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by FAX [REDACTED]
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Mr. James B. Weel
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by FAX [REDACTED]
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Re: AATWA Mechanics & Related et al.
Dispute Resolution Committee
DRC Decision Nos. 23, 24 and 25

Gentlemen:

Attached for your consideration are decisions of the DRC in the above-captioned matters.

I will also be mailing you copies of these decisions within the next few days. If you have any questions concerning any of the issues addressed, please arrange to conference the matter(s) with me.

Sincerely,



Richard R. Kasher

**AMERICAN AIRLINES/TWU/IAM&AW
DISPUTE RESOLUTION COMMITTEE
INTERPRETATIONS/CLARIFICATIONS AND
SUPPLEMENTAL AWARDS
NOVEMBER 17, 2004**

In the Matter of Interpretations/Clarifications and
Supplemental Awards of the April 29, 2002
Seniority Integration Opinion and Award
involving the

TRANSPORT WORKERS UNION OF AMERICA

And

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS**

And

AMERICAN AIRLINES

Involving the Integration of Seniority Lists
Of the Mechanics and Related Employees,
Fleet Service Employees, Stock Clerks and
Flight Simulator Technicians

Introduction

In the April 29, 2002 Seniority Integration Opinion and Award involving the Mechanics and Related Employees, Fleet Service Employees, Stock Clerks and Flight Simulator Technicians of American Airlines (hereinafter "American", "AA" or the "Carrier") and Trans World Airlines (hereinafter "TWA" or "TWA LLC") a provision was made for the

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establishment of a Dispute Resolution Committee (hereinafter the "DRC" or the "Committee").

The Opinion and Award involving the above identified crafts or classes was initially implemented on or about May 1, 2002.

Subsequent to the issuance of the Opinion and Award, American, the Transport Workers Union of America (hereinafter the "TWU") and the International Association of Machinists and Aerospace Workers (hereinafter the "IAM") agreed to have the below-signed Arbitrator serve as the "Dispute Resolution Committee".

The Arbitrator met with the three parties on July 11, 2002 in Washington, D.C. for the purposes of establishing general rules of procedure and having preliminary discussions regarding potential issues concerning interpretation or clarification of the April 29, 2002 Opinion and Award.

It was agreed that the Committee would meet when an issue was properly raised by any of the interested parties concerning a question of interpretation or clarification of the Award, and that the Arbitrator, serving as the sole member of the Committee, would afford the parties the opportunity to present their respective positions concerning their views as to the proper interpretation or clarification of the Award.

It was further understood that after the initial meetings of the Arbitrator with the parties that the IAM would no longer be a party to the

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Committee's proceedings as the IAM, by operation of law, was no longer a representative of the employees.

The procedures of the Committee also contemplate that when, in the discretion of the Arbitrator, it is necessary to conduct an evidentiary hearing concerning a question in dispute, the Arbitrator will so notify the Carrier and the TWU of such determination, and a hearing will be scheduled. If deemed appropriate, the TWU may advise the IAM and solicit that Organization's views concerning the issue in dispute.

As certain questions of "clarification or interpretation" may, in fact, involve issues that were not addressed during the course of the evidentiary proceedings which led to the issuance of the April 29, 2002 Seniority Integration Opinion and Award, the resolution of these questions will constitute "supplemental awards".

Several of the pending "disputes/issues" involve factual findings. Accordingly, unless there are disputed facts, the Committee will accept the facts proffered as being "reliable representations of fact", and will base its decisions/resolutions upon such representations.

It should further be noted that Paragraph No. 17 of the Seniority Integration Arbitration Agreement provides as follows:

17. Any difference arising as to the meaning or application of the provisions of an Award made by the Arbitrator shall be referred back for a ruling to the same Arbitrator, and any such ruling shall be part of and shall have the same force and effect as the original Award. No question other than, or in addition to, the questions relating to the meaning or application of the Award shall be considered by the Arbitrator.

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This Paragraph has been deemed to be consistent with the procedures and jurisdiction of the DRC.

Clarifications, interpretations and supplemental awards will be issued in numerical order, albeit there may be certain circumstances where a numbered issue will be reserved or held in abeyance based upon the Committee's inability to address that issue prior to other issues being resolved.

The following decisions are being rendered this date in accordance with the Committee's procedures and jurisdiction:

Dispute No. 23: In DRC Decision Nos. 16 and 17, "acquired seniority" under the TWA/IAM collective bargaining agreement was clarified to some extent. There is a need for further clarification concerning the application of "acquired seniority" during a reduction in force when the "acquired seniority" is in a classification different than the classification the affected employee was in at the time of the Seniority Integration Opinion and Award. The question for the DRC is upon recall, what seniority date is to be used prospectively for such employee?

