital improvements budget, and funding for negotiations.

The main budget for APFA Headquarters is the General & Administrative (G&A) budget. This budget covers much of the operations of headquarters, including maintenance of the headquarters building itself. APFA Headquarters has an administrative staff of ten. These people handle various tasks for the Union such as accounting, member records, dues, and System Board grievance records. The budget for the Secretary's department and the Treasurer's department are sub-accounts falling under the General & Administrative account.

The **President's** department is primarily responsible for the contract & negotiations budgets.

The **Vice President's** department is the grievance machinery of our Union and

includes the five division representatives that are assigned to represent all 16 bases and oversee cases that could potentially go to arbitration. The Vice President's department is allocated two budgets: Arbitration and System Board of Adjustments.

The APFA's various departments provide a wide variety of vitally essential services to the membership. The phone lines for these departments are staffed by line flight attendants. A national coordinator not only oversees each department (a demanding job in itself), but also serves as an invaluable source of knowledge and experience for all APFA members and representatives. The departments include:

Contract and Scheduling

Departments: Answers thousands of questions each and every month related to every aspect of our intricate contract and scheduling.

Health/EAP: Assists flight attendants with issues related to worker's compensation, IOD's, substance abuse, as well as family leave issues.

Safety and Security: Monitors safety and security related issues and stays in close contact with the FAA to ensure our company is in compliance. This department also has a **Go Team** comprised of flight attendants who are trained and ready to mobilize in the event of an aircraft accident.

Hotel: Monitors current and potential layover hotels to ensure our standards are met and all issues are addressed.

Communications: Responsible for communications from APFA. The department also oversees the production of the APFA Hotline, **Skyword** and the APFA website.


Other APFA departments include **Retirement**, which assists flight attendants looking into retiring in the near future; **Legislative Affairs**, which guides flight attendant efforts on Capitol Hill; the National **Balloting Committee**, which oversees and conducts all APFA elections and ballotings; and APFA's **Negotiating Team**, which works tirelessly to make improvements to our contract or, as has been the case recently, to minimize the damage inflicted by management to our collective bargaining agreement in bankruptcy.

The budget for each base is overseen by its respective base chair. They are allocated a specific amount to run union operations at the base level, with much of their budget based on the head count of their base. Your **Base Chair** and **Vice Chair** must handle issues that arise at their base around the clock, 24-hours a day. The Base Chair and Vice Chair, assisted by their Operational Council Representatives (OCRs), are trained to deal with virtually all matters that could possibly come up at their base.

The budget proposal crafted by the APFA Budget Committee is reviewed

and approved by the APFA Board of Directors at the APFA Annual Convention. The Board of Directors has the authority to make further adjustments to the budget they deem necessary and in the best interest of the APFA. The Board of Directors may also pass resolutions to further reduce costs for our Union.

So, as you can see it takes a lot to run our Union and we have many dedicated hard-working elected, appointed, and volunteer flight attendants who give their time to protect, enhance and preserve our profession. At APFA, we provide services to our members that some other labor unions do not. We feel it's important to always have representatives, many trained in specific areas, available to address the concerns and answer the questions of our membership.

Rest assured, your APFA representatives at your base and at APFA Headquarters are working tirelessly for you every day, many times behind the scenes, but always leading from the front. 

In Unity,
Greg Gunter

Colossal Changes

By The APFA Negotiating Team

Our journey to negotiate and ratify a new collective bargaining agreement began four years ago in 2008. No one expected the process to be fast or easy. However, the journey turned out to simulate a never-ending trip complete with creeping delays and OSOs. The most significant of these delays was management's filing for bankruptcy protection on November 29th, 2011. That event changed the landscape of negotiations completely.

For ten months, APFA was able to stave off the worst impact of bankruptcy with regard to our work rules, pay and benefits. This was no small achievement and one that is unprecedented in the bankruptcy process. Our union sisters and brothers at other carriers who preceded us in bankruptcy found their pay, work rules and/or benefits affected much earlier in the process. While delaying the "ill-effects" of this bankruptcy, we were also able to earn an additional 11 months of pension credit. During the negotiations that followed bankruptcy, management remained focused on securing only those cost saving measures they were seeking in the 1113 term sheet. Our team committed not only to improving items contained in the term sheet but also ensured many of the hard fought improvements made during regular Section 6 bargaining were realized. As a result, previously agreed to tentative agreements, such as Reserve, were included in the LBFO.

