



PILOT GROUP PROFILE

Unifying the Continental Family



By Don Skiados, Director, ALPA Communications Department

CAPT. CARL NOVAK (CONTINENTAL)

I can still remember my first trip, in the early 1970s, to a Continental MEC meeting. I was in ALPA's Administration Department at the time, meeting with our Field Office staff, when the Association's then president, Capt. J.J. O'Donnell, arrived in Los Angeles to attend an MEC meeting. The Continental pilots were embroiled in a contract dispute with management. As a young man, I wondered what these pilots, in service of an airline that I had heard so much about, would be like, so I spent as much time as I could watching their deliberations. I also wondered about their renowned (bigger than life) CEO, Robert Forman Six, and what it must be like to work for an industry icon—Continental Airlines—the golden-tail airline, the airline that young aspiring pilots couldn't wait to join.

The early 1970s was a time when being an airline pilot, and especially a Continental pilot, meant that you were treated with respect everywhere you went. In a letter to the pilots dated May 12, 1981, Six reminded the pilots that they were able and resourceful and that flying was a special, noble calling. He went on to tell them, "You are special people and have played a giant role in helping build this special [Continental] airline."

On this trip, I found myself in the same room with 6'4" Robert "Call Me Bob" Six—who had entered the airline business in 1936, when he borrowed \$90,000 from his father-in-law to buy 40 percent of Varney Air Transport. I was awestruck by Six, but I was just as awestruck by the pilots of Continental. I remember that O'Donnell helped the Continental pilots' Negotiating Committee reach agreement with Six and that the deal was quickly taken to the MEC for approval. The MEC voted, and the Continental pilots had a new contract.

Wait a minute. No Family Awareness? No Pilot-to-Pilot? No press coverage? No contract comparisons, no

roadshows for every member to ask questions, no send-the-TA-out-for-member-ratification—how could that be? In those days, ALPA was a different kind of union.

It's logical and normal that the system and procedures for negotiating and approving a new contract would change over time, but the Armageddon at Continental Airlines, about a decade later, would be the impetus for changing future ALPA member-relations efforts forever.

By then, in 1983, having been taken over by one Frank Lorenzo, with a months-old merged seniority list of Continental and Texas International pilots, the Continental pilots found themselves faced with a no-win situation. After giving two rounds of concessions to Lorenzo (Prosperity 1 & 2), and with 25 percent of the 2,045 pilots on the combined seniority list already on furlough, the pilots were thanked for their efforts to stave off bankruptcy by Lorenzo's additional demand to the MEC for a further 50 percent reduction of wages, termination of their retirement plan, and basic federal aviation regulations for work rules. The International Association of Machinists mechanics had already struck Continental earlier in the summer of 1983.

On September 23, Continental management filed for Chapter 11, unilaterally abrogated the pilots' contract, and instituted the emergency work rule last proposal, then announced a limited startup 3 days later, while refusing to recognize the seniority system for pilot recalls.

The Continental MEC countered with a strike deadline of October 1, and ALPA's then president, Capt. Henry Duffy, convened a special Executive Board, which approved immediate extraordinary strike benefits for Continental pilots.

As the Continental pilots were deliberating their next move, I walked around the parking lot of the Sheraton North Houston Hotel with the then MEC chairman, Capt. Larry

This MEC and the pilots of Continental will have an everlasting legacy if they live their new motto: "When one of our pilots has a problem, we all have a problem. Our strength is our unity, our strength is our pilots."

Baxter. Many times, I have seen the agony of airline pilots trying to make the best possible decision for fellow pilots and their families. Each of them handled the pressure of that situation differently. It's not like inflight-emergency pressure, as so many representatives have learned. We walked and we talked about the options—there were no good ones.

