



## AMFA/Southwest Airlines Contract Negotiations Update

### For Southwest Airlines Appearance Technician Group

**Update #16    September 20<sup>th</sup>, 21<sup>st</sup>, 28<sup>th</sup>, & 29<sup>th</sup> 2010**

**Participants for AMFA:**

*Jack Coonrod – Region II Director  
Lee Rhame – Airline Representative Local 11  
Bob Cramer – Airline Representative Local 18  
Mike Young – Airline Representative Local 32  
Carla Foster - Appearance Technician Representative  
Scott Petersen-AMFA Legal*

**Participants for Southwest Airlines**

*Mike Ryan – VP, Labor Relations  
Jim Sokol – VP, Maintenance  
Tony Lowery – Senior Director Maintenance  
George Tompkins – Director, Employee Resources  
Mark Lyons – Manager, Employee Resources  
Keith McCormick – Manager, Employee Resources  
Mike Hunter - Manager, Production Appearance  
Christina Bennett – SWA Legal Counsel  
Sam Moser -- Planning Manager, Finance*

The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This is the only official authorized source of negotiating communications by the Committee.

The above AMFA and Southwest Airlines Representatives participated in open, formal negotiations, seeking contract changes in Section VI negotiations.

The Company and your Negotiating Committee began this negotiating session with a discussion of the Company possibly using the tentatively agreed to language in Article 10 paragraph 2 to abolish positions to the point they could plead that qualified personnel were not available and therefore outsource the Appearance Technicians customary work, as outlined in Article 2 paragraph 3. The proposal by your Negotiating Committee was to insert that, any lack of qualified personnel should not be due to the abolishment of positions provided by the tentatively agreed to Article 10 paragraph 2. Article 2 was debated back and forth throughout the 20<sup>th</sup> and 21<sup>st</sup>. During this debate the Company remarked several times that there was no need for the Unions proposal as there was no way the Company had the ability to abolish jobs and then outsource the Appearance Technicians customary work, by citing the provisions in Article 2 paragraph 3. In the end Article 2 was tentatively agreed to. This included an intent letter stating that no de-icing work would any longer be considered the customary Work of an Appearance Technician.

In Article 23 AMFA proposed that the Company would not require Employees covered under this agreement to handle struck work. With the Companies assurances that this was not necessary, as the Company could not force an Employee to do others work, the Union withdrew this proposal. And Article 23 was tentatively agreed to.

Article 18 was the next Article to be worked. The Company accepted AMFA's proposal to increase severance pay to 15 weeks for employees with 15 or more years of service. Article 18 was then tentatively agreed to.

In Article 20 the Union's proposals for increasing the use of sick leave to purchase health insurance, along with other language from the Mechanics contract, were accepted by the Company. Your Negotiating Committee accepted the Companies proposal to further mirror the Mechanics contract by substituting the Mechanics Article 20 paragraph 1 for the Appearance Technicians Article 20 paragraph 1. Article 20 was then tentatively agreed to.

Article 6 was worked all during the first two days of this session. In this Article we were able to gain language for more notice for overtime, the ability to work overtime on a vacation day or a day trade, the ability to move holidays by majority vote of the Mechanics and Appearance Technicians within a location. We also conceded language that under certain conditions extra hours could be charged for accepting and not working overtime, and that when an individual has been on the clock for 20 or more hours this individuals clock will reset at the start of his or her regular shift. This Article was tentatively agreed to.

Your Negotiating Committee next presented the Union's proposal for Article 14. In this proposal the Union proposed mirroring paragraph 3 from the Mechanic's contract, changing the shift premium to 63 cents per hour for shifts commencing work other than between the hours of 5:30am and 8:30am, and a revised chart for when automatic changes in pay rates would occur. Progress was made, but no tentative agreement was reached.

On Tuesday September the 2<sup>1st</sup> Letter of Agreement No. 2 was again addressed. The Companies proposal to simply delete LOA 2 was countered by the Union. With only the Company side aware of what was to occur Monday morning, Your Negotiating Committee proposed that Letter of Agreement No. 2 only pertain to domestic growth and not the purchase of another Airline. Letter of Agreement No. 2 was quickly tentatively agreed to.

The Company presented Articles 15 & 16 with the proviso that their proposed changes in Articles 2 & 6, and the deletion of Letter of Agreement No 2 must be agreed to. In addition the Company took back the tentatively agreed to language granting a paid lunch to the graveyard shift. The Company stated that after careful analysis the paid lunch was to expensive. Your Negotiating Committee tentatively agreed to Article 16. Both sides countered article 15. In the end, your Negotiating Committee found the Companies proposals well below the Union's expectations. Therefore no tentative agreement could be reached on Article 15.

When it is stated a tentative agreement was reached, this is in no way to suggest that there will be no more changes to these or any other Articles after our conceptual agreement or agreements.

We agreed on the following future dates to resume negotiations, Tuesday, Wednesday, and Thursday January 25<sup>th</sup>, 26<sup>th</sup>, and 27<sup>th</sup>. Start times are tentatively scheduled for 9:00 am. We will secure additional dates when we meet in Dallas.

The Negotiation Committee would like to thank Kenneth Dawson from Houston; Darlene D. Warren, and Vertis Hawkins from Dallas; Will Abbott from Chicago; Maria Cordero, Dave Widerski, and Christopher Kinsey from Phoenix, and Floyd Looney from AMFA National, our observers who participated in these two sessions. Their input in caucus was very helpful and welcomed. We know that they will communicate with other members from their locals on how the Union is working to protect their jobs and contract language.

Sincerely,

You're Negotiating Committee