

PILOT GROUP PROFILE

Spirit Pilots Climbing Higher Through Negotiations

By Karen Byer, Communications Specialist

Spirit Airlines pilots, heartened by their highly successful rally in Ft. Lauderdale, Fla., are surging forward with their contract negotiations and making clear to management that they intend to take back what they gave up in their 2003 collective bargaining agreement.

In February, more than 60 Spirit pilots, joined by ALPA's president, Capt. John Prater, demanded the better pay and working conditions they greatly deserve. Pilots who turned out for the rally were also eager to hear Prater speak about his plan to "take back" the past concessions that the pilots gave to save the airline.

"This show of force and solidarity demonstrates to Spirit Airlines management and to all other airline managements that ALPA members are unified and will no longer tolerate the back-breaking concessions of the last five years," the MEC chairman, Capt. Matt Nowell, said of the rally. "Our message to them is that we mean business and won't settle for anything less than fair wages for our pilots. Our sacrifices were pivotal to Spirit's future profitability, and we expect our fair share of that success."

Pilots lead to growth

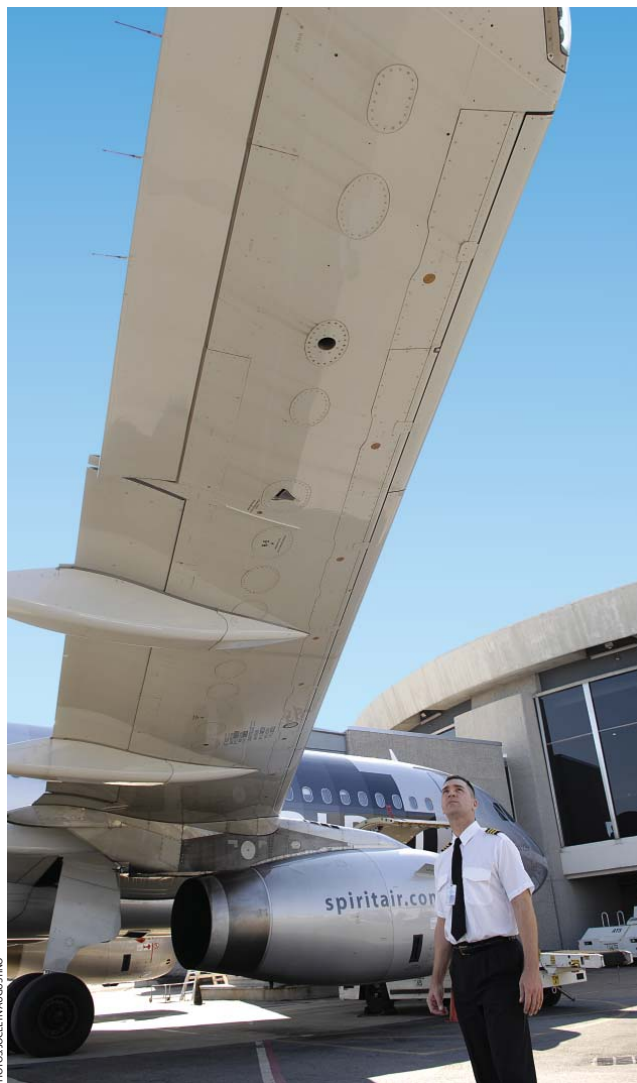
Spirit is an airline that has grown on the backs of its pilots. Senior Spirit pilots can

recall a time in the airline's history when pilots did everything from loading bags to selling tickets to cleaning airliners. Pilots remain convinced that this sort of dedication is what allowed Spirit Airlines to survive a number of questionable business plans promulgated by ever-changing managements.

The challenges faced by Spirit pilots are rooted in the airline's 16-year history. Founded in 1980 as Charter One, a Detroit-based charter tour operator, the airline provided travel packages to such entertainment destinations as Atlantic City, Las Vegas, and the Bahamas. In 1992, Charter One brought jet equipment into the fleet and changed its name to Spirit Airlines.

In 1993, and during the next 5 years, Spirit expanded rapidly, increasing service from Detroit and adding service in new markets along the East and West Coasts. After another management shakeup, Spirit focused on the goal of becoming the leading low-cost carrier to the Caribbean. This plan gained credibility in 2006, when new destinations included Punta Cana in the Dominican Republic and later Port-au-Prince, the capital of Haiti.

In 2004, the airline's management announced that it would be upgrading Spirit's entire fleet and



PHOTOS: JOCELYN AUGUSTINO

expanding hiring efforts. Today, Spirit can boast of transitioning from 33 MD-80s to an all-Airbus fleet of A319s and A321s. The fleet currently stands at 38 with one more A319 coming this year. The airline now has the youngest fleet of Airbus airliners in the Americas.

The staff of 430 pilots is being augmented through the hiring and training of approximately 16 new pilots per month. By year-end, Spirit is expected to have hired 90 new pilots, bringing the total to 490.

This rapid-fire approach to hiring is necessary as the airline looks to once again expand its service to include more countries in Central and South America, the Caribbean, and points beyond.

No concessions!

Spirit Airlines became the largest privately owned U.S. airline through the hard work, dedication, and sacrifices of its pilots and other employees.

In September 2002, at the behest of management, Spirit pilots entered into aggressively scheduled contract negotiations with the hope of reaching an agreement by the amendable date of Jan. 31, 2003.