DRC Decision No. 23: This issue deals again with the circumstances under which TWA, Inc. seniority is retained for purposes of bumping down in a reduction in force situation.

In the DRC's answers to Dispute Nos. 16 and 17, the Committee dealt with the concept of "retained" seniority of former TWA/LLC employees. That is, the Committee addressed the question of occupational seniority in lower paid classifications that an employee retains after being promoted into a higher classification. Resolution of this dispute was made necessary by the fact that principles of seniority and accrual of seniority in the American/TWU collective bargaining agreement are significantly different than the principles which were applicable in the TWA/IAM collective bargaining agreement.

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In previous decisions, the DRC developed two basic principles. First, it was determined that the DRC did not have authority to retroactively apply the American/TWU collective bargaining agreement to TWA, Inc. service or adjust seniority based upon that service. Second, former TWA/LLC employees who came over to American carried with them and kept whatever occupational seniority they had been credited with under the TWA/IAM collective bargaining agreement to be used in accordance with the other principles of the Seniority Integration Opinion and Award (100% seniority at MCIE and St. Louis, and 25% seniority in selected cities elsewhere in the system). These principles are articulated in the following paragraphs from the DRC's answer in Dispute No. 17 as follows:

The TWA/IAM collective bargaining agreement did not limit accrual and exercise of seniority among title groups as does the American/TWU collective bargaining agreement. For example, a stores clerk who "transferred up" to a mechanic position kept and continued to accrue stores seniority (although the reverse was not true in the event of a downbid.) Service in automotive, facilities or aircraft maintenance was counted as occupational seniority applicable to all mechanic positions. Accordingly, many TWA employees carried accrued occupational seniority in several different classifications with them when they became employed by American. By virtue of the Decision by the DRC involving Dispute No. 16, the DRC did not deprive these employees of such seniority.

On the other hand, the Decision in Dispute No. 16 is equally clear that, going forward, the exercise of such seniority is governed by the rules and restrictions of the American/TWU collective bargaining agreement. Under this collective bargaining agreement, an employee in one title group can retain (but not accrue) seniority based upon service in another title group. However, such seniority cannot be used for purposes of bidding back to that title group or for purposes of recall unless the employee was furloughed from that title group. "Retained" seniority in another title group is used essentially for one purpose, that is, bumping back into the former title group in the event of "a reduction in force pursuant to the provisions of Article 15(b)." See American/TWU collective bargaining agreement, Article 10(i). "Retained" seniority accrued under the TWA/IAM collective bargaining agreement can only be utilized consistent with these provisions.

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The specific issue here, particularly at MCIE, is whether Mechanics or Stock Clerks with "Fleet Service Helper" service can use the occupational seniority earned as a result of that Fleet Service Helper service to bump into the Title 1 Aircraft Cleaner positions occupied by junior employees. The result here is dictated by the answer to Dispute No. 17 and the April 29, 2002 Seniority Integration Opinion and Award. In the April 29, 2002 Seniority Integration Opinion and Award it was noted that the Fleet Service Helper classification was "mapped" or comparable to Aircraft Cleaner, and, in some instances (involving cabin cleaning) Fleet Service Clerk. Therefore, Fleet Service Helper seniority earned at TWA, Inc. is applicable to Title 1 Aircraft Cleaner, and employees with such service can use that seniority to bump down into this position. Under the terms of the American collective bargaining agreement (occupational seniority is applied going forward from April 10, 2001), a Title 1 Aircraft Mechanic is credited with his/her Fleet Service Helper and AMT time for purposes of bumping down to the position of Title 1 Aircraft Cleaner. However, in accordance with the American/TWU collective bargaining agreement employees from other Title groups (such as Plant Maintenance or Stores) with retained Fleet Service Helper seniority would have their Fleet Service Helper seniority date adjusted for time spent in non-Title 1 classifications since April 10, 2001.

There is a remaining issue as to what happens when an employee, after being allowed to use retained seniority to bump down into a lower classification, is recalled. As noted above, the DRC did not apply the American/TWU collective bargaining agreement retroactively. Under that agreement, time spent in aircraft cleaning or other lower classifications did not count as Mechanic time, although time spent as a Mechanic counted as seniority in lower classifications. The April 29, 2002 Seniority Integration Opinion and Award accepted and applied whatever Mechanic seniority date an employee had on the date of integration as the governing date. (The DRC, in order to avoid any misunderstanding concerning the April 29, 2002 Seniority Integration Opinion and Award, affirms that the seniority date for all former TWA/LLC employees in cities in which TWA, Inc. seniority is not recognized, is April 10, 2001. The date for all former TWA/LLC employees is adjusted to reflect 25% of their TWA, Inc. seniority in those cities exclusive of MCIE and St. Louis where TWA seniority was recognized in