

AMFA'S ARGUMENTS RING HOLLOW ON...

NORTHWEST

At one time, AMFA had more than 10,000 mechanics nationwide at Northwest, but are now down to around 1,000 after conducting a suicide strike. This is indicative of their servicing and bargaining skills. In short, AMFA blew it big time at Northwest by conducting this strike with no strike fund, not informing members of the company's last best offer, and no coalition-building with other unions. Now, a majority of Northwest mechanics are scabs who are trying to organize with another union. Thanks to AMFA, everyone at Northwest lost except Northwest.

SOUTHWEST

Southwest had the highest paid mechanics when they switched to AMFA because they were covered by a Teamster-negotiated contract.

AMFA took over the contract in 2002 with the promise of being aggressive at the bargaining table. In 2004, Southwest told AMFA they'd give them a 3-year extension. AMFA agreed to extend the economic package in spite of promises to do whatever it would take to obtain improvements ("Take a stand for 100K"). The ratification of the extension was a sharply divided vote and seen as a failure on AMFA's part to keep their promises.

CONTINENTAL RETIREMENT

Continental mechanics are currently covered by two retirements, one defined benefit plus a 401(k) with a company match. At the request of Continental mechanics, the Teamsters are moving forward with a plan to let mechanics vote to switch to the Western Conference of Teamsters Pension Trust which has **\$33 billion** in assets. If successful, the fund would give Continental mechanics 2-for-1 credits for past service up to a maximum amount of 10 years for past credit service.

At one point, there was a movement by a few mechanics to do away with any defined benefit retirement and go completely to a 401(k). When most mechanics researched the facts, the petition lost momentum with less than 10 percent support.

The Teamsters are not interested in negotiating a pension in lieu of the 401(k). The reality is the Pension plan the Teamsters are offering is a defined benefit plan that we can negotiate into the contract and negotiate the company contribution. It will not affect the 401(k).

CONTINENTAL OUTSOURCING

Prior to Teamster representation at Continental, the airline was aggressively engaged in outsourcing. The Teamsters negotiated strong scope and job security language that preempted that practice. Since the Teamsters have been on the property (1997), the number of Continental mechanics has grown in numbers as opposed to Northwest and United, who have continued to outsource under AMFA.

AMFA RESOURCES

AMFA is a small association with no affiliation or backing from a national organization. This means they do not have the resources or structure to compete with a company like UAL. AMFA has grievances waiting to be taken to the next step that are stalled due to a lack of resources. AMFA can't afford to arbitrate their cases, which spells doom for any labor organization. They also have no strike fund, which equates to a lack of bargaining power.

The Teamsters, on the other hand, are among the largest, strongest and most well-funded labor organizations in the world. The Teamsters have more members in the Airline Division alone than AMFA has nationwide in their entire union. In order to take on a global company, workers must align themselves with a union who has the ability to fight the company effectively around the globe.

AMFA IS NOW AN EMPLOYER-FUNDED ASSOCIATION

According to AMFA reports, AMFA accepted \$200,000 from UAL to "listen" to the airline's merger/acquisition details. They've also accepted \$75,000 to hire a UAL-recommended consultant to study the issue of outsourcing. This is a risky and perhaps illegal path for any union to follow. When a union starts relying on employer funds to operate, it raises a concern about the ability to represent their members and their independence. If the association cannot afford to fund needed consultants or pay representational expenses, it should get out of the business.

WHEN IS THE ELECTION?

The voting period is likely to begin in mid-February.

WHO WILL TAKE ON LEADERSHIP ROLES WHEN THE TEAMSTERS ARE VOTED IN?

After the Teamsters are elected as the certified bargaining representatives, AMFA leaders will immediately be removed from union positions. The Teamsters Airline Division will appoint an interim Teamsters Transition Committee to handle day-to-day union operations on-site until elections can be held.

(It is important to note that this committee will serve on an interim basis and is not in lieu of elections). We anticipate that elections will be held quickly, within two weeks to one month from the date the union is certified.