The LBFO was ratified on August 19, 2012, and approved by the bankruptcy

judge on September 12, 2012. This set the stage for many changes. Importantly, the LBFO did not include any changes to our duty rigs: 1 for 2 On-Duty Time (E-Time), 1 for 3 ½ Time Away From Base (F-Time), and the 5-hour average day (G-Time) all remain status quo.

When the attention turned to implementing the LBFO, we continued to focus on ensuring those items that are improvements and of importance to our members were implemented ASAP. This began with the issuance of the lump sum signing bonus on September 21st.

October 2012 saw the implementation of significant changes:

- Elimination of Incentive Pay, International Pay and Domestic Galley Pay
- \$3.00 an hour International Override paid for actual hours flown, including pay and credit on an International sequence
- 3% hourly rate increase
- Elimination of thirty (30)-hour in seven (7) limitation on domestic
- TAFB expenses increased to \$1.65 for domestic and \$1.90 for international
- Make-up to 100 hours for both International and Domestic
- International training proffer posted for domestic flight attendants
- PVDs paid at three (3) hours per day and limited to six (6) per calendar year
- AA began applying the new hotel language favoring airport hotels even for long layovers

- VEOP/TSP departure dates were awarded
- Sick clearance moved to noon (1200), requiring a change to day-before coverage
- HISEND Merged Make Up round at 1200 was introduced; setting the stage for future fully-automated day-before coverage bidding process
- Reserve assignments are now posted by 1700 – Ready Reserves remain available for contact until 1900

As the pace picked up, November 2012 brought additional and more serious scheduling changes:

- Domestic flight attendants moved to two diurnals for maximum scheduled and actual on-duty periods (Refer to ODCG Supplement in this issue)
- Duty-aloft limitation eliminated for Domestic
- Staffing on some International non-IFS flying and Domestic transcon legs were reduced
- One hundred (100)-hour scheduled/actual monthly maximum
- Reassignment maximum of 85 hours through the end of 2012, increasing to 90 hours in 2013 until Preferential Bidding (PBS) is implemented
- Flight attendants who choose not to exceed 100-scheduled hours (SPROJ) became No Option flight attendants. For those scheduled above the one hundred (100) hours, they became Option Fas. Option II language eliminated
- Availability Changes
 - 85-hour PROJ max for Crew Planning and Crew Scheduling assignment
 - Released at 80.01 PROJ if not good to fly last day of month

- Released at 82.01 PROJ if good to fly last day of month
- Self-plot to 100 SPROJ
- Ability to plot AVBL trips into and/or out of DOs
- No turn-around plotting restrictions
- Elimination of GTD restriction
- Eligible under 9.K. (low-on-time access to open time)
- Reducible guarantee
- If flight attendant is awarded a RL line encompassing the entire bid selection, no additional AVBL days will be added to RL line

November also saw an increased bid line average at most bases and the new restriction of 16 on-duty periods for selections over 85 hours.

December Changes

- The use of Domestic Reserves with International qualifications at Step 5 of the Order of Open Time
- Reserve supplemental flying (L2, CR, OR) paid on top of guarantee
- Critical Coverage at 1.5 times the hourly rate

Some changes are linked directly to the implementation of PBS, which we expect to occur no sooner than 2014. Until then, vacation removals will remain status quo and we will continue to be paid on a trips-missed basis. PVD-related absences are the only absences to be paid at a daily rate of 3 hours. All other absences, such as sick, jury duty, etc., will be paid as trips missed. NOTE: Pay for “trips missed” does not include the International Override (IO) since IO is only paid for trips actually flown.

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FROM THE EDITOR

The Merger—What It Means and Why It's Better

By Leslie Mayo, National Communications Coordinator

In one year's time, American Airlines executives managed to put our company in bankruptcy and its employees through hell.

We survived management's efforts to dump our pensions on the PBGC, force upon us a Term Sheet that made minimum wage seem like an attractive option, and drag our contract (along with our attorneys, experts, and union representatives) through bankruptcy court.

"Instead of allowing a repeat of 2003, APFA refocused efforts toward the best way to secure the future of our members: a merger with US Airways."

But somewhere in the middle of all that, while management was counting on the relief they sought by restructuring contracts with its unions and vendors, we formulated an alternative plan.

Instead of allowing a repeat of 2003, where the same management team is allowed to make the same mistakes using the same business plan, APFA along with APA and TWU refocused our efforts toward the best way to secure the future of our members: a merger with US Airways.

