

ASTAR

ASTAR Pilots' Futures Still Up In the Air

By Jen Lofquist, ALPA Communications Specialist



PHOTO BY JEN LOFQUIST

ASTAR pilots listen as U.S. representatives debate anti-trust implications of the DHL-UPS deal.

The roller coaster ride that began in 2008 for ASTAR pilots continued in 2009 as they persevered in their fight for their jobs and the provisions of their contract. As the year came to a close, ASTAR pilots endured considerable disappointment but were able to claim some success and hope to see better days ahead.

The story begins with positive news in February 2008: ASTAR pilots ratified a new contract that included significant wage increases and furlough protection. But, just 3 months later, the unexpected happened. DHL—ASTAR's biggest client and a 49 percent owner—announced plans to give all of its North American cargo operations to UPS, one of its chief competitors.

To combat this unjust, shady maneuver, ASTAR pilots immediately launched into survival mode, initiating an aggressive campaign to stop the deal. The pilots exposed the agreement through numerous news media ads (including one in a prominent German newspaper), congressional hearings, and picketing events. The agreement not only threatened their jobs, but also the economy of Wilmington, Ohio, the home of DHL U.S. operations. Congressional leaders and political candidates gathered in opposition and openly questioned the legality of the proposed agreement. After months of public scrutiny, DHL's market share significantly declined and the estimated value of the original deal with UPS was reduced by 90 percent.

In November 2008, DHL announced that it would exit the U.S. domestic ground and express shipping market completely—leaving only the demands of DHL's international customers to utilize ASTAR's air fleet, as well as other carriers under contract to DHL. The UPS deal was effectively dead.

As 2009 began, the pilots refocused their efforts on preserving what they could from the 2008 contract. Integral to this contract was a no-furlough clause. The question remained: with the drastic reduction in flying, would ASTAR and DHL honor this provision?

In May, the pilots got their answer. Yes, ASTAR would agree to abide by the contract signed in 2008, as well as several other protections, in return for ALPA dropping a lawsuit against DHL

stemming from the UPS agreement. All ASTAR pilots hired before March 2008 were assured of their current pay status through March 2010, or 6 months past the furlough date, whichever is longer.

Capt. Pat Walsh, the ASTAR pilots' Master Executive Council chairman, said at the time, "Our goals were simple—stop the DHL/UPS agreement from being finalized, keep as many of our pilots working as long as possible, and obtain the best severance we could for any pilots who would lose their jobs. None of this would be achieved without our ALPA contract, our ALPA representation, and our active pilot group."

Unfortunately, DHL formally announced its plans to abandon its facilities in Wilmington, Ohio, and relocated to Cincinnati, where it owns a facility that the company left in 2005 to go to Wilmington. But many of ASTAR's airplanes didn't find a home in Cincinnati. The 29 B-727-200Fs are currently parked in the desert, as there simply isn't enough demand to support their use. The remaining ASTAR pilots are flying the eight DC-8-73Fs to fulfill the company's contract with DHL that extends through 2019. At present, 114 ASTAR pilots are flying—many only until the more senior pilots are trained on the DC-8s.

Sadly, December saw the first of many furloughs, as the 11 pilots who were hired after March 2008 were furloughed. The silver lining came in the form of fellow ALPA pilots. In November, Capt. Jay Pierce, the Continental pilots' MEC chairman, formally requested that Continental management extend preferential hiring to ASTAR, as well as Midwest, pilots. Continental management approved the request, and is scheduled to begin hiring in mid- to late-2010.

At present, ASTAR continues as a primary carrier for DHL. The contract with DHL continues for another decade and DHL still owns nearly half of ASTAR. Contrast this with the other cargo carriers that fly for DHL and do so without a contract and commitments from the company—small victories indeed. But these pilots are resilient and know that the future is far from certain. With the firm unity of the pilot group, help from ALPA, and the support of other ALPA-represented pilot groups, ASTAR pilots remain hopeful for better days ahead. 🌐

DHL at a Glance

Pilots Joined ALPA: 1991

Number of Pilots: 517

Headquarters: Miami, Fla.

Pilot Base: Cincinnati, Ohio

Fleet: 6 A300b4 freighters, 29 B-727-200Fs, 8 DC-8-73Fs, 1 Bell 206 L-1