ARE MEMBERS OF THE COMMITTEE FOR CHANGE BEING PAID BY THE TEAMSTERS TO CAMPAIGN?

No! The Teamster campaign is a grassroots campaign started and led by UAL mechanics. As one mechanic put it, *"We have sacrificed time from our families to bring in Teamster representation in order to have a stronger voice on a long-term basis in the industry."*

HOW MUCH ARE TEAMSTER DUES?

Teamster dues are 2.5% times your hourly base rate per month.
If your base rate is \$30.00 an hour, your monthly dues rate will be 2.5 times that, or \$75.00 per month.

WHY WOULD THE TEAMSTERS TAKE A CHANCE OF DECERTIFYING THE UNIT WITH AN NMB ELECTION?

The Teamsters wouldn't have filed for an election if we didn't have a commitment from a majority of UAL employees in the unit to vote. However, this does not mean we should take this election for granted. All eligible voters need to vote.

We also have the best contracts in the industry and are in the best position to carry on a long-term, global fight to fend off outsourcing and strengthen pensions in the industry. The Teamsters is the only union that has the resources and a proactive strategy to take on companies like UAL.



AMFA HAS THE WORST RECORD OF ALL AIRLINE UNIONS ON JOB LOSS WHILE THE TEAMSTERS HAVE PROTECTED AND RETAINED MEMBERS' JOBS

There is no doubt about it. Aviation mechanics and related are in the fight of our lives to maintain our jobs and work standards in our profession while outsourcing percentages continue to rise. But the Teamsters have been able to protect jobs even against the trend. Check out the numbers—they speak for themselves.

AMFA JOB LOSS:

At AMFA locations thousands of jobs have been lost since AMFA was certified as the bargaining representative.

United:

From 2003 (when AMFA was certified) to 2006, 3,289 jobs were lost.¹

Northwest:

From a high of 6,148 in 1998 to 267 in 2006 for a total loss of 5,912 maintenance positions. AMFA struck NWA beginning in August 2005, when NWA reported 1,460 mechanics and settled in October 2006, when AMFA agreed that all mechanics still on strike would be converted to layoff status with recall rights.

When AMFA was certified in 1999, the union represented over 9,500 mechanics, cleaners, and custodians at NWA. By the time AMFA took its members out on strike in 2005, its membership had dwindled to only 4,100. When the strike ended in November of 2006, only 880 mechanics remained on NWA's payroll after NWA moved aggressively to permanently outsource the majority of its heavy maintenance during the strike.

Alaska Airlines:

While under AMFA contract, Alaska Airlines shut down its heavy maintenance facility in Oakland, cutting 340 jobs with no notice or consultation with the union in Sept. of 2004.^{2, 3}

TEAMSTER JOB PROTECTION:

At Teamster carriers, there have not been any job losses. Jobs have been protected through hard bargaining and strong scope language.

Continental Airlines:

Since the Teamsters have been certified they have negotiated the strongest scope (job protection) language in the industry that sets up work recapture provisions that allow for the creation of new positions out of subcontracted work. As a result, since the Teamsters have been the representative, more than 500 jobs have been brought back in house at this carrier that was heavily outsourced when the Teamsters were elected.

UPS Aviation:

Strong scope language and no loss of jobs.

AirTran:

Strong scope language (with more work to do) and no loss of jobs.

ExpressJet:

Strong scope language and no loss of jobs.

¹ DOT Form 41 Data
² Liz Fedor, "Mechanics Vote to End NWA Strike," *Star Tribune*, Nov. 7, 2006.
³ "Alaska Airlines Closing Oakland Maintenance Base," Press Release, Sept. 9, 2004.
⁴ "AMFA Calls Alaska Airlines Maintenance Reductions a Blatant Contract Violation," *Business Wire*, Sept. 10, 2004.

Setting the Record Straight on Pension Information

Addressing AMFA Pension Lies

Beware of information being passed around by AMFA. It contains inaccuracies, gross distortions and lies.

AMFA LIE:

401(k) plans are better for us than the defined benefit pension plan offered by the Teamsters.