In a corporate world where the "one percenters" have the edge in business, instead, labor came out swinging. We said in a single, collective voice that labor would not take management's obscene power grab sitting down. On April 19, 2012, all three unions on AMR's property announced "Bridge Term Agreements" with US Airways' management. For the first time in a major airline bankruptcy, organized labor exercised some control over their own destiny.

Since then, management has struggled to keep up. Their strategy in bankruptcy was to seek and achieve massive labor cuts, restructure debt, and emerge with a standalone plan—and the millions of dollars that go with it. Not so fast. The collective effort of American's unions put the brakes on that plan. Not only did we mitigate AMR's Term Sheet but we put management on notice. And now, eight months later, we are that much closer to showing management the door.

The flight attendants' efforts to see merger discussions between the two management teams could not be ignored. Thanks to the unity of our membership at a time when others may have capitulated to the stress of "just getting it over with," or alternatively, "burning the house down," the NDA was signed.

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The History of the AMR Bankruptcy

By APFA Communications

While AMR's bankruptcy filing was a shock to some, APFA and its members were not completely caught off guard. In fact, APFA had been preparing the membership for the possibility of a Chapter 11 filing during its summer road shows at bases nationwide. In addition, APFA was prepared to assemble an experienced team of professionals to help guide us through this difficult, and ultimately unprecedented, process.

Below is a brief timeline of events from the first bankruptcy filing by US Airways in August 2002 to where AMR stands today. Shortly, we will make available on our web site a complete summary of events surrounding AMR's bankruptcy. It has been a long road. And it is safe to say we're at least two-thirds of the way through it.

AMERICAN AIRLINES BANKRUPTCY TIMELINE

The following timeline provides industry perspective for the years leading up to the bankruptcy filing and highlights some of the important events in the AMR Chapter 11 case.

- Aug 2002** The first major US airline bankruptcy in what would be an extremely active decade following the attacks of September 11, 2001. US Airways will emerge from this, its first bankruptcy, less than 8 months later.
- Dec 2002** United Airlines becomes the first legacy carrier to file for bankruptcy protection. This case will go on for more than three years and result in significant concessions from organized labor among other cost-cutting measures.
- Apr 2003** American Airlines, following total losses of \$5.3 billion in 2001 and 2002, undergoes what was called a "virtual bankruptcy." Management uses the threat of bankruptcy to achieve concessions from unionized employees in the amount of \$1.8 billion annually. Despite the new cost structure, American will continue to lose money through 2011.
- Sep 2004** US Airways enters bankruptcy again, this time emerging two years later having been acquired by America West. The merged airline is led by the executives of America West including CEO Doug Parker.
- Sep 2005** Northwest Airlines enters bankruptcy. Northwest will emerge 19 months later with significant concessionary contracts in place with its work groups.
- Sep 2005** Delta Air Lines enters bankruptcy. At this point, four of the top seven US carriers are operating under bankruptcy protection. Delta staves off a merger bid from US Airways during bankruptcy, due in large part to a lack of support from workers. Delta will emerge from bankruptcy 18 months after filing with significantly lower wages and benefits for employees.
- Apr 2008** Delta and Northwest announce their intent to merge operations. The deal makes the merged carrier the largest in the world.
- May 2008** APFA's contract becomes amenable and long, drawn out negotiations with management begin.
- May 2010** United and Continental announce their intent to merge. The merged carrier effectively creates a duopoly in the US, where air travel is dominated by the new

Delta and United. American continues to lose high paying business travelers to competitors' improved products and networks.

