"...accordingly, all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they have become accustomed."

-Thomas Jefferson, Declaration of Independence, 1776

### **TO OUR FELLOW PILOTS:**

How do you see yourself? Are you an overpaid bus driver without the hassles of traffic, or are you a professional that is part of a brotherhood that moves hundreds of millions of people all over the globe on razor thin margins of safety without a mishap?

Are you the kind of person that faced enemy fire, but still calmly lead your men through the danger, accomplished your mission, and returned to do it again, or are you someone that is scared to stand up to an executive that is robbing you blind while he buys his second home in the Hamptons?

What will you tell your spouse and children when your job is outsourced to the lowest bidder on both price and safety? How would you reconcile 30 years of hard work, dedication, and sacrifice, only to lose your job to a 24 year old kid with no meaningful experience? If you wouldn't put your family on those airplanes, could you sleep at night knowing that the general public, ignorant of the realities, is doing exactly that?

The next decade will force you to answer those questions, regardless of your reluctance to do so.

One way or another, the decades long feud between airline management and pilot labor will be resolved in the next ten years. Management will push for its final resolution to reduce pilot labor to an extremely malleable, inexpensive, and docile part of their operation where they whip-saw one pilot group against another to gain what they ultimately want - total control over pay, scheduling, and working conditions of pilots. Gone will be the days of pilots living comfortable middle and upper-middle class lifestyles.

Not content with outsourcing the shorter length domestic market, airline management is already pushing for anti-trust exemptions in international flights to outsource the longer international routes, while they destroy the financial viability of the US airlines, yet finding ample money to fund lucrative executive bonus reward programs and stock ownership plans. Pilot pay and working conditions have experienced the most rapid decline in the past decade under the guise of saving the various airlines, yet the problems still persist with greater ferocity than ever before. Retirements, scope, pay, rigs, and job security have all been successfully attacked, leaving only the empty promises of a new paradigm of "teamwork," "viability," and "competitiveness." This is supposed to assuage the dehumanizing feelings of helplessness as we watch our carriers continue to flounder while our executives handsomely reward themselves for the effort.

Where do these rewards find their basis? It certainly isn't in the profitability or viability of the various airlines. It must be in the wholesale destruction of the pilot (and other employee) lifestyles, as that is the only change the industry has accomplished in recent years.

What will you tell your spouse and children when your job is outsourced to the lowest bidder on both price and safety?

For decades, management has shown us their cards. Frank Lorenzo destroyed everything he touched, yet his tactics remain in full bloom with the modern executives. Rather than directly causing employees to fund leveraged buy-outs of their airlines, today's executives use employee compensation to fund their multi-million dollar bonus programs, without ever turning a dime in profit.

Management has powerful tools and allies to achieve their purposes. First and foremost, the government has stacked the deck against labor to these ends. The RLA and NMB are not fair and equitable laws that seek to strike a balance between labor and capital, but tools to keep the planes moving at all costs. Strikes are unpopular with the public and politicians, so laws were brought into the equation to reduce, or even eliminate work stoppages.

#### Skeptical? Read for yourself:

**Agency Mission** 

The National Mediation Board (NMB), an independent U.S. federal agency, was established by the 1934 amendments to the Railway Labor Act (RLA) of 1926. Pursuant to the RLA, NMB programs provide an integrated labor-management dispute resolution process that effectively meets the agency's statutory mandate to minimize work stoppages in the railroad and airline industries. (emphasis added)

That is a direct quote from the National Mediation Board's public information fact sheet. A copy can be downloaded from the masthead on the OPERATION ORANGE websites.

Note that the agency (NMB) does NOT have a mandate to ensure fair and equitable mediation to satisfy the needs of both labor and industry. <u>They have a mandate to minimize work stoppages.</u>

The ONLY leverage that pilots have is withholding their labor in order to pressure management at the bargaining table. This has <u>always</u> been the case. If management and government are openly conspiring to prevent this outcome, what leverage do pilots have?

That's correct. None.

There should be no mystery as to why pilot wages and working conditions have been steadily eroded over the past 30 years. Management has the government holding us down while they hit us, all under the guise of some form of fairness.

The past 30 years have seen UNPRECEDENTED expansion of air travel and affluence in the entire world, especially the United States. It would be easy to assume pilots would have had the upper hand in negotiations during these years. We have not. Instead, management uses the RLA to negotiate contracts only when it is convenient for them to do so, such as economic

downturns. During the times where pilots have actually gained ground, management then abused the bankruptcy laws to abrogate those agreements.