THE TRUTH:

Nearly all experts agree that a 401(k) is a supplemental plan only. If retirement security is the goal, a 401(k) should properly be considered one leg of the retirement security stool. It cannot stand alone.

Most experts also agree that defined benefit pension plans outperform 401(k) plans, and that a solid defined benefit pension plan, like the Western Conference of Teamsters Pension Trust (WCTPT), is the best option. The WCTPT is one of the strongest pension funds in the world and with over 5,000 contributing employers offers real retirement security protection. Once the Teamsters are certified it will be our choice whether to pursue this retirement option—but the bottom line is that whatever we decide, the Teamsters, because of their tremendous resources and expertise, are in the best position to bargain hard for us to get it.

(See Council of Institutional Investors report at www.teamster.org)

AMFA LIE:

Under the Western Conference of Teamsters Pension Trust option, the company's contributions to the 401(k) would cease.

THE TRUTH:

If UAL mechanics decide they want the Teamsters to pursue a defined benefit pension plan, you would not lose your 401(k) employer contributions. In fact, the Teamsters have negotiated BOTH defined benefit pension plans and 401(k) plans (for instance, at Continental Airlines and Frontier Airlines). The Teamsters have NO intention of losing any benefit. Rather the intention is to fight hard to get back what we've lost and gain more.

AMFA LIE:

AMFA will work to negotiate a defined benefit pension plan in the next round of negotiations.

THE TRUTH:

AMFA has no ability to negotiate a defined benefit pension plan and has been unable to do so in its existing contracts. Section 6(c) of the agreement between UAL and the PBGC prohibits UAL from having a company-sponsored defined benefit pension plan for 10 years! Since AMFA does not have a multi-employer pension fund to offer, it has NO ability to negotiate a defined benefit pension plan. In addition, AMFA sorely lacks the resources and expertise to negotiate comprehensive retirement security. A review of all AMFA's contracts shows they have not been able to negotiate a defined benefit pension plan or any plan that provides for credible retirement security for their members. The only location where they have a defined benefit plan covering mechanics is at Alaska Airlines; there the plan was already in place by the time AMFA became the representative. How many retired mechanics and related are struggling because of AMFA?

(See attorney letter on page 7) This is the link to the UAL/PBGC agreement:

<http://sec.gov/Archives/edgar/data/100517/000010051705000011/ualpbgc.htm>

AMFA LIE:

You will be faced with the problems that are taking place at the Central States Pension Fund if you opt for a Teamster pension plan.

THE TRUTH:

The Airline Division has researched the 300-plus Teamster pension plans and recommends the Western Conference of Teamsters Pension Trust to UAL mechanics. This is a great plan that is fully funded, with no history of problems and with thousands of retirees who enjoy retirement security because of the Trust. The AMFA keeps bringing up (in a highly distorted and factually inaccurate manner), a different pension plan, the Teamsters Central States Pension. This Pension has no relevance to you and no connection to the Western Conference of Teamsters Pension Trust. Do take the time to learn about the Western Conference of Teamsters Pension Trust if you are interested in a defined benefit pension plan.

(See full range of information about the Western Conference of Teamsters Pension Trust at www.wctpension.org).

BLENDING AT UNITED'S LINE STATIONS **HOW AMFA IS SELLING YOUR JOBS**

It seems ACAC Jim Seitz has been very busy these days. United Airlines has recognized a weakness in the AMFA leadership and has done all it can to capitalize on it!

That's right, we've all heard about it. But the mechanics at LAX, JFK, and DEN are getting a chance to live it first hand; and now SFO's line maintenance will see it happen to them too. Amfa, along with United Airlines management call it "blending", a much nicer term than what is really happening. With mechanics still on furlough status across the system, Amfa is allowing the company to bring in OSV workers to work side by side with our own mechanics!