Any student of airline history knows that Lorenzo used a loophole in the bankruptcy code to abrogate the pilots' contract. That act, and the fact that ALPA was not ready for a strike in the newly deregulated U.S. airline environment, led ALPA to create pilot-to-pilot and family awareness programs and financial analysis resources 18 months later, when the United pilots struck to stop the spread of the never-merging B-scale. In any event, and after a painful 761-day strike, a court order ended the Continental pilots' strike. Management refused to recognize ALPA as the pilots' representative, effectively ending ALPA union representation for the Continental pilot group.

But the Continental pilots would "never quit." Certainly, the Continental pilots could have thrown in the towel many, many, many times, but they would not. They would slowly and patiently rise from the ashes.



The author, Don Skiados, right, walks the Continental mechanics' picket line with ALPA's then president, Capt. Henry Duffy, in the summer of 1983.

Through My Eyes

All ALPA pilots can be proud that their union has just celebrated its 75th Anniversary. Each pilot group has its own history and experiences, which knit together the amazing quilt of ALPA. This is a profile of one such pilot group—the sisters and brothers of Continental Airlines.

One might ask why I was asked to write this profile, and what gives me the credentials to do so? Well, I have been fortunate enough to have worked with line pilots and MECs for almost four decades. As director of ALPA's Communications Department, I have been assigned to work with the Continental MEC and line pilots since 1982.

The reader should also know that this profile is being written through my eyes and based on my experiences and is not an official missive from the Continental MEC. With that said, however, I do feel extremely close to the past and the current Continental MEC representatives and CAL pilots and I feel confident that I will in no way provide any revelations that would shock, dismay, or upset anyone, but this is still an interesting story.—D. S.

The late 1980s and early 1990s held little promise for airline pilots—Lorenzo was trying to run the same plays at Eastern Airlines as he had at Continental, and airline pilot-ing jobs were hard to come by. Some called that era the darkest days; others termed it a "call to arms." ALPA promoted legislation that closed the bankruptcy loopholes that allowed unilateral contract abrogation and began rebuilding the profession. With the help of all pilots, ALPA first convinced a bankruptcy court judge to strip Lorenzo of his airlines and convinced the Department of Transportation to ban him from ever leading another U.S. airline.

At the same time, much was going on at Continental. The biggest thing happening was that several different families were being brought together. Not all of these families were from outside Continental, although some were. Each family had a name—the pilots who had stayed out on strike for 2 years were called "crawl backs." Yes, Continental had pilots who had worked through the strike and permanent replacements, and then management mixed in families from New York Air, People Express, TransStar, and Frontier, with four more wholly owned smaller airlines—Rocky Mountain Airways, Britt Airways, Bar Harbor Airlines, and Provincetown-Boston Airlines—

This new MEC named itself “The Pilots’ MEC” with goals to be proactive and completely open in its representation of all pilots and to lead the Continental pilots in support of pilot goals by building trust and confidence in the MEC and committee structure.



JOCELYN AUGUSTINO

Capt. Dave Gruss, left, gets a lesson in using preferential bidding software from F/O Todd Brower in the crew room at Newark (N.J.) International Airport.

being merged into Continental Express. The pilots’ only voice with management was an “Ops Group” with seniority-block representatives from all the families trying to keep peace among the bigger Continental family, but the Ops Group did not provide the pilots with the organized and bargaining power of a legal union. After another round of concessions, bankruptcy, and merger threats in the early 1990s, a majority of the Continental and Continental Express pilots voted in a new pilots’ union in July 1993.

Meanwhile, concessions had made their way into many other pilot contracts in the first half of the decade. But in 1998, the pilots of ALPA once again took control of their futures. The buzzword in airline management at that time was *parity*. Pilots understood that if everybody is being paid parity, then no one is moving up. The Northwest pilots decided this would not be allowed to continue and took a 15-day strike in 1998 and obtained a progressive new contract. This was soon followed by excellent contracts at Delta and United, and none of this was lost on the Continental pilots. While they had abandoned the Ops Group and formed the

Independent Association of Continental Pilots (IACP) in 1993, they began to muse about whether being an independent union was still in their best interests.