We have no such luxury. When we sign a regressive contract and the macro environment improves, "a contract is a contract." as Delta Air Lines management put it in the mid-90s.

Ten years ago, pilots at United and Delta had significant improvements, only to give them up in bankruptcy. American Airlines pilots gave them up under the threat of bankruptcy. Management showered themselves with millions and completely supplanted the ownership that the United pilots had in their company.

We call that government sanctioned GRAND THEFT.

Note that the agency (NMB) does NOT have a mandate to ensure fair and equitable mediation to satisfy the needs of both labor and industry. They have a mandate to minimize work stoppages.

Work stoppages (strikes) are the only means by which airline employees can bring about leverage to improve their working conditions and pay. Management knows this and has paid off the government to ensure that does not happen. Strikes have steadily declined during the era of pilot pay decline. There were 47 strikes in the 1950s, 36 in the 1960s, 43 in the 1970s, 17 in the 1980s, and ONLY 6 in the 1990s. One of the 1990s strikes was by American Airlines pilots and was broken by President Clinton 15 minutes later. No pilot group has been able to strike a major carrier in the past decade. Remember, the NMB's mandate is to minimize strikes, and they are doing a very good job.

Can anyone see the correlation? The correlation IS NOT with the macro economy, but based upon the ability for strikes to occur. Strikes equal leverage and leverage equals increased pay and better working conditions.

Another significant shortcoming of government policy is in the area of trade and foreign subsidy of aircraft manufacturing.

Aircraft manufacturing is very popular with politicians the world over. It is no surprise foreign governments subsidize the production of aircraft in their nations to export around the globe. Much of that ends up in the United States where domestic aircraft manufacturing is not subsidized. Given that the US pioneered this field, many foreign governments have a great sense of pride that they can export their product to the US at prices unobtainable in the domestic market.

It would be easy to think that more airplanes in a given market would mean higher demand for pilot labor and thus higher wages. Unfortunately, that simple analysis isn't accurate.

As for now, your elected officials are content to having you subsidize counter-productive government policy, cheap airline tickets, and executive bonus programs by taking cuts in your paycheck and quality of life.

As counter-intuitive as it might seem, pilot labor is actually on the capital side of the equation, as the structure of the industry essentially "marries" pilots to aircraft. When new airframes are flooding the market, they operate as defacto-flight schools for younger pilots seeking to gain experience to one day fly for a "major" airline.

Subsidized aircraft find its way to new entrant airlines using inexperienced labor to undercut the established airlines, forcing bankruptcy, new leases and demand for even more subsidized (below market) aircraft.

Can anyone explain why the past decade, the worst for airline margins and profitability in the industry's history, saw Canadair, Embraer, and Airbus produce even more domestic aircraft for the American market?

Conventional wisdom states that when business margins are down, machine tools/major capital equipment (airplanes in this example) decline in value, as they are not as productive as during times of healthy margins.

Allowing foreign subsidy of aircraft manufacturing and effective "dumping" of the product onto American shores will only serve to undercut the domestic production and distort the true cost of capital, resulting in adverse capitalization of the market for years to come. This allows more entrants into a depressed market, which corrupts the normal supply/demand "invisible hand" that keeps the market healthy.

In nature, biologists would predict that this phenomenon in a animal herd would cause the herd to outgrow the carrying capacity of the land, resulting in disease and starvation and distortion of the balance enjoyed by other species.

That is exactly how we see the airline industry. Look no further than your government that is hell-bent on "keeping airfares low" and preventing disruptions in service. Eventually, this will boomerang with unintended consequences.

As for now, your elected officials are content to having you subsidize counter-productive government policy, cheap airline tickets, and executive bonus programs by taking cuts in your paycheck and quality of life.

That brings us to the single greatest tool that the management-government alliance has to keep their version of the "status quo" - a divided pilot group.

We are so myopic in our focus that we actually believe that there is any semblance of a "free market" in the airline industry. We operate on the false assumption that if a major carrier were to cease operations, the remaining carriers would proportionately benefit.