The company is using the guise that the OSV workers are doing only the "menial" and "dirty" jobs that our mechanics don't like to do. Management is lying when they say our line mechanics don't mind the blending. They do. This never should have been allowed to happen! Not only does it prevent mechanic recalls, but it also gives the company a foothold into something that will blossom into a real nightmare for us! The possibilities are there. Supervisors could sign off the work of non licensed OSV workers on the line. A&P Line Mechanic jobs could get phased out. This is our domain and we must keep it!

ALR Malik Miah had said this about it: "Our attorneys tell us there is no language to prevent blending". Local 9 president Joe Prisco continues to blame the IAM for our problems. Aren't we under a new contract signed **solely** by the AMFA? To blame anyone else is cowardly. These are our AMFA leaders at work, and the company knows how to exploit them.

If that isn't bad enough, Seitz and his gang are now negotiating with management regarding the reopening of the position of mechanic helper, except now with expanded duties. Can you imagine how a furloughed mechanic waiting to get recalled would feel when he discovers "mechanic helpers" were **hired** instead!? We must not allow this to happen. The furlough list must be exhausted before this **concession** can even be entertained. This Committee for Change opposes this and strongly recommends a vote against it. We expect the company to "dangle a carrot" in front of us, and the Amfa to claim they've "built in protections" to sell this future letter of agreement to us. This Committee will respond as developments unfold.

These are your jobs people. It's up to US to protect them, and not by having a "plan B" as the Amfa reps are recommending to the recalled mechanics. The opportunity has never been clearer. It's time for representation that has decades of actual experience and does not lay down with the company's representatives! The IBT has dedicated itself on changing the face of labor by organizing to grow and holding company's and politicians liable for their actions. Help us in our efforts to make a better work place for you and your fellow workers. Sign a Teamster card today.

Contact us at: ~~goteamsters@pacbell.net~~
Visit our website at: ~~www.teamstersatual.com~~

A message from the Committee for Change

AMFA Unable To Defend Job Protection Language (a.k.a. Scope Language) How the Company Is Taking Advantage of Us!

Amfa has been completely incapable of upholding the contract language and preventing the “blending” of our work. There is existing language negotiated within our contract to prevent this assault on our job security. Yet, this happens with the Amfa because the company knows it can experiment with new strategies and get away with it. Amfa’s lack of experience in defending our contract is obvious. This is not the first time the company has taken advantage of our representatives and certainly won’t be the last.

When Amfa included allowing foreign maintenance with our concession package, they touted it as being part of the existing farm out language, except we would get credit for it. Many of us recognized how unwise this is, but because it was part of a greater concessionary package being forced upon us, it became lost scope language.

The company was quick to capitalize on this by sending 747 C-checks to Korea. The problem with this is that the foreign farm outs were only supposed to be for heavy maintenance (overhauls). A member of the Committee for Change had filed a grievance on this 1 ½ months prior to the company sending out the first aircraft. **It was very disturbing to discover that until the filing, no one in the Amfa leadership was aware that there was a contract violation!** By the time this grievance goes to arbitration, the company will have been sending this work out for almost two years!

When the company begins to infringe on our job security, the union must put a stop to it in its incipient stage and remove any threat to the scope of our work. The company needs to have an understanding of the full ramifications their actions will cause. AMFA offers no retaliation, so the company gets away with whatever it wants. This is the representation we have. Allowing the company to get a foothold and expanding on their ideas is exactly what has happened with the issue of blending. AMFA’s Solution: Negotiate the hiring of Mechanic Helpers to accomplish Mechanics work. The company will take advantage of this arrangement every time they get another new idea that they would like to try. It’s not worth the risk. It’s time to change unions.

The Teamsters focus has always been job protection and safeguarding its members work. Guaranteed!

Contact us at: ~~goteamsters@pacbell.net~~

Visit our website at: ~~www.teamstersatual.com~~

A message from the Committee for Change

AMFA: A Flimsy Legitimacy and Failure

AMFA's headquarters. The nearest major airport is 83 miles away. What sort of day-to-day representation is that?

By Don Treichler, Airline Division Director

It is no accident that the Teamsters Union has been around for over a century and grown to 1.4 million members. The Teamsters deliver measurable bargaining and representation, producing solid results that improve its members' lives. The union has thrived by being competent, capable and reputable.