The IACP Board in 2000 voted to allow ALPA representatives to conduct an informational campaign among the Continental pilots. The campaign included roadshows across the Continental system, and one thing was just as evident then as it is today—without actually having a tag on their uniform, *all* Continental pilots are still tagged with their premerger and poststrike family names. This was and is probably the worst possible situation for building pilot unity for any goal—a contract negotiation, organizing drive, you name it.

But once again, the family of Continental pilots would not be denied. They came to endless meetings, read all the materials, and then voted “yes” to merge IACP with the Air Line Pilots Association. On June 1, 2001, the Continental pilots were back in the ALPA family!

The newly elected leaders moved quickly to set up a formalized structure to represent pilots and begin the process of hammering out a new collective bargaining agreement using ALPA’s toolbox of services and a blend of pilots and professional staff. Sept. 11, 2001, set back their contract openers, which had been planned for October 1.

Over the next 5 years, the union leaders tried desperately to keep all the factions of Continental and Continental Express from fighting with each other and focused on their major goal—a new collective bargaining agreement.

The preparation for bargaining and unity building was overshadowed by a boiling dispute over splitting the MEC.

Continental Pilot Group At a Glance

Number of pilots—3,694 as of June 1, 2006

First Contract—1940; rejoined ALPA June 1, 2001

Operations—North, Central, and South America, Caribbean, Europe, Asia, Middle East, Africa, Australia, and South Pacific

Pilot bases/hubs—Newark, N.J.; Houston, Tex.; Cleveland, Ohio; Guam

Airline headquarters—Houston, Tex.

Fleet—B-777-200ERs, B-767-400ER/-200ERs, B-757-200/-300s, B-737-300/-500/-700/-800/-900s, Embraer ERJ-145-XR/-145/-135s, B-787-8s (on order)

Alliances—Skyteam



F/O Glen Johnson preflights his B-757 at Newark (N.J.) International Airport, one of Continental's hubs.

When the IACP merged with ALPA, the National Mediation Board considered Continental and Continental Express as a single carrier, and the two pilot groups were represented in the same MEC. This situation intensified as Continental's wholly owned subsidiary—Continental Express—grew into an all-jet airline with 270 ERJs. Management spun off Continental Express in 2004, and the new company, ExpressJet, was born. After this corporate business decision, keeping both pilot groups at the same MEC table became very difficult. The eventual restructuring took place later in 2004.

Certainly, now it was time to move forward with the contract. But time and again, other issues, family business if you will, kept the MEC and Continental pilots from truly moving forward with any single goal or conviction. During this time, several MEC chairmen and MECs tried to bring the Continental pilots together to focus on their major goal, a new contract. Some pilots felt that management didn't need a concessionary contract in 2005, and other pilots felt it did, just for the airline to stay out of bankruptcy. In April 2005, a new agreement with management was struck, and the pilots of Continental voted by a slim margin to accept the new concessionary contract. The process and the vote, however, left the leaders and the members quite divided.

The spring of 2006 brought more than daffodils to the Continental MEC. Three new MEC officers were elected, as were six of the nine status representatives. These new, but savvy, pilot representatives vowed to start over. First, all pilot-family names needed to be destroyed—the Continental pilots had to become *one* pilot group. Second, they felt that they needed to develop a strategic plan that

the pilots would accept and commit to. Third, they had to unify themselves and the rest of the pilots.

Continental MEC sets new course

The Continental MEC, at its meeting in May 2006, reviewed and codified a new Strategic Plan to represent the Continental pilots now and into the future.

This new group of pilot leaders promised each other and their pilots to break the old mode of infighting and turmoil. These leaders believe in the principles of unionism. They want to change the culture of the entire cadre of Continental pilots. They know that just as location, location, location is king in real estate, unity, unity, unity is king in being a successful union. To this end, the Continental MEC has committed to a new motto: "When one of our pilots has a problem, we all have a problem."

