



**"We Move America"**

**JAMES C. LITTLE**  
International President

**HARRY LOMBARDO**  
International Executive Vice  
President

**JOSEPH C. GORDON**  
International Secretary-Treasurer

**GARY E. MASLANKA**  
Administrative Vice President  
Railroad Division Director

**JEFFREY L. BROOKS, SR.**  
Administrative Vice President  
Transit, Universities, Utilities,  
and Services Division Director

**JOHN M. CONLEY**  
International Vice President  
Administrative Assistant to the  
International President

**TRANSPORT WORKERS  
UNION OF AMERICA  
AFL-CIO**

**International Headquarters  
& Offices of the Railroad  
Division & Transit Utility,  
Universities and Service  
Division**  
501 3<sup>rd</sup> Street NW, 9<sup>th</sup> Floor  
Washington, DC 20001  
202.719.3900

**Regional Headquarters Air  
Transport Division**  
1791 Hurstview Dr.  
Hurst, TX 76054  
817.282.2544

[www.TWU.org](http://www.TWU.org)



May 25, 2012

TO: TWU/AA Members

RE: 1113 Bankruptcy Negotiations

Dear Brothers and Sisters:

When the Company filed its motion to reject the collective bargaining agreements for all of its unions in the Bankruptcy Court in the Southern District of New York on March 27, 2012, the TWU made several commitments to our members. First, in recognition of the long odds faced by any union seeking to oppose rejection of its agreement in the bankruptcy process, we stated that each work group we represented would have an opportunity to vote on the Company's "Last and Best Offer" (LBO) before it was exposed to the risk of contract rejection. That commitment was met in the last vote.

We also made another commitment. We stated that in the event a work group rejected an LBO, we would vigorously resist American's motion to reject its collective bargaining agreement and would use all available resources in that effort. That is exactly what the TWU did last week when we presented our case against American's motion to reject the mechanic and related and stores agreements. The declarations presented are available through this link ([http://www.amrcaseinfo.com/pdf/lib/2726\\_15463.pdf](http://www.amrcaseinfo.com/pdf/lib/2726_15463.pdf)) and we recommend that you review it to get a sense of both our case and how the Bankruptcy Court operates; the transcripts will be posted once all of them are available.

As one of several witnesses for the union in this proceeding, I want to make several matters clear. First, the TWU does not believe that abrogation of any of its agreements with American is justified, either by the Bankruptcy Code or as a matter of basic fairness. American has not presented a business plan that establishes that the additional relief it seeks from our members would be properly utilized or, more importantly, is even necessary. It has not made a case that our members are paid more than market rate for their work and skill. Above all, given the requirements of the Bankruptcy Code, the Company did not, and could not, make a case that our organization has not worked with it to enhance value and productivity, or has been otherwise unreasonable in responding to legitimate competitive needs. However, even though every TWU representative taking part

in this process strongly believes that what the Company is seeking is not fair, none of us can assure you that the court will see matters the same way. The track record and treatment of unions in bankruptcy proceedings is discouraging and, over the last decade, successful opposition to a motion to reject a collective bargaining agreement in a bankruptcy proceeding is incredibly rare, particularly in our industry. This is not to say that we will inevitably be unsuccessful – it is simply to point out the obvious fact that we face a very difficult burden in court.

The judge has stated that he wants all parties to participate in court-supervised mediation. Given the authority that he has in these proceedings, we believe it to be prudent to cooperate in this effort and the other American unions have made the same decision. In the interim, the TWU Local Presidents and negotiating committee members are scheduled to meet next week to prepare for the court-supervised mediation. We will update you as expeditiously as possible on the results of these efforts or any further court proceedings, subject to whatever restrictions are imposed by the court. As far as an answer from the Honorable Judge Lane on American's motion, we expect a ruling by June 22, 2012. At that time that we should know if the CBAs will be abrogated.

Attached you will find a summary from our attorneys in the case, describing what transpired in the courtroom. Only information and points that can legally be made public are contained in the attached summary. Please read and feel free to ask questions of your representatives.

My words to you during this difficult period is to continue maintaining the high standards and professional demeanor that you always have as skilled professionals; we must remember we are all serving something greater in the interest of public safety.

Fraternally,

A handwritten signature in black ink, appearing to read "D. M. Videtich", with a stylized flourish at the end.

Donald M. Videtich  
International Representative  
Air Transport Division  
Transport Workers Union, AFL-CIO

DMV:kla opeiu 153 afl-cio