



Business Agent Report

April 2009

By: Paul Molenberg and Rich Petrovsky

Negotiations: The Teamsters Negotiating Committee and officials from United Airlines formally launched contract negotiations on April 28th at WHQ in Chicago. A report can be found at www.IBTUALNegotiations.com. This web site has been set up to keep members updated with current information regarding the ongoing negotiations.

Panasonic Grievance: As we waited for Labor Relations to provide a written decision to us from the 3rd step hearing over this grievance, Joe Kolshak, Senior Vice President of Operations, sent an email to all employees on March 12th. This email stated: *“One issue that we have had is in the maintenance and repair of the Panasonic in-flight entertainment system. To address this, we are going to add resources by training a number of United mechanics in the Panasonic system, particularly in stations and on shifts the Panasonic maintenance team doesn’t support.”*

Reading this statement, we questioned if the grievance was upheld. The heart of the argument for this grievance is the contract language of Article XXI-D, which states: *“When any new equipment is put into service by the Company, employees covered by this Agreement will be given an opportunity to become familiar with such new equipment...”*

But the next day we received the 3rd step decision from LR denying the grievance. Apparently labor relations management did not discuss this with production management and was unaware of the operational advantage of having our mechanics trained on this equipment.

This grievance has been forwarded to the IBT attorneys in Washington DC for evaluation.

C – Check Grievance: This grievance was heard in a 3rd step hearing on April 22nd. The argument for this grievance is the contract language in Article II-D-6, which states: *“...the three “C” check lines of work **currently** performed by Company employees in-house at the S.F. Maintenance Center will not be outsourced.”* It is the Unions strong position that this is our work defined by aircraft type (A319/320, 757, and 777) that were **currently** being performed in 2005. This language was negotiated and mutually agreed upon in the second round of bankruptcy cuts. The Company’s position today is that this language simply means: “three c-check lines”. We are currently waiting for a written decision from labor relations.

Third Step Reviews: We have reached a resolution with another one of the previous 3rd step reviews. After several more discussions with the Company, we were able to bring the discharged mechanic back to work with pay for lost wages.

We had another 3rd step review for a discharged mechanic on April 17th. Labor Relations has concerns over some information that this individual had disclosed in the 2nd step hearing and we are awaiting a decision from LR in this case.

LOA 87-7M Outsourcing Oversight Committee: The Company has selected their members for the LOA 87-7 Outsourcing Committee. They are as follows: Marcel Delhommeau (SFOLR), Bonnie Turner (SFOMG), Anthony Haro (Managing Director, Finance, SFOVO), and Duane Cornella (DENLM). For Base issues, Bonnie Turner will be involved. If it's a line issue, Duane Cornella will be involved. The Union reps will operate in a similar fashion: Base issues will be attended by Bill Sorrell and John Korinek, line issues by Kevin Giegoldt and Phil Stewart.

On Thursday, April 9th we had our first 87-7M meeting with the Company. We discussed goals and processes for the committee. It was agreed by the Company that if it makes more sense to do the work in house, we should bring the work back. Bonnie stated that when some of the work was sent out five years ago, we did not have any LEAN processes in place, so our cost structure at that time may have been higher than it is now. She also stated that we need updated cost comparisons. The Union pointed out that we need to involve our best resource—the employees who accomplish this work on a daily basis. The more people we receive input from, the greater the chance we have of getting ideas on how to improve our work processes. We specifically discussed those Airbus fan cowlings that are currently being outsourced and will have follow up discussions on this issue. Bonnie then stated that she would like to look at other items to do cost comparisons on as well, such as landing gears, reversers, wheels and tires, IDG's, nose cowlings, and more.

The Union has set up point persons in various work areas that will relay information to the 87-7M committee members regarding possible work process improvements as well as any discrepancies with vendor work. They will be in discussions with our committee as necessary in order to provide them with the facts that they need to help us be successful. **Anyone that would like to participate is encouraged to do so by contacting your Union representative.**

--We welcome the opportunity to bring our work back in order to save United Airlines money, while providing job opportunities for our members.

