Bloomberg

American Airlines Seeks Manager Stand-Ins if Attendants Strike

By Mary Schlangenstein - May 25, 2010

<u>American Airlines</u>, the second-biggest U.S. carrier, is seeking as many as 4,000 of its <u>managers</u> to train as replacements for flight attendants in case of a strike.

American remains committed to reaching a contract with the <u>Association of Professional Flight</u>
<u>Attendants</u>, yet must plan for a possible walkout, the airline said today in a statement to managers in the Dallas-Fort Worth area.

Labor tensions increased at <u>AMR Corp.'s</u> American after the latest round of talks broke off May 21 without an agreement. Attendants voted to authorize their leaders to call a strike if they are freed from further negotiations by federal mediators. Negotiations began in June 2008.

"They want to protect the operation, the passengers and the other employees, and they want to protect the shareholders," <u>Jerry Glass</u>, president of consultant F&H Solutions Group, said in an interview. "This is a prudent move on their part."

The Federal Aviation Administration will oversee the replacements' training, which will focus on the safety aspects of the job.

"There is a specific set of safety-related tasks that each flight attendant must be able to perform," said <u>Lynn Lunsford</u>, an FAA spokesman. "We will closely monitor any such training."

Impasse in Negotiations

The 17 days of training that the airline plans to offer "is not a substitute for years of experience," APFA President <u>Laura Glading</u> said in an e-mailed statement. "Negotiations have reached an impasse."

Before attendants can strike, the <u>National Mediation Board</u> must find talks are deadlocked and offer binding arbitration to each side. If one side rejects the offer, the talks would move into a 30-day cooling-off period before a strike.

The union told its members yesterday it would reject arbitration if it is offered by the board, while American said it would accept.

In the message to managers, American noted that their salary could be affected, they may be deployed to another city, may work more than six consecutive days and "may encounter challenging interactions with other crewmembers."

"It's imperative to be ready should a job action occur to ensure the least impact to our customers and the operation," Fort Worth, Texas-based American said in the note. "We remain hopeful that a contract is imminent."

Additional negotiating sessions have not yet been scheduled by the mediator overseeing talks between the airline and APFA.

American attendants last held a strike at the airline in 1993 with a walkout that lasted five days and cost the carrier about \$10 million a day. The airline trained some replacement workers before that walkout and flew 40 percent or less of its scheduled flights.

AMR rose 36 cents, or 5.3 percent, to \$7.14 at 4:15 p.m. in New York Stock Exchange composite trading. The shares have fallen 7.6 percent this year.

To contact the reporter on this story: Mary Schlangenstein in Dallas at maryc.s@bloomberg.net

®2012 BLOOMBERG L.P. ALL RIGHTS RESERVED.