

Subject: More from the ORD Dog and Pony Show

Date: Mon, 11 Apr 2011 22:36:09 -0600

See below.

*Hi GT, wanted to give you the update on the 3PM traveling circus which I attended. My best guess is about 55 to 60 AMT's of which I believe about 12 were IBT Union People, i.e. Shop Stewart's, UB or elected. On the other side of the room scattered about in clusters at least 10 to 12 IBT roadies; including our BA agent Graham and Local 781 President Stripling. Which by the way the last 2 were called out in front of all and took a shellacking for doing a great job of hiding and dodging over the last 2 months to avoid any questions or debate. Stripling went on an incoherent babbling session about liking to have more but that's just the way it is.*

*It started out with Attorney Gleason speaking. After 30 minutes of hearing his crap everyone had enough and the shouts came from the floor on how and why they had IBT brought such a crappy contract with all the concessions to the floor. Some attacked IBT organizers and the BA who had boasted some time ago about the great contract we were going to get. It started to get loud and then Griswold took over. Heated debate erupted several times over the same issue like: Hourly pay, retro, medical, AMT's per lead, 401K. Of course they stated that's all the company would give them, it's the best they could do. Mostly those two spoke for a few hours about moving wages up in stages, that it's easier to get to \$ 40 if you're at \$ 37. Can't get it all at once; the 2 bites of the apple scenario.*

*As the two main speakers went on people like Petrovsky (who blamed AMFA for our job losses, 15,000 to 5,000) and a few others would jump in to try and answer a questions. At times yelling at the boisterous crowd to be quiet so the question could be answered. The problem with the way they were answering questions was there was too much fluff and no substance. They dragged on with examples and stories clearly trying to kill time of the 180 minute clock. To my surprise "Bourne " only spoke a few minutes about what he did in negotiations for a past airline, no one cared and he quickly took his seat. The NMB was brought up; that if we don't vote the contract in the company will give it to the NMB and it will be tied up for years. Some took this as a threat.*

*His sidekick I didn't catch his name, who sat beside him. We'll when this person took the floor it all fell apart. He was telling us to basically "shut up and listen" he was loud and foul. He clearly thought that's the way you talk to Union ground workers or something. At that point everyone had an expletive to tell him as just about everyone walked out except the Union stooges.*

*I had brought up a few points to Griswold and Gleason and they didn't really know how to answer. Stumbling through the question as best they could. I asked how they had prepared for the negotiations, i.e. research, etc. I pointed out that in the company's annual report -10K filing was filed in Feb 2011 (while they were still at the negotiating table); that it states the CAL pension is underfunded by 1.4 Billion and UAL needs to make a payment of about \$ 130 million in 2011. This came about because I asked Griswold to estimate how many \$ millions to get us to \$ 42 an hour, with a good retro and fix the insurance. His estimated and we rounded off to \$ 100 million. So if UAL could shore up the underfunded CAL pensions why can't we get our money? Also mentioned in the 10-K report, among other things that the synergies of the 2 companies will produce benefits of between 1 and 2 billion dollars due to utilization of assets and expanding routes, etc. I will send you a follow up with a link to the 10K and the pages were some of this info. can be found.*

*Other interesting bits of information also included is NOL carry forward (net operating loss of close to \$ 12 Billion that can be used 10 to 20 years out to offset profits. The RSU (Restricted Stock Units) program to reward exec's as each step of the merger takes place and when it's complete. I mention this to make a point that I don't believe UAL execs will stand by to loose bonuses and billions to save \$ 100 million. Just about everyone believed the IBT didn't negotiate, they took what UAL gave them.*