Further, this new MEC named itself "The Pilots' MEC" with goals to be proactive and completely open in its representation of all pilots and to lead the Continental pilots in support of pilot goals by building trust and confidence in the MEC and committee structure. The MEC members want to demonstrate integrity, responsible decision-making, unity, and proven accomplishments.

In summary, their major MEC strategic initiatives are to

- continue strategic defense of the CBA through close coordination among the MEC officers, Negotiating Committee, and Grievance Committee to ensure that the Continental line pilots' rights are protected;
- develop plans to influence the course of their company's future, protect career expectations, enjoy excellent compensation and work rules, and provide predictability and fairness in the integration and contract amalgamation process to the maximum extent possible in the event of a merger;
- ensure that funding of the Continental pilots' defined-benefit retirement plan continues;
- support the international pilots in obtaining the proper cabin rest seating on augmented flights;
- effect careful implementation of the preferential bidding system (PBS), along with full information and thorough training on the PBS system, to improve the Continental pilots' personal options in building monthly schedules;
- monitor the actions of ALPA's Executive Council and the MEC's Flight Pay Loss Committee to ensure that they continue to provide open and honest communications to the pilots about union flight pay loss;
- investigate seniority-block and large-council representation-structure alternatives; and
- provide the framework for honest and open communications with *all levels* of the airline's management.

Every strategic initiative and every issue the Continen-

Continental pilots have an excellent opportunity to move forward into the future as a solid and unified pilot group capable of representing the professional needs of all Continental pilots.

The 4,700-strong Continental family continues to evolve and maintains a solid relationship with its 2,500 ExpressJet brothers and sisters.



JOCELYN AUGUSTINO

tal MEC and pilots face will succeed or fail depending upon the degree to which they successfully inform the line pilots and provide two-way communications between them and the MEC. This success is also dependent, in part, on the ongoing education of, and communications among, the MEC itself. Good communications is at the root of all of ALPA's successes, and setbacks for pilots over the past seven-and-a-half decades can usually be traced to failure to properly communicate. Therefore, communications *must* be a central part of the Continental MEC's Strategic Plan.

Also, no ALPA Strategic Plan would be complete without workplace safety for the members. Safety and security are paramount and will be integrated into every aspect of everything ALPA does to provide the Continental pilots and their passengers with the highest degree of safety and security. The MEC will carefully monitor the Continental safety structure and at the same time become more active in the ALPA International safety structure.

And the MEC members intend to keep their eye on the ball—the current collective bargaining agreement is amendable in 2008. They will review the manner in which Contract '02 was completed and prepare for the next round of bargaining by educating, preparing, and unifying the line pilots. A two-way communications program will ensure that pilots' voices are heard by the MEC and that their goals will be carefully understood and prioritized. The MEC will begin shortly to set up a Strategic Planning Committee and other infrastructure required for negotiations for Con-

tract '08. The MEC will also develop a plan for bargaining that includes a three-phased approach so that negotiations begin immediately with improving scheduling, retirement, and quality-of-life issues, adding interim improvements to economic provisions when the company produces sustainable profits, and producing a new, comprehensive contract by the amendable date.

Those are ambitious goals. But the Continental pilots have faced many challenges over the last 25 years and have proved that they can rise to meet just about any challenge. They know that the past must be left behind and a new era must begin.

Over the past 25 years, Bob Six's Proud Bird has changed its tail feathers from gold to red to blue. The 4,700-strong Continental family continues to evolve and maintains a solid relationship with its 2,500 ExpressJet brothers and sisters. With more than 1,000 former Continental Express pilots on the Continental seniority list and with 700 new members recently joining the Continental family, led by an MEC focused on the future of *all* Continental pilots, the Continental family will be a formidable force at the bargaining table.

Continental pilots have an excellent opportunity to move forward into the future as a solid and unified pilot group capable of representing the professional needs of all Continental pilots. The question that Continental pilots must now answer is: "Can our family come together to meet today's challenges?" I'm confident the answer is Yes. 🐦