In the past, you have heard me question whether the Aircraft Mechanics Fraternal Association (AMFA) properly represents its members. In recent years, AMFA built its membership to a high of around 16,000 members. This was accomplished not by seeking out those who are unrepresented and in need of help, but by raiding members who were already represented by legitimate unions.

The results speak for themselves: after debacles at Northwest Airlines and Alaska Air that cost thousands of workers their jobs, AMFA's membership has shrunk significantly—approximately 9,000 mechanics' jobs disappeared at Northwest alone.

As you'll see below, rather than making "tooth fairy" promises, the Teamsters understand that you get what you bargain for, not what you wish for. After years of no success, AMFA's day of reckoning has arrived.

You Get What You Bargain For—Not What You Wish For
Good gauges of a union's strength are job security and pay rates.

In the past few years, mechanic groups represented by the Teamsters—including mechanics at Continental Airlines, UPS, Air Micronesia, AirTran, Frontier and NetJets—have held their own or increased in size.

AMFA's membership has dropped from 16,000 members to somewhere between 7,000 and 11,000 members over the past couple years, largely as a result of its inability to protect its highly skilled members' jobs:

- Mechanics and related workers at Northwest Airlines have declined from around 9,795 to under 880—that's nearly 9,000 jobs lost under AMFA's leadership;
- Membership at Alaska Airlines declined by more than 50 percent, from approximately 1,350 to about 650; and
- United membership has declined by approximately 1,000, from 6,000 to 5,000.

Why is AMFA Losing Its Members' Jobs While the Teamsters Are Not?

Teamster agreements focus on job protection language (also known as "scope language") that safeguards members' work and helps retain jobs. Hence, you do not see a loss of Teamster jobs like the losses you see with AMFA.

In fact, of all AMFA bargaining groups, only the Southwest mechanics have maintained their size and have a first line agreement. There's a simple explanation for this:

- Southwest Airlines management is first-rate; and
- The Teamsters first negotiated the mechanics' contract—after raiding, AMFA simply hung around to accept management's offer to increase wages.

Measuring achievement by wage rates, Teamster contracts, such as UPS, Continental, AirTran, Frontier, Air Micronesia and NetJets, are generally at the top of the scale, followed by rates negotiated by other unions and then AMFA. The exception, again, is AMFA's Southwest contract. This agreement trails only UPS and, as stated above, was originally negotiated by the Teamsters.

AMFA's Offices Are Nestled Away Within the Offices of a New Hampshire Property-Association Manager

In the accompanying photographs, you can see where AMFA rents its office suites, in a brick building at 67 Water Street, Laconia, New Hampshire, approximately 83 miles from Logan International Airport in Boston, the nearest major airfield. On the building tenant list, AMFA and its principal administrative supporter, McCormick Advisory Group (MAG) are listed. On MAG's door is a sign for AMFA.

Being advised by a real estate firm is unique in air transportation and AMFA's poor results suggest why.

One finds AMFA's name on suite 208A. Inside 208A is a small anteroom and a few scattered offices. AMFA headquarters has no nearby airport and no bustling activity seeking to solve member problems. Remote Laconia is its dues collection point. Members' dues have benefited AMFA and MAG.