GQ/PV Outsourcing: The Company has been working very aggressively towards eliminating the Ground Support Equipment and Building Maintenance jobs at various locations throughout the system. Fortunately, they were willing to discuss with the Union our “in-house” costs vs. the vendors. A committee of rank and file members lead by Clacy Griswold worked very long and difficult hours negotiating the retention of these jobs. Those discussions have concluded, and although their efforts have saved many of our members from losing their jobs, 2 out of the 9 threatened GQ/PV stations will be lost due to the elimination of that work at those stations.

DRIVE: As we reported last month, we have kicked off our **D.R.I.V.E** campaign at the San Francisco point which has been well received by many of our members. Jack Peasley from the International in Washington D.C. has been talking to members to educate them on the importance of this program. IBT General President Hoffa has stated that it is not as important as to which political party you favor, but which politician supports labor. We will only support those politicians that support Labor’s issues.

Organizing: The number of members in the Teamsters Airline Division (through representational elections) continues to grow. We welcome the Aloha Cargo Fleet Service Workers as well as the Horizon Air Mechanics who have just joined our ranks as Teamster members. Once again, we recognize the positive impact this will have by building strength and support not only in the Airline Division, but the Union as a whole.

The Teamsters Aviation Mechanics Coalition (TAMC): The TAMC, which is chaired by Continental Airlines Mechanic Chris Moore, has just published an informational pamphlet that explains the purpose of the coalition, which airlines are currently represented under the TAMC, and how to sign up for the soon to be launched monthly electronic news letter “Nuts and Bolts”. See your Shop Steward for this pamphlet. The mechanics that currently make up the 18,000 members of the TAMC work at the following carriers; Air Micronesia, Air Tran, Continental Airlines, Express Jet, Frontier, Horizon Air, Net Jets, Piedmont, United Airlines, and UPS. This coalition has been a long time in the making. The TAMC and has been established for our profession to address our issues within our industry.

The following is a supplement to our monthly report. We hope you will find it informative:

“The Year in Review”

April 1st, 2009 marked one year of Teamster representation for the Mechanics and related at United Airlines. We would like to take a moment to look back at the more prominent events which have taken place during this past year. This is a compilation of issues which are leading us towards providing not only a better work place for our members to work in, but to improve our industry as well. The following are significant events that took place *prior* to the April 1, 2008 certification of the IBT at United Airlines:

- In 2007 the Teamsters Airline Division under the leadership of (now retired) Director Don Treichler, initiated the Teamsters Aviation Mechanics Coalition (TAMC). This group of aviation mechanics numbers 18,000 and represents 14 of the carriers (to date) under the IBT. Through the TAMC, the OSV Discrepancy Reporting Form and system was developed. This important form is being used to substantiate our claims to our legislators and the flying public that the work we perform daily on our aircraft, is better left to our members in an effort to provide safe and reliable aircraft to the flying public.
- Also in 2007, a delegation of Teamsters and United Employees met with the Honorable Congressman George Miller in his Concord Ca. office. He is one of the very few representatives who fought to have the termination of our pension plan investigated. He welcomed the support from the Teamsters and is anxious to continue working with us on this matter in the future.
- In February of 2008, the Teamsters Union presented a major outsourcing symposium in Washington D.C. showing the detriments of outsourcing to several foreign repair stations with possibilities of breaching Homeland Security safeguards.
- The rally to stop the proposed sale of our maintenance base on the steps of San Francisco’s City Hall in March of 2008, included speeches by Mayor Gavin Newsom, General President James Hoffa and International Vice President Western Region Chuck Mack. This important event gained support from many of the political leaders from the local and outlying communities and brought public awareness to our concerns. The very same day United Airlines publicly announced they had no intention of selling off the maintenance base. This was a huge win for all of our members, especially in SFO.

April 2008

- During the first month we worked out of conference rooms, the base cafeteria and the offices at Local 856 while Facility Maintenance crews refurbished our offices. We used cell phones and laptop computers to conduct business while in this transitional stage.
- After taking possession of the 269 SFO grievances from the officers of the AMFA, we immediately began working with Labor Relations to resolve and close them out.