This naive outlook is killing us. We focus on running United out of business to get their Pacific Division, or American's Latin American Division, or Continental-Mic, or The Eastern Shuttle, yet we fail to realize that the same government that operates an entire body of law to keep airline interruptions

to a minimum, is the same government that will inject cash to keep those airlines moving. At the very least, the jewels of any airline will transfer with pilots to the new airline in bankruptcy, largely preventing the acquiring carrier's pilots from flying them. If a domestic hole develops as a result of a Chapter 7 filing, those same airplanes that were once painted with United, American, or US Airways colors, will be repainted with some hip, new livery and sent back out into the market with inexperienced, non-union pilots to undercut the remaining herd, thus perpetuating the cycle. It's a race to the bottom and we will all lose.

Just because an airline goes away doesn't mean the airplanes disappear.

WE MUST UNITE AT A LEVEL ABOVE OUR CURRENT LEVEL OF ORGANIZATION IF WE ARE TO COMPETE WITH THE FORCES ALLIED AGAINST US.

Our managers have done so for decades through their various trade groups, such as the ATA. They also have the government doing their bidding. Going at this alone is a fool's game. We have a much greater chance of survival if we unite and act as a team for our common interests. What benefits United pilots benefits Delta pilots (and everyone else), and what hurts American pilots hurts Continental pilots (and everyone else). We need to watch each others' backs, not slip knives into them.

Unfortunately, that brings us to the sorry state of our collective bargaining agents, who seem content to manage the decline of our careers while they find positions for themselves in the industry and government. What we have had for 30 years isn't collective bargaining; it's more like hospice care for our careers. Scope, regional jets, cabotage, age 65, retirement, bankruptcy, pay, Lorenzo, Crandall, Tilton, Mullen, Carty, etc have all been fumbled by ALPA and APA under the delusion that we can be just a bit more competitive and make "the other guy" pay the ultimate price.

After 30 years of that kind of thinking, what do we have to show for it? What does management have to show for it?

We must act outside the "official channels" if we are going to meet the threat where it is, because the "official channels" are the threat. Using the same tactics that have been shown time and time again to fail is the very definition of insanity. We have ONE THING that management, the government, and the public need, and fortunately for us, they are addicted to it.

#### Our labor.

While we still have the strength, we must unite and oppose the forces allied against us. Indecision or waiting for a "better" time will only weaken us further. Eventually, management and government will have the ability to replace us. Currently, they can not pull that off, but they will have that ability before this decade concludes.

Our problem is not with our management, per se. Management is only doing what the current environment allows it to do. The RLA and various bankruptcy laws, along with the general countenance of the American people, have allowed financial alchemists to seize control of the airlines, strip them of their wealth, reduce the margin of safety, destroy the employee morale, and fund enormous compensation packages. As long as the planes keep moving, nobody cares.

Going at this alone is a fool's game. We have a much greater chance of survival if we unite and act as a team for our common interests.

The problem extends beyond the RLA and NMB. The FAA itself is nothing more than the enforcement arm of the Air Transport Association. As everyone knows by now, the newly proposed regulatory structure for mitigating fatigue is nothing more than a thinly veiled productivity grab by the ATA. Their solution to piloting fatigue is not the cessation of outsourcing, nor the lowering of thresholds for triggering fatigue abatement procedures. No, the FAA's idea of mitigating fatigue is directly from the wish list of the ATA - more flying by fewer pilots.

We have outlined our objections with this proposal and have included our petition for the regulatory structure to mitigate fatigue in Sections 2 and Sections 4 of our "Fair Treatment of Experienced Pilots Act - Part 2."

Our problem is with the corrupt sheriff that points his gun at whomever management tells him to. Rather than being a neutral arbiter of the disputes between capital and labor, the sheriff has taken sides. This is predictable given that the ATA has much more money to spend on politicians than we do. Their stories of airlines being an indispensable economic asset also scare politicians.

"Keep the planes moving and nobody gets hurt," is the message government hears.

Therein lies the solution to our problem.

# The FAA itself is nothing more than the enforcement arm of the Air Transport Association.

We have all talked about it for decades. ALPA talked about it in our past, but didn't have the ability to deliver. Cockpit discussions of the state of the industry ALL end in the same refrain:

#### "WE NEED TO SHUT IT DOWN."

#### National Strike. Nationwide sick-out.

The government is only a tool, and we are just as much, if not more so, entitled to have a government that answers to our needs, rather than to corporate interests. We are citizens. We are patriots. Most of us wore our country's uniform and flew in harm's way on behalf of our fellow Americans.

Management did not.

