

### NAA at a Glance

Pilots Joined ALPA: 2009

Number of pilots: 150

Pilot base: New York (JFK)

Headquarters: Peachtree City, Ga.

Operations: North American Airlines provides air transportation services throughout the world, operating both charter and scheduled service for the U.S. military, tour operators, government agencies, and sports teams, among others, and as an ACMI carrier for other scheduled airlines

Fleet: 5 B-767-300ERs



**Capt. Nick Cercone, the North American pilots' Jumpseat Committee chairman.**

# North American Pilots Prove Resilient in Face of Uncertain Future

By **Barbara Gottshalk**  
ALPA Lead  
Communications Specialist

**B**asketball Hall of Famer Michael Jordan once said, "Obstacles don't have to stop you. If you run into a wall, don't turn around and give up. Figure out how to climb it, go through it, or work around it." In the past year, the pilots of North American Airlines have run into a few walls, but they haven't turned around and given up. Instead, with the support of ALPA, they have faced these challenges head on.

When Global Aviation Holdings, Inc., the parent company of North American Airlines and World Airways, came out of Chapter 11 in

February 2013, the pilot group was five months into implementing the concessionary contract they ratified in September 2012—a consensual agreement that was key to the company's successful emergence from bankruptcy.

Indeed, the pilots vowed to work closely with management to help the airline regain its financial viability, and their efforts have been instrumental in the progress the airline has made this past year. "In ratifying the new contract, it was important to us to enhance our relationship with management and work together to advance our mutual goals," says Capt. Rob Lewis, the pilots' Master Executive Council (MEC) chairman. "We believe that engaging with management to discuss

additional operational savings and revenue-generating measures, review and resolve outstanding grievances, and identify and clarify problematic contract language is a great way to accomplish that," he adds. A provision for these meetings is included in the agreement.

To that end, the pilots' MEC approved two tentative letters of agreement (LOAs)—the Reserve Bypass LOA and the Mixed Flying Lines LOA—in December 2012. The MEC and management negotiated these agreements to benefit both parties by improving pilots' quality of life and providing the company with more flexibility. In February, the pilots ratified the Reserve Bypass LOA, which took effect on March 2. In April, the MEC reached a memorandum of understanding with management clarifying the recall-bypass procedures described in the pilots' contract. The pilot group also worked successfully with management to implement the Known Crewmember program in August.

One issue that the MEC focused on throughout 2013 was the determination of remedies for the pilots regarding a vacation pay arbitration award from 2012. Despite the process being put on hold due to the airline's bankruptcy, the MEC and Grievance Committee, along with staff in ALPA's Representation Department, worked diligently to quantify the damages and develop a schedule of owed vacation compensation. As a result, in November, ALPA was able to secure hundreds, and in some cases, thousands of dollars for

individual pilots as a remedy, totaling nearly \$176,000.

In mid-November, the pilots were presented with a new challenge: Global Aviation Holdings once again filed for Chapter 11 bankruptcy protection, citing the weakness in worldwide freight markets coupled with the military's decision to immediately curtail its cargo expansion flying. In its announcement, Global indicated that it intends to continue operating during the reorganization process. ALPA has been appointed to the Unsecured Creditors Committee as one of three members and the only union on the committee.

In response to the bankruptcy filing, the MEC and ALPA staff mobilized immediately, marshaling the full resources of the Association and coordinating with the Association's outside bankruptcy counsel, Cohen, Weiss and Simon LLP, to assist and support the pilots as they face this latest challenge. "Based on the ALPA Economic & Financial Analysis Department's evaluation of the company's position, we believe that North American is performing profitably and roughly in accordance with projections. Nevertheless, we're preparing for any eventuality. With the resources and support from ALPA, we are doing everything possible to protect our contract and pilots' jobs at North American as we move through the bankruptcy process."

As 2014 progresses, it's clear the pilots are taking up Jordan's charge, determined to "figure out how to work around the obstacles" in front of them. 🌀