- We held elections for the Shop Stewards after which we provided training in grievance procedures as well as Teamster history to all of the Stewards across United's system.
- We held elections for all of our grievance committee members and established our EAP and Safety committees at each station to better serve and support our members.
- We continued to have training sessions at local 856 for our Shop Stewards to educate them on FMLA and Industrial Injury laws so they could protect the rights of those members they represent.
- We met in Woodland Hills Ca. in May at the Share Holders meeting where for the first time Mechanics took over the meeting. The company representatives took notice of this and from it were made clearly aware that we would not sit idly by while they continued with "business as usual".
- We brought forward key witnesses in the 20% farm out grievance which until our election were unavailable to provide critical information to promote our views in the case.
- The Teamsters worked relentlessly towards supporting President Elect Obama and a labor friendly administration in an effort to turn around the appalling working conditions of middle class men and women. This was only the beginning to return strength and dignity to labor in our nation.
- The Teamsters have continued to work towards securing labor friendly bills into legislation such as the FAA reauthorization bill as well as amendments to the bankruptcy laws.
- We solicited and received thousands of contract proposals from our members and established a system wide Contract Steering Committee to review and overhaul language dating back to 1945. We continued with establishing a Contract Negotiating Committee and provided training to them.
- We prevented the closure of the LaGuardia station and the reduction of Portland to provide critical support to United and prevent the loss of jobs to those members.
- We have moved several grievances to arbitration which produced favorable awards to the aggrieved members.
- We formed a committee to prevent the total outsourcing of the GQ/PV work classification and the loss of those jobs to outside vendors system wide. While United Airlines was insistent in doing away with those jobs completely, we were able to maintain seven out of the nine stations headed for closure due to the absence of protective contract language.
- We served notice to United Airlines on April 10, 2008 to open the Mechanics and Related Agreement for amendment under Section Six of the Railway Labor Act.
- We continued by opening contract talks with the carrier on April 28, 2008 and proposed an immediate and dramatic enhancement to our member's retirement security by suggesting the move to a multi-employer defined benefit pension plan during this first meeting with the company.

- Established the negotiations web site at www.ibtualnegotiations.com to keep members fully informed during the negotiations process.
- Established vigorous and effective Ground Safety and Flight Safety committees and renewed the MSAP program with United Airlines.
- Established an alliance and gained support from the Business Travelers Coalition to fight outsourcing based upon mutual issues of flight safety and security.
- We gained support from the 6.5 million members of the Change To Win Federation with three resolutions. They include support in the event of a strike against United Airlines, opposing outsourced aircraft maintenance and support in investigating the demise of our pensions.
- We currently have several grievances separate from the 20% farm out grievance being heard or going to arbitration to repatriate maintenance farmed out by the company and will continue to fight to retain the work and jobs of our members.
- The Airline Division has established the “WEEK IN REVIEW” to keep our members current on issues that concern not only our local members, but the industry we work in as well.
- We have re-established committees under the Letters Of Agreement such as LOA 87-7M, which establishes the Outsourcing Oversight Committee. This mechanic group works with company representatives in an effort to analyze the work which is planned for outsourcing and finds ways to do it more economically by performing the work in house.
- We are continuing to work on reestablishing respect from the company which has been lost over the years. We are doing this by being the professionals we said we would be in the beginning and showing United Airlines that we are here for the long run, with the sole purpose of giving our members the best representation possible.

These are only the highlights of some of the many important issues we have addressed in the past twelve months of serving our membership at United Airlines. We are confident that with the changes to our contract language during this round of negotiations, we can successfully make this a better company to work for. We will re-establish a professional respect between the union and the company and work to regain the support from of members through this process.

Until our next report, don't run with the rumors! Get the facts from the Teamsters SFO or Airline Division web sites and your Union representatives. Now is an especially critical time to support **your** Union by keeping connected and staying updated with the latest information.

In Solidarity,

Rich Petrovsky and Paul Molenberg