We must move the government out of its role as enforcer for management, and have them set a standard of safety and operation that will repair the damage done over the past few decades.

#### Our grievances are as follows:

- The RLA must be amended to prevent the pattern of negotiating abuses of the past few decades. Management must not be allowed to stall until economic conditions favor their position. When a contract is over, a new one must be negotiated in the time frame dictated by the previous contract and applicable law.
- The various bankruptcy codes must not be a tool for management to achieve in court what they can not achieve at the bargaining table.

  Management and labor may work out an agreement to facilitate a successful bankruptcy, but labor shall not be put into a position where their contract can be unilaterally changed to suit a bankruptcy filing. If management believes bankruptcy can be beneficial to jettisoning debt and reorganizing, it may do so without regard to pilot contracts. Three decades of employee concessions at the barrel of a gun have done nothing to bring financial health to the industry. They have brought unprecedented vitality to executive compensation.
- Government's callous disregard for piloting experience and proficiency shall not be a source of cheap pilot labor for management to exploit. Hair dressers, electricians, plumbers, and many other trades have far higher licensing thresholds to meet than pilots, and this must change to reflect the responsibility pilots hold every time they perform their duties. Experience is difficult to obtain and it doesn't come cheap. The industry, public and government need to accept this.
- Collective bargaining agents need the tools to secure adequate pay and working conditions for their pilots and recognizing pilots undermining that effort. Scab labor undercuts not only the economic vitality of our profession, they also undercut safety standards by being more vulnerable, if not outright willing, to violate FARs and industry standards to keep their jobs. Unionization prevents management from whipsawing pilot

against pilot to see who can reduce safety and still get the job.

• Amendments to government regulations concerning fatigue and pay need to be updated for the modern era. The 30 year assault on working conditions and pay have put pilots in the position of being more fatigued, stressed, and vulnerable to sickness and injury, to say nothing of the devastation in their personal lives. Management has shown that it will schedule pilots up to the FARs, only to lobby the government to amend them to fly more.

Our right as Americans is to be able to peacefully unite, speak to and lobby our government in a manner that allows us to seek redress from its improper actions. This is enshrined in the FIRST AMENDMENT to The Constitution. This right is no less applicable today than at any time in our history.

The major difference that separates us from our corporate managers is a matter of money. They have the money to buy political sympathy, and we do not. That is a simple fact. We can not engage in a battle of money in Washington, as the "going rate" for Congressmen is well above what we can afford. We will lose and end up in a position worse than we presently find ourselves.

Experience is difficult to obtain and it doesn't come cheap. The industry, public and government need to accept this.

In any battle, you must put your strength up against your opponent's weakness. Attempting to fund campaigns of influential Congressmen will not only be futile, but take far longer than we have before management can fully outsource our only asset. Neither ALPA, APA, nor any other union has had any influence in Washington in these matters. The reason is that their money isn't worth what management's money is. No, we need to use the one option that we never have and that both management and government have no answer.

WE MUST SHUT IT DOWN.

We, the people, have the right to speak our minds. We can peacefully assemble to discuss our ideas. We can petition the government for redress of our grievances.

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof, or abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

Never forget those three things. Congress shall make no law abridging any of those three. Those three things are our avenue of advance.

- First off, we shall speak our minds in this forum to unite the minds of pilots.
- Second, we shall peacefully assemble, or not assemble, according to the First Amendment. We shall recognize one another under this protection.
- Third, our efforts are not a strike against management, but a petition to the government. Our remedies are legislative in nature, not contractual.

One day in the future, we will all refuse to exercise the privileges of our airmen certificates for reasons stated in the FARs. This will be done as soon as we believe we have the necessary support among pilots in the United States to get the air carriers to suspend operations in the event of a widespread refusal to report for work. Ideally, this would be done in the next few months, but is dependent upon the participation rate among all of you. We are prepared to wait until we get the necessary participation. We will not call an action until we believe it will be successful.

When it happens is solely dependent upon you and how fast you get the message out to your peers.

We will know it is time when sufficient panic is observed in both the government and industry. By their threats, ye shall know them.

The way we will bring about this panic is by being able to identify our unity. This will be done by pilots wearing unique items that can be readily identified by other pilots, or unique kit bag stickers that serve the same purpose.

**GO ORANGE!** Orange ID lanyards, orange wrist bands, orange bumper stickers, orange business cards, orange flags on your roll-aboards, orange wheels, University of Tennessee paraphernalia, etc. Be creative. Be bold. Be understood.