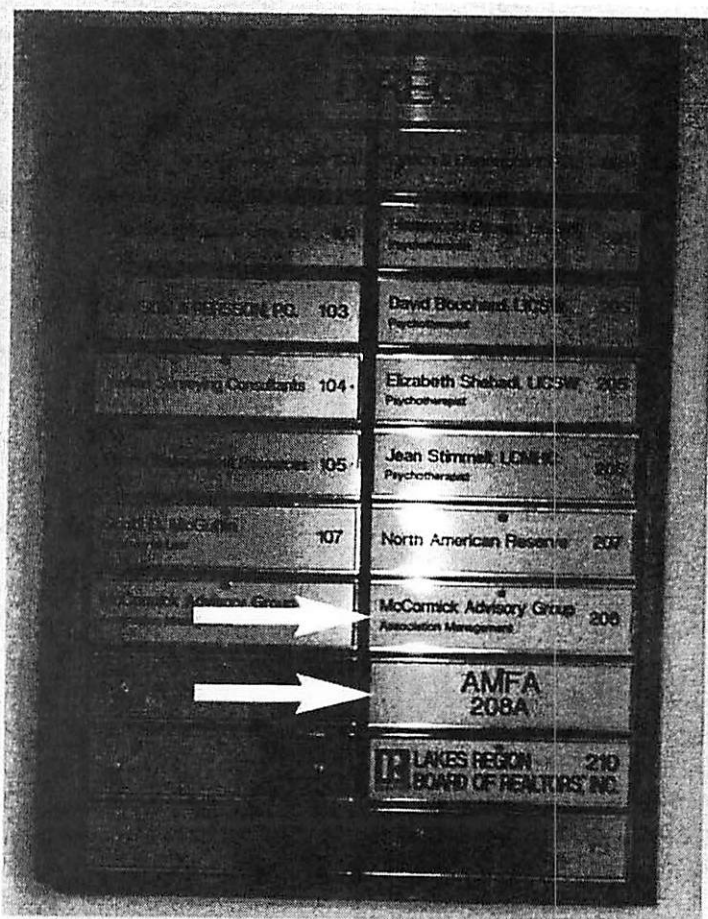
However, it appears AMFA and MAG may be undergoing a divorce. Recent newspaper reports state AMFA is moving its office from Laconia to Aurora, Colorado (perhaps AMFA finally listened to the "location, location, location" advice from its Realtor).

AMFA claims to have three employees based in Denver with another said to be elsewhere. This day-to-day representation pales when compared to the presence of Teamster representatives at airports and facilities across North America.

Raiding Already Established Contracts Allowed Dues Funds to Pour into AMFA's Pockets

By all appearances, raiding was an easy path for AMFA to achieve an already-negotiated collective bargaining agreement (CBA). By raiding and inheriting already-negotiated contracts, dues money poured into the AMFA treasury without the so-called union having to spend the many hours and lawyer fees that negotiating a contract requires.

Dues funds allow a union to pursue its primary responsibility: to represent members at the workplace and at the bargaining table, providing day-to-day support, legal services and expertise.



Location, location, location: AMFA rents office space from McCormick Advisory Group, a real estate management firm that became interested in labor unions.

AMFA, however, is often accused of failing to adequately represent its members. AMFA fails this test if it:

- Fails to provide sufficient support to bargain;
- Does not pursue legitimate member grievances; or
- Fails to support contractual provisions that protect its members' wages, work rules and benefits.

The record is replete with complaints about AMFA in all of these areas.

The upside for AMFA? It's getting a lot of money.

In Order to be Legitimate, a Union Must be Professional, It Must Have Resources in Order to Bargain and It Must Represent Members Properly
Is there hope for the hardworking mechanics and related workers who are AMFA members?

In order to be legitimate, a union must be professional, it must have resources in order to bargain and it must represent members properly. You must judge whether AMFA passes or fails that test. If one looks at the labor landscape, all single-craft organizations—such as AMFA—are having operational and financial problems. Only trade unions like the Teamsters have been able to professionally deal with the issues facing air transportation and competently weather the current storm.

continued

AMFA: A Flimsy Legitimacy and Failure

continued

The Teamsters continue to organize new members, negotiate improved agreements and bring hope to its members despite industry problems. As for government action, the Teamsters work with republicans, democrats and independents to achieve legislation and regulations that protect workers' rights. AMFA lacks these assets, and without these assets, members suffer. Teamster goals are centered on middle-class America, which constitutes the lifeblood of the American dream.

Airlines Do Not Take AMFA Seriously

Why do corporate managements not take AMFA seriously? There are too many reasons: the so-called association's lack of financial stability; its absence of leadership; and its lack of commitment to its members.