Five months after beginning talks, the two parties reached a collective bargaining agreement that provided nominal improvements in compensation and work rules for pilots but that also provided significant efficiency gains for management, which limited pilot staffing and soft time.

Despite modest pay increases gained in 2003, Spirit pilots are among the lowest-paid pilots who fly similar aircraft. They do not intend to hold that position after the pending collective bargaining agreement is concluded.

In summer 2006, Spirit management again asked to begin contract negotiations earlier than scheduled in hopes of reaching a contract agreement quickly. However, with nearly 7 months passed and little progress made, management has shown no desire to engage in serious contract negotiations on any issues but its own.

The Negotiating Committee has been aggressively pursuing a satisfactory contract on behalf of all Spirit pilots. The Committee believes that the purpose of this round of bargaining is to improve the pilots' rates of pay, work rules, and working conditions. However, management seems to have lost its sense of urgency and often does not have adequate counterproposals when coming to the table.

"In fact," says First Officer Bill Russo, chairman of the Committee, "management seems to be setting a new disturbing trend. In addition to procrastinating on matters of economic relevance, it actually counterproposed decreases to every economic area of the contract."

Spirit is a well-funded airline and plans continued growth



that will inevitably lead to either an initial public offering (IPO), a merger, or both. Pilot contract cost is roughly 6 to 8 percent of the airline's overall costs. As an expense to the airline, the pilot contract is not that significant, yet management is claiming that it needs relief in economic areas of the pilots' contract.

"The management of this airline, which boasts of new, bigger airplanes and steady growth in destinations, claims at the bargaining table that the airline is in terrible economic shape," says Nowell. "The stakes are high for Spirit pilots at this point in their history. They have no intention of giving concessions, but instead plan to get what they're worth."

Standing behind them with the strength of 60,000 pilots will be ALPA's Collective Bargaining Committee. "This is our next goal," says ALPA's president, Capt. John Prater, "creating and taking advantage of opportunities in collective bargaining. To start, I am tasking the Collective Bargaining Committee with coordinating among and between pilot groups to establish goals, priorities, and time lines to create and exploit opportunities to 'take it back.'"

In response to management's new advertising slogan "Stand Up to the Man," the Negotiating Committee has produced lanyards that read, "Stand Up to the Management"—a witty campaign with a serious message. Pilots are encouraged to put the stickers on their flight bags, to talk up the campaign on the line, and if they see a fellow pilot without an ALPA ID lanyard, to encourage that pilot to wear one. This is one of the pilots' ways of demonstrating to management that this pilot group will not vote for a concessionary or inadequate contract.

The Negotiating Committee continues to be vigilant in its work. Pilots are assured of relevant and timely updates that arise from talks at the table. A monthly negotiating status

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report and periodic AMES messages are just two of the communications vehicles that the Committee employs. The Committee also makes frequent visits to airport crew rooms to talk personally about the status of negotiations. This allows pilots to voice their concerns and suggestions.

Union leaders/Spirit management

In 2006, Nowell was elected the Spirit pilots' MEC chairman. He started flying for fun as many pilots do and then, at the age of 28, decided to make aviation his profession. Before joining Spirit in 1999, he flew for Mesa and Sunrise Airlines.

The Negotiating Committee team members, in addition to Russo, are First Officers Bill Worley and John O'Neill.

Spirit Vice-President of Operations Jeff Carlson is a 22-year veteran of the piloting profession and has voiced his respect for ALPA. Thus far, though, the jury is still out on whether the airline's management is willing to reward the dedication and sacrifices of the airline's pilots.

"We believe that the management team at Spirit wants to treat us well," says Nowell. "But with the new investors arguing over every nickel and dime and seeking to disrupt long-established scheduling and staffing practices without negotiating, the management team is on the edge of destroying the good will of the pilot group. We, however, remain optimistic for future."

Nowell adds that he "appreciates the work that chief pilot Paul Olechowski has done since taking the position two and a half years ago. His work with the union leaders has been positive."

Looking ahead...moving forward

With a brand-new terminal set to open in late 2008, Spirit Airlines will have 14 gates at Detroit's McNamara Airport. This will be a definite step up from the 1950s-era terminal from which they now operate.

Spirit Pilot Group At a Glance

Number of Pilots: 430 and growing

Operations: more than 100 daily departures from Ft. Lauderdale, Fla., to destinations in the United States and the Caribbean

Bases: Detroit, Mich.; Ft. Lauderdale

Fleet: 38 A319s and A321s

Headquarters: Ft. Lauderdale



F/O Keith Bowman preflights his aircraft before a flight from Washington National Airport.

Nowell sees the pending implementation of a Flight Operations Quality Assurance (FOQA) program as a sign that management is committed to discovering and improving safety issues at the airline. One of the programs that will run concurrently with FOQA is Aviation Safety and Reporting (ASAP), which is a joint program among ALPA, the FAA, and Spirit.

Nowell hopes that the future of Spirit pilots will be brightened by a nonconcessionary contract that provides fair wages within the airline industry. "I want the Spirit pilots to come out of the basement and into the pack," says Nowell. "I see this as the only fair result for the dedicated group of pilots that I lead."

So many pilots have joined Nowell's ranks from other airlines across the spectrum that he feels personally responsible to make sure that they enjoy fair and equitable working conditions—conditions that do not involve situations like 6-year first officers and industry-lagging wages.

"I remain very appreciative of how much support our small airline group has gotten from ALPA national," says Nowell. "And I intend to continue working diligently with my Negotiating Committee and ALPA to take it back from management." 🌐