There is nothing illegal about having orange prominently displayed. The DHS has had us at "Threat Level ORANGE" for years, and we think that is appropriate. **Orange duct tape is the best way to display your solidarity.** 

When we see more and more people wearing orange, so will management. They will discover what is happening and panic. Keep the pressure on by telling your fellow pilots about these websites and our objectives. When they see a sea of orange operating their airplanes, they will panic.

At the proper time, all of us will walk off the job. This is a petition to the government and is not a strike against a particular carrier by a recognized union. The RLA does not apply. There is no injunction against the peaceful exercise of the First Amendment.

## When they see a sea of orange operating their airplanes, they will panic.

All of us. We must be a united front against the forces openly conspiring to destroy our careers, endangering the public, and lining the pockets of executives.

For this to be successful, we need everyone to participate in getting out the word. Tell ten people, and ask them to do likewise. At first, there will be little noticed change, but once this effort gets legs, it will be unstoppable. Most of us are angry enough to talk the talk, now we get to see how many will walk the walk.

Find orange flags, lanyards, and stickers to adorn your personal-professional gear. **Buy orange duct tape to offer to your flying partner**, and start the conversation. Visit our websites and social networking pages often for updates.

Remember, it is not illegal to wear orange. Management would be foolish to issue written policies prohibiting orange lanyards, stickers, and trinkets, lest they call attention to the entire matter.

We will not go out unless we all agree that we will not come back if anyone has any legal or certificate jeopardy for participation. This is about unity and we will not have division. We are in this together for our mutual benefit.

WE WILL NOT LEAVE OUR WOUNDED ON THE BATTLE FIELD!

This is the area management and government will exploit. They will engender fear into a few pilots by taking them as hostages. It is what they do during contract negotiations, and it is what they will do to prevent our unity. Nobody shall wear orange or support our efforts unless they are willing to stay out until all our brothers are restored and our objectives met.

If we delay, we will find ourselves in a position where we can't fight, even if we wanted to.

This is an effort for all of us, not just The Committee. We (The Committee) are only here to focus and direct the effort. All of us must put the effort into making this a success. Remember, there is little time left and the Autumn winds in Washington did not blow in our favor, and 2012 looks to be even more dire. If we delay, we will find ourselves in a position where we can't fight, even if we wanted to. We are not there yet, but the rate of decay is such that we will not have this ability for much longer.

These are the times that change is made. Nobody wants change when things are going well.

What can you do?

Read the "Fair Treatment of Experienced Pilots Act of - Part 2" to see what we are petitioning to have instated in the law. If you agree, then go to our websites and social networking pages to see what is expected of each and every one of us. If you agree, then follow the actions list and be prepared to win back your profession.

Be smart. Keep your cool. Be professional. Until the SOS date, fly the best plane you can. Have the best attitude. Be the example. Wear your uniform with pride, because you know that your actions in the future will make you proud, once again, of your chosen career. We are professionals, and it starts today.

We can not engage in a battle of money in Washington; we will lose and end up in a position worse than we presently find ourselves.

Nobody is promising anything easy. There are risks associated with this, but if we follow a few simple rules, the risks are minimal. The larger risk lies in doing nothing, as the destruction of our careers is certain. Management is playing for keeps and this is a varsity game. We need to understand the terms of the game and play accordingly.

When our Founding Fathers decided to rebel against the British Crown, they knew not everyone would be with them. They only needed the true patriots to be with them, and that would be enough for England to withdraw. The consequences of inaction were obvious to them when Thomas Jefferson penned in the Declaration of Independence the following observation:

"...accordingly, all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they have become accustomed." Your choice is to suffer along with what you are given by management, until they don't need you anymore, or to take a stand to fight for the fruits of your labor, and those of your fellow pilots, while you still can. By cowering and accepting what they wish to give, you have, at best, ten years left. Look at the past decade of bankruptcies, pension abrogations, stock swindles, broken promises, and legislated productivity enhancements disguised to look like FAA mandates for fatigue mitigation.

Management is playing for keeps and this is a varsity game. We need to understand the terms of the game and play accordingly.

The pace is accelerating.

The time is now.

The action is peaceful protest.

The goal is a healthy industry.

The essential person is you.

Only you can stop management abuses via government policy.

Will you? We shall find out.

THIS IS OUR TIME