- Sep 2010** Even low-cost carriers Southwest Airlines and AirTran Airways move to consolidate. Southwest's acquisition increases its ability to compete with legacy carriers for domestic passengers particularly from legacy hubs like Atlanta, Chicago, and Washington, DC. Its Love Field headquarters makes it particularly threatening to American.
- Oct 2011** Then-American CEO Gerard Arpey continues to state publicly that he has no intention of taking the company into bankruptcy. Meanwhile, employee relations are at an all-time low. Contract negotiations have been going on with all three workgroups for over three years. Meanwhile, American management continues to award itself exorbitant salaries and bonuses.
- Nov 2011** After years of losses, plunging stock prices, contract negotiations, and failed business strategies, American Airlines files for Chapter 11 protection in the US Bankruptcy Court for the Southern District of New York. Arpey resigns as CEO and is replaced by longtime American executive Tom Horton. In a statement, Horton says he intends to use bankruptcy to "reduce our labor costs to competitive levels."
- Dec 2011** Shortly after the filing, the US Trustee appoints the Unsecured Creditors Committee (UCC). All three of the unions on the property are awarded a seat, as are the Pension Benefit Guaranty Corporation (PBGC), Boeing Capital, Hewlett-Packard, and three major bond-holders. The UCC represents the interest of parties who are owed money by the bankrupt company and who do not have any collateral standing behind their claim. The committee becomes the de facto Board of Directors throughout the restructuring. Although the APA and TWU send representatives to the UCC, Laura Glading chooses to sit on the committee herself.
- Jan 2012** The PBGC sends a public signal in support of American's unions when its director, Josh Gotbaum, states that his agency is prepared to fight to prevent American from using bankruptcy to shed its pension plans. The PBGC is the federal agency that backstops retirees' benefits when a company pension plan fails.
- Feb 2012** American releases its Term Sheets detailing the concessions it will seek from labor under Section 1113 of the Bankruptcy Code. Section 1113 allows for bankrupt companies to void their labor contracts and impose new concessionary agreements with only the approval of the Judge necessary. Typically, the threat of imposed draconian contracts motivates unions to achieve mutual agreements on concessionary contracts. The term sheet American executives offers APFA include dramatic cuts to wages, benefits, and work rules, and the loss of hundreds of flight attendant jobs.
- Mar 2012** Facing pressure from APFA, APA, TWU, the PBGC and others, American backs off its original demand to terminate pensions and instead offers to freeze them. The pension freeze allows employees to keep full benefits accrued before the time of the freeze.
- Apr 2012** APFA, APA, and TWU announce that they reached agreements with the management team of US Airways and that the three major unions at American support a merger between the two carriers with the US Airways team in control. This development is without precedent in major airline bankruptcies and is a remarkable move by organized labor to exercise

control over its own destiny. APFA's bridge agreement with US Airways provides a temporary contract while the two carriers merge followed by a guaranteed network-rate contract. Additionally, the agreement includes a Voluntary Early-Out Program that allows flight attendants to take a lump sum payment and retire. Like the demands from American, the deal with US Airways is concessionary. However, US Airways' plan for the merged airline allows the company to grow and compete, offering long-term job stability.

- Aug 2012** Faced with the prospect of living under American's draconian term sheet, APFA approves management's Last, Best, and Final Offer (LBFO). Although the LBFO represents substantial improvements to the term sheet, including the VEOP, it is still a very concessionary agreement. APFA, APA, and TWU remain committed to achieving a merger with US Airways inside of bankruptcy. As part of this strategy, TWU also ratifies a concessionary deal. APA rejects its first tentative agreement but a "Me Too" letter, secured by APFA, guarantees that the labor savings from the Pilots Agreement are equivalent to the savings achieved in the flight attendants' CBA
- Sep 2012** US Airways and American begin to exchange confidential information regarding operations and finances. This cooperation is subject to a Non-Disclosure Agreement (NDA) between the two parties which includes a mandatory "quiet period" during which no party can speak publicly about the merger talks. Also bound by this agreement are the members of the UCC, including APFA.
- Nov 2012** APA negotiates a second TA and sends it out for a membership vote. On December 7th, the Pilots ratified the TA. APFA Negotiating Team is reviewing the new agreement in order to quantify any improvements the pilots may have achieved. The "Me, Too" Letter secured in August mandates that the value of the changes to the Pilots' Agreement and flight attendants' Agreement are equivalent.

AA's exclusive right to file a plan of reorganization is extended to and including March 11 and its time to solicit acceptances of its Chapter 11 plan is extended to and including May 10, 2013.

In short, the first twelve months of this bankruptcy have not gone the way American planned. What management expected to be an easy process of gutting contracts, slashing benefits and wages, and laying off thousands has turned out to be far more complicated. American's stand-alone business plan is being met with increasing skepticism and, as a result, management must examine strategic alternatives to the plan such as the proposed merger with US Airways.

Unfortunately, the terms of the NDA and the confidentiality of the UCC dictate that progress reports on these talks cannot be shared even with APFA membership. APFA and most Wall Street Analysts alike remain convinced that a merger with US Airways is the best for American and its employees. ^A

LBFO Q&A's

By Brent Peterson, National Contract Coordinator

Question: Is there a change to the way we bid for and are paid for vacation?

Answer: We will continue to bid for and be paid for our selected and unselected vacations on a trips missed basis until the implementation of a Preferential Bidding System (PBS). Upon implementation of PBS, we will be paid and credited 3.00 hours per day for each day of vacation.