Airline executives know they can squeeze AMFA because it appears willing to capitulate to management demands in order to preserve its dues flow.

AMFA also does not seem familiar with labor laws. Recently, AMFA's former management attorney attacked a letter from the Teamsters that stated a "replacement union can serve a Section 6 Notice and open bargaining" even though the existing agreement that was assumed upon certification may have years before reaching its amendable date.

Why would AMFA suggest the Teamster letter is inaccurate, when in fact it is right on target? It appears that AMFA does not wish to bargain, but rather channel the dues funds collected by contracts it assumes when it raids mechanic groups from other unions. This enables AMFA and MAG to tap an established dues flow, minimize its expenditures on behalf of its members and then pocket these gains.

For AMFA to admit that the Teamsters are correct would

mean that it is admitting to its past failures to properly represent its members.

AMFA national appears to have all but disappeared. It has quit funding member arbitrations and it appears that members pass the hat for any necessary funds. One AMFA local union is reported to be routinely sending extra money to the national union to help it remain financially solvent.

AMFA Lacks the Expertise, Experience and Industry Respect to Succeed at the Bargaining Table

A few years ago, the Teamsters invested around \$750,000 to bargain the Southwest mechanics a first-rate agreement. Today, that may cost more. AMFA does not have that kind of money. Further, AMFA lacks the expertise, experience and industry respect to succeed at the bargaining table.

The representation that follows bargaining requires a commitment and dedication that the Teamsters possess and, it should now appear obvious that these are virtues that AMFA will never demonstrate.

The Teamsters Airline Division Recently Refused to Accept Disproportionate Concessionary Demands

The Teamsters Airline Division recently refused to accept disproportionate concessionary demands by an air carrier for one of its bargaining groups. Other labor groups gave in to these demands. The Teamsters, however, have fought this battle in the bankruptcy court and, to date, it has been successful.

The Airline Division did this because accepting uncalled-for concessionary demands was wrong. While fighting these unfair cuts, the Teamsters support its members by committing its best legal, research and professional advice to ensure its members' needs are served.

If preserving your career is important, you can do no better than being a Teamster.

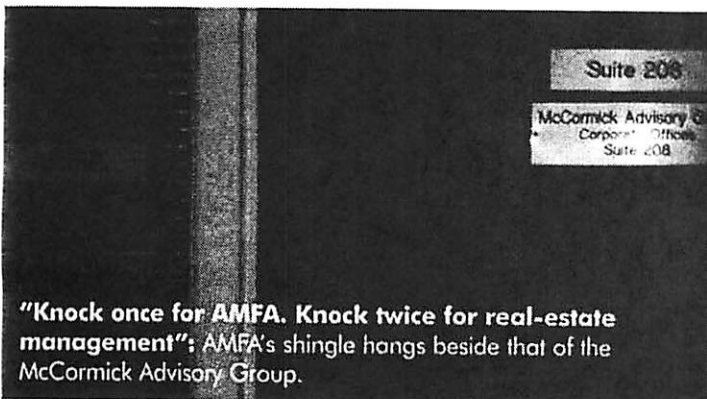
Those Who Believe in "Mechanics for Mechanics" Find This With the Teamsters

In labor relations, parties do not get what they wish for; they get what they bargain for.

The five-day, 40-hour workweek, retirement plans, company-furnished medical plans, overtime pay, paid holidays and the like did not come from corporate America, but from the commitment and hard bargaining of trade unions like the Teamsters.

Industry standards in air transportation were and will be established by legitimate and professional organizations like the Teamsters and not by a "tooth fairy" group like AMFA that masquerades as a labor association. With their make-believe protection, you will wake up missing your tooth, your quarter, and your pillow, not to mention your job.

All aviation crafts and classes benefit by the support of each other. Within this framework, all mechanics seek success and security. Those who believe in "mechanics for mechanics" will find this with the Teamsters, as well as the strength and support that only a 1.4-million-strong union can provide.



"Knock once for AMFA. Knock twice for real-estate management": AMFA's shingle hangs beside that of the McCormick Advisory Group.