

# Evergreen

## Questions Remain Regarding the Airline's Survival

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The year 2013 did not begin with a promise of blue skies for Evergreen International Airlines' flightcrew members. As 2012 ended, the cockpit crews faced some harsh realities—a failed tentative collective bargaining agreement that lacked enhancements crewmembers desired, the grounding of the airline's B-747 classic fleet, and more furloughs. The National Mediation Board recessed negotiations in 2013, but the crewmembers remained dedicated, continuing to fly for their unstable, financially burdened company.

In 2013, management continued efforts to clear the financial storm brewing for years at the airline. Evergreen began transition training of pilots on the company's B-747-400s. The training was intermittent, however, as Evergreen failed to make regular payments to United for the training facility it contracted to train crews in Denver, Colo.

With the decline in cargo business and U.S. military operations in the Middle East winding down, Evergreen's flying was diminishing. As debt piled up, Evergreen's parent company sold its helicopter division and reaffirmed its commitment to its airline business. Erickson Air-Crane bought Evergreen Helicopters, Inc., valued at \$276.3 million, in March.

However, even with funding from the sale, conditions at Evergreen continued to weaken. Crewmembers began

to question the survivability of their airline, based on the company's debt load.

"It's hard to go to work, sometimes on the other side of the world, and not know if the airline will shut down or if you're going to get paid for your services," says Capt. James Touchette, chairman of the crewmembers' Master Executive Council (MEC).

Last summer, a Yamhill County judge in McMinnville, Ore., granted judgments against the airline for overdue contributions to the pilots' pension plans. Evergreen signed two confessions of judgments for the pension contributions for 2011 and 2012. The first payment of \$744,651 went unpaid in May, as did the second payment of \$680,359 due August 15.

Crewmembers experienced further negative effects of the company's financial situation in the form of late paychecks, having their own voluntary contributions to 401(k) plans delayed, and being required to use personal credit cards at crew hotels across the globe because of company cards being declined.

In November, Evergreen informed its employees of its plan to cease operations; the last scheduled flight, which had two rotations, landed at Travis Air Force Base in California on Nov. 29, 2013, and on December 3.

"With the turmoil we've endured over the past years and months, I'm sure that we have all anticipated the day would come when we would hear that Evergreen will shut down," Touchette told crewmembers after hearing the news.

News reports also verified that the state of Oregon

was notified of mass layoffs and the airline's closure. Management later contradicted this news, stating that the "executive team continues to work diligently to look for longer-term solutions to the current issues that cause interruptions to our operations" and that rumors in the news media of Evergreen ceasing operations were false.

Evergreen management met with lienholders on Dec. 3, 2013, to determine the company's future, but a decision has not been made public as this issue goes to press. All of the airplanes are parked, indicating there are no revenue flights. However, the airline is still in existence, maintaining its certificate of operations per the FAA's FAR Part 119, which states that a minimum staff of five shall be maintained for up to a 90-day period from the time an airline's last airplane is parked—in Evergreen's case, early December.

Since announcement of the shutdown, the MEC has remained in constant contact with ALPA's national officers and staff to assist the crewmembers.

The MEC prepared its crewmembers for the ensuing shutdown by informing them of resources available through ALPA—including the Furloughed Pilots Support program—and prompting them to update résumés, prepare electronic portfolios, and acquire training records from Evergreen headquarters before the possible closure.

As 2014 begins, it is now more obvious that the end of an airline that operated for 38 years will become a reality. ☈

THE PILOTS OF  
**ALPA**  
2014



PHOTO BY PEE HIROSHI ANDO (EVERGREEN, FURLoughED)

An aerial view of Evergreen's Wings & Waves Waterpark, an indoor, all-season educational waterpark that includes 10 waterslides, a wave pool, and children's museum—with a massive Evergreen International B-747-100 atop the building. The waterpark is a separate entity from the airline and should remain after the airline's closure.

### EIA at a Glance

**Flightcrew members joined ALPA:** 2007

**Number of flightcrew members:** 187 (All crewmembers on furlough)

**Headquarters:** McMinnville, Ore.

**Pilot base:** New York (JFK)

**Operations:** With a fleet of parked B-747s, Evergreen specialized in charter and contract freighter operations around the globe