Question: What is changing for PVD usage and pay?

Answer: Effective October 1, PVDs were limited to 6 per calendar year. PVDs will also be paid at 3-hours per day. This applies to all types of PVD usage whether they are awarded based on manning or used for FMLA, Bereavement or other type of pay substitution. If you have already used more than 6 PVDs in 2012, you would not be able to take any more PVDs until 2013.

Question: What is changing for sick pay and credit?

Answer: Sick will continue to be paid on a trips-missed basis. The rumor that sick will be paid at 3.00 hours per day is not true. The split sick bank (short-term and long-term sick banks) will require programming and the company currently expects this will not be implemented until sometime after the first of the year and possibly as late as mid-2013. Once the split sick bank is implemented, trips will continue to be paid on a trips-missed. When PBS is implemented, planned absences known prior to the bidding period will be paid and credited at 3 hours per day. There will not be a change to trips missed pay for absences removed after the bid award.

Question: When are the changes to sick/vacation, benefit and employments thresholds going into effect?

Answer: The changes to thresholds will begin January 1, 2013.

Question: What is changing for sick/vacation accrual thresholds?

Answer: The number of hours needed to accrue sick and vacation in eligible months is increasing to 600 paid hours per calendar year (or an average of 50 hours per active month). This threshold will still be measured on a calendar year basis (January 1 – December 31).

Question: What is changing for benefit threshold?

Answer: The benefit threshold is changing in two ways.

First, the number of hours needed to receive subsidized benefits is increasing to 600 hours per year (or an average of 50 paid hours per active month).

Second, this will be measured once per year at the end of July and will determine whether or not your benefits will be subsidized for the full subsequent 12 month calendar year. The full look-back period will be August 1 to July 31 each year. Since the new thresholds do not begin until January 1, 2013, the first medical benefit look-back will be for the seven month period January 1, 2013 to July 31, 2013. The threshold for this period will be 350 hours (or an average of 50 paid hours per active month) and will determine benefit subsidy for all of 2014.

IMPORTANT NOTE: There will be an overlap during 2013 as we transition from the current rolling 12-month look-back threshold to a once per year annual threshold. Since the new threshold will not determine benefit subsidy until 2014, our benefit subsidy through the end of 2013 will continue to be determined by the current 420-hour (or average of 35 paid hours per active month) threshold on a rolling 12-month look-back basis.

Question: What is the employment threshold?

Answer: The employment threshold is a new threshold that begins on January 1, 2013. You must be paid at least 420 hours (or an average of 35 paid hours per active month) per calendar year in order to maintain employment. The first look-back for the employment threshold will take place in January 2014 once all hours for 2013 have been finalized.

Question: What is changing for transfers and proffers?

Answer: Effective November 1, 2012 flight attendants are no longer able to rescind a transfer once it is awarded. This aligns the process for awarding transfers to match what is currently in place for proffers. This means flight attendants must remove any transfer preference they are no longer willing to accept prior to the awarding of transfers or proffers. In addition, flight attendants will be able to retain a regular transfer or proffer provided they can report to base within 15 days of the scheduled date.

Question: What is changing for mutuals?

Answer: International mutuals are no longer able to create self-matches. International mutuals and domestic mutuals will be paired using a similar process. The company will create mutual pairings for both domestic and international each month based on seniority. The company will use the regular transfer and proffer lists to make pairings. You will not be able to rescind a pairing, so ensure you remove any request you are no longer interested in prior to the capture date for mutual pairings. ^A

ARTICLE 21: Hotels and Transportation

By Kelly Gambello, National Hotel Coordinator

The changes for the Hotel Department are reflected in the contract section below:

H. HOTEL/MOTEL/TRANSPORTATION COMMITTEE

1. A Hotel/Motel/Transportation Committee, made up of representatives of the APFA and the Company, will be established and shall meet as needed to review and resolve all flight attendant feedback relating to lodging accommodations and transportation for flight attendants.
2. Guidelines for the selection of hotels, motels and transportation shall include the safety and security of the transportation vehicles, rooms and hotel locations; the cleanliness and quietness of the accommodations, and the adequacy of the eating facilities. The following procedures will be used in the selection of hotel/motel accommodations and associated transportation:
 - a. The APFA's National Hotel Coordinator and/or her/his designee(s) will meet quarterly with the representatives of the Company, or more frequently, if needed, to review the suitability of hotel/motel accommodations and associated transportation for flight attendants. The parties intend that the APFA's National Hotel Department representative(s) be given the opportunity to consult with and make recommendations to the Company on the selection and suitability of accommodations and associated transportation.
 - b. When changing or selecting accommodations, the Company will prepare a list of hotels/motels being considered and provide such list to the APFA. If requested, the Company will also provide a list of all companies from whom bids were requested and all companies who submitted bids. Lists provided to the APFA will not include any details or pricing information. The APFA will have the opportunity to add facilities to the list of those being considered. The parties will jointly inspect the proposed facilities (including any added to the list by the APFA). The Company will provide the APFA with a minimum of ten (10) days notice of any city or cities to be reviewed.
 - c. The Company will consider all recommendations of the APFA and then select the facility to be used **<add new language: giving preference**

to airport hotels> from those that are mutually acceptable to the Company and the APFA. It is the intent of the parties that representatives of the Company and the APFA's National Hotel Department reach agreement on the selection of the hotel/motel accommodations. If, however, there are no mutually acceptable facilities, the Company and the President of the APFA (or her/his designee) will meet to attempt to agree on a facility. If the Company and the President of the APFA (or her/his designee) cannot reach agreement, the Company will make the final determination.

- d. If the Company receives a report from the APFA's National Hotel Department of a problem with a facility or associated transportation arrangement, the Company will promptly investigate the reported problem and respond to the APFA within fifteen (15) calendar days on the results of its investigation and the actions being taken to resolve the problems that are confirmed by the Company.
 - e. Subject to the limitations of paragraph 2.b. above, the Company and the APFA National Hotel Department will make available to each other all information reasonably calculated to assist in decisions regarding hotel/motel accommodations, including but not limited to any reports received from flight attendants.
3. The Company will make every effort to avoid delays in room assignments at all hotels/motels.

As you can see, we are still a part of the process in finding a layover hotel and those hotels must meet the contractual guidelines as set above. Moving forward, each city will be evaluated based on it's own cost effectiveness. Yes, the company is looking to trim costs from the Hotel Department budget, but a lot of other factors will come into play when looking to change a hotel in a market. The amount of rooms needed nightly will be a factor, the cost between the airport hotel and downtown hotel, complimentary transportation or not and, most important, who wants our crew business.

My representatives, Joel Medford-DFW, Jessica Washington-JFK, Matt Foust-STL, Nancy Hummel-IMA, Rick Lange-DFW, Susan Medrow-DFW and I, will continue to evaluate each hotel based on these contractual guidelines and which property best suits the needs of our crews during their layover. ^A

Turbulence Can Happen Anywhere... Even on the Ground

By Kelly Skyles, National Safety and Security Coordinator

As flight attendants, we have been trained on the various causes of in-flight turbulence: stormy weather, clear air and wake, to name a few. But I do not recall our recurrent training program preparing us for the severe ground turbulence caused by AMR's bankruptcy.

As we navigate these bankruptcy proceedings and the toll it takes on our personal lives, I must also evaluate how it will affect our daily lives as safety professionals.

Flight Service has a presence within SOC, known as Flight Service Daily Operations (or Daily Ops). Daily Ops' responsibility is to monitor and immediately respond to reports of incidents, events and accidents involving AA aircraft and flight attendants both on the ground and in the air. APFA's Safety and Security Department works with Daily Ops to address and respond to all events involving flight attendants. APFA works with flight service to best address each event – a process that calls for constant monitoring and coordination between the parties.

Depending upon how an event is reported, Daily Ops receives notice from various sources such as the SOC manager on duty, crew tracking, CCRO and flight service MODs. Daily Ops then contacts the APFA Safety & Security department as well as the appropriate

flight service representative(s). Often times, the first or second contact Daily Ops makes is with APFA's Safety and Security rep-on-duty. Because of that, APFA can respond to flight attendant needs in real time. A good deal of communication between APFA Safety & Security and Daily Ops occurs outside of 'normal' business hours for obvious reasons: our airline is a 24/7 operation. It has always been a productive relationship for both APFA and flight service. That is, until AA filed bankruptcy.


In an effort to become leaner and more efficient, AA restructured. During the summer, various management and support personnel were released from their duties as AA employees. It appears as though, during this so called "cascade process," AA, and specifically the flight service department, did not give serious consideration to the true value of the Flight Service Daily Operations department and its support for flight attendants. Instead, a decision was made to reduce the head count by one analyst.

