Endeavor Air

Hopeful Signs After a Difficult Year

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Let's recap the past 365 days: As 2012 came to a close, the pilots at then-Pinnacle, now Endeavor Air, were mired in bankruptcy. In 2013, the pilots helped save the company by ratifying a painful, but necessary, restructuring agreement; got new management along with a name change; voted in new Master Executive Council (MEC) officers; and are finally on a path of recovery as they move into 2014.

“The pilots were given a stark choice between holding on to our current contract and seeing Pinnacle wound down or accepting drastic cuts to our pay and work rules to save the airline and the jobs of employees in all areas of Pinnacle’s operations,” says Capt. Tom Wychor, the former MEC chairman. The seven-year deal included pay cuts, longevity caps, increased health-care costs, and a reduction in retirement benefits.

In recognition of the magnitude of the pilots’ concessions, the contract also included a bridge agreement that provided a one-time cash payment (paid in May 2013) and guaranteed hiring for a set number of Pinnacle pilots at Delta Air Lines under a Streamlined Selection Process (SSP).

Exiting bankruptcy in May 2013 as a wholly owned subsidiary of Delta, Pinnacle’s new management team moved its headquarters from Memphis, Tenn., to Minneapolis, Minn., and changed the airline’s name from Pinnacle Airlines to Endeavor Air. Although the imminent threat of bankruptcy passed in January 2013, the Endeavor pilots still faced numerous challenges and upheaval as the year of change unfolded:

- The MEC renewed its focus on a grievance resolution process to address the backlog of more than 1,000 pilot grievances accumulated during the bankruptcy, and worked with the company to designate company-funded ALPA duty pilots to work with Crew Scheduling in the Operations Control Center to reduce and prevent contract violations.
- The Atlanta and Memphis domiciles were closed.
- The company began to retire its CRJ200s in August.
- The company received the first of 40 additional CRJ900s the airline is expected to have on the property by the end of 2014. During the October meeting conducted in Herndon, Va., the MEC held its officer elections, installing Capt. Jonathan Allen as chairman and Capt. Michael Yoder as vice chairman and re-electing F/O Nathan Hillard as secretary-treasurer.
- With new officers elected, domicile shifts finalized, and new status representatives in place, the MEC emerged from the October meeting “with a strategic focus on recovering compensation lost in bankruptcy, improving career progression for our pilots, and improving quality of life while we’re here,” says Allen.

The MEC is investigating two new initiatives, the first to replace crew room bulletin boards with LCD monitors for more effective and up-to-date communications with the Endeavor pilots and the second to bring application, résumé, and interview-preparation seminars to the domiciles to “give our pilots who wish to move on every advantage,” Allen says.

Endeavor pilots who were offered jobs at Delta under the SSP along with premerger Mesaba pilots eligible to flow to Delta under a sunset agreement will begin class at Delta on January 13. “Given our improving operational reliability, competitive cost structure, and our relatively young CRJ200 fleet, Endeavor is well positioned to retain a significant portion of our current 50-seat airplanes for the foreseeable future,” notes Ryan Gumm, Endeavor Air CEO.

Gumm’s statement is seen as a positive indication that the CRJ200 fleet may not be retired at Endeavor, and the company has announced plans to hire 300–400 pilots in 2014, with classes scheduled to begin on January 6.

While the Endeavor Air pilots endured much chaos as a result of the bankruptcy, the changes they have made have provided them a solid foundation from which to advance their careers.