"This may not seem like a big deal to some of you, but for those flight attendants who have experienced an event during late night hours, a

response by management and/or APFA can make all the difference.”

It may seem odd that APFA is concerned over the loss of a flight service employee. However, in this case, that cut has had a major impact on event reporting and the ability of APFA to assist with event response. By losing one full-time position, flight service Daily Ops went from being staffed 24/7 to being staffed between the hours of 0700 to 2300 Central Time. That leaves eight hours of unmanned hours by flight service. Obviously, flights continue to operate, and crew members continue to layover during this ‘blind period,’ but APFA is not notified of events that occur between 2301 and 0659 Central Time. Even flight service fails to be appropriately notified during this unmanned period of time. This may not seem like a big deal to some of you, but for those flight attendants who have experienced an event during late night hours, a response by management and/or APFA can make all the difference. Talk about turbulent times.

As the APFA National Safety and Security Coordinator, I may not have any influence on work rules, duty rigs,

or pay compensation, but I am fully committed to pushing flight service to reinstate the missing Daily Ops analyst and to, once again, staffing the Daily Ops desk 24-hours a day, 7-days a week so that all flight attendants have access to the appropriate support and timely responses whenever necessary, regardless of the time of day. 

Known Crew Member (KCM)

By APFA's National Safety and Security Department

At the end of November, AA flight attendants became eligible for Known Crew Member (KCM) access at participating airports system wide. It is important for crew members to visit the KCM web site at www.knowncrewmember.org, to review applicable procedures, TSA regulations, the list of airports currently participating in KCM, and terminal locations for the KCM portal entrances.

Key points to remember for KCM portal access:

- KCM access is for actively-employed airline crew members only.
- All crew members must be in uniform and shall present a valid crew member ID Badge along with a valid government photo ID, such as a passport or driver's license.
- Random security checks are conducted by the TSA, so at any time a crew member could be randomly denied access through the KCM portal and referred to the regular airport security screening process for terminal entry.

Crew members should not engage in questioning the TSA agent at the KCM portal if a random denial occurs, but should proceed directly to the closest available airport security screening entrance. Crew members should always plan time accordingly when arriving at the airport in the event the KCM portal is not available or they have been selected for the random screening.

Please understand that use of the KCM portals is completely voluntary. The significant benefit of the KCM portal is the ability to show the requested ID's to the TSA agent and walk through without having you or your belongings scanned. You may be denied access, if this occurs, it is important that you do not engage in any altercation with or question the methods of the TSA. Proceed to the nearest security screening area and clear as you normally would.

Facts About KCM:

1. You do not need to register to use KCM (crew information has been provided to KCM database allowing AA flight attendants access).
2. You must be in uniform to access the KCM portals.
3. You need to show your valid AA crew ID to the TSA Screener.
4. You must also show them some other valid government-issued photo ID (Driver's License or passport).
5. AA has received the KCM barcode scan cards and is in the process of distributing them to bases system wide.
 - a. The scan card is completely optional.
 - b. Once you receive the scan card, you must register it on the KCM web site for future use.

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The Value of the PAC

By Julie Frederick Tandy, APFA Government Affairs

Having a strong voice in Washington is invaluable for any organization that represents the livelihoods of thousands of people. This has proven to be particularly true throughout the American Airlines restructuring process. The APFA Government Affairs team provides our membership with strong, experienced, and professional advocacy.

APFA Government Affairs has forged strong relationships with leaders in Congress who routinely weigh in on issues important to organized labor in general and flight attendants in particular. Given the seemingly overwhelming sentiment against labor unions in this country recently, it is more important than ever to cultivate these relationships and galvanize the support of certain members. Our work paid off during the bankruptcy when it became clear that the APFA had the support of Congress and the federal government when it came to the fate of our pensions.

Among our initiatives have been leadership and membership fly-in events, where APFA members from throughout the system travel to Washington for a day of meetings with Members of Congress and their staff. APFA Government Affairs has orchestrated several of these in recent years, including one in April that included our brothers and sisters at APA and TWU. The powerful display of unity underscored what was at stake for so many Americans in our company's bankruptcy.

Among our recent successes in the legislative arena was the addition of language to the FAA Modernization and Reform Act of 2012 that will provide federal workplace protections for the first time for those who work in the aircraft cabin. APFA will work with the Occupational Safety and Health Administration (OSHA) and the FAA to address cabin air and water quality, noise, and sanitation issues. In addition, we will review flight attendant injury rates, which are currently the highest in the industry. This long-awaited policy change will provide much-needed oversight and will finally treat the aircraft cabin for what it is, a work environment.

Given that flight attendants have an incredibly important role as in-flight first responders, we should be treated as essential safety personnel. With the help of then-Congresswoman Mazie Hirono (D-HI) we introduced the first bill to ever address the issue of flight attendant fatigue, called "The Airline First Responder Workplace Fairness Act." Although not yet passed, we are encouraged by Mazie Hirono's election to the US Senate and we expect the bill to be taken up again in the next Congress. In the past two months, flight attendants have been added to the Known Crew Member program, which will expedite security screening for all working airline crews. This was, in part, the result of support we have

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(To that end, commuting issues, undeniably difficult and inconvenient, do not in and of themselves satisfy the establishment of a hardship.) This is a high hurdle and most petitions fail due to lack of convincing, substantiating documentation.

“...commuting issues ...do not in and of themselves satisfy the establishment of a hardship.”

The decision to approve or deny the petition will be communicated to you through your FSM, as will any request for further information. Denied petitions may be resubmitted following six months from the original petition date.


Be assured, my intent in this article (as in past articles on this same topic by my predecessors) is certainly not to dissuade someone from seeking the remedy they might desire to help resolve an unforeseen hardship. The fact is that hardship transfers exist because legitimate hardships exist. But they are by nature a delicate balancing act of competing and conflicting interests. They are taken very seriously. They are not granted lightly. No one who has served the role of APFA Secretary and taken on the task of making a decision with such a profound impact would tell you otherwise.



There will be more changes prior to PBS. Order of Open Time is likely to change in the future once we have the interim pay protection. Interim pay protection will occur no later than Date of Signing (DOS)+12. Reserve AM/PM will be implemented, as well as a new way of bidding/awarding/assigning Reserve assignments.

The next wave of big changes will occur as a result of the shift to Preferential Bidding and the combination of the international and domestic operations.

The company has begun the process of selecting a Preferential Bidding System. The vendor that is ultimately selected will develop a PBS system unique to American Airlines. Our contract is a complex document, which includes position bidding, Purser and language requirements to name a few. Programming those complexities is a technical challenge that will take a good deal of time. The balance of the LBFO will then be implemented, including a combined international and domestic operation, 100-hour sequence pay protection, ‘R’ days for new hires, and multiple vacation splits.

Your Negotiating Team will continue to work to fine tune the specifics of each item in a way that will best serve the flight attendants we so proudly represent. 

continued from page 10, From the Editor

As we forced management into meaningful merger talks, we found ourselves in what is called the 'Quiet Period.' During this time, AMR and US Airways break down their financials with their experts and attorneys, along with the Unsecured Creditors Committee. The goal is to see if both teams can come to an agreement about whether a merger is beneficial. If so, we will see some major changes prior to exiting bankruptcy. And if not, we could see efforts by US Airways to take over the airline without the cooperation of AMR management. Either way, our bridge agreement remains. If and when a merger is announced, we look forward to exiting bankruptcy followed by the filing of single carrier status and negotiations.

We aren't used to being quiet. And believe me, no one likes it less than I do. But, by keeping our eye on the prize we could once again end up working for the largest airline in the world with the contract we so deserve! **A**

continued from page 20, KCM

- c. The sole purpose of the scan card is to keep the TSA from having to type your employee number into their computer APFA played a significant role in getting our members accepted into this program. Please share this information with other AA flight attendants and encourage them to use the KCM portals as well. **A**

continued from page 21, Legislation

from members of Congress on the Homeland Security Committee and APFA Government Affairs relentless efforts lobbying TSA. APFA Safety and Security Department will continue to oversee this roll-out for line flight attendants.

According to *Open Secrets*, a non-partisan reporting group, our employer spent more than \$5 million dollars last year alone lobbying Congress to promote their agenda. Additionally, the American Airlines PAC (political action committee) contributed hundreds of thousands of dollars to political candidates that support their interests. APFA Government Affairs asks our members to participate in our voluntary APFA PAC. The APFA PAC supports candidates, both Democrat and Republican, that support flight attendant issues. Go to: **www.apfa.org/pac** to join. **Remember, union dues are NEVER used to support political candidates.**

We are all experiencing the current challenges in the restructuring of American Airlines. APFA Government Affairs will continue to fight for flight attendants each and every day so we will continue to have a strong and powerful voice in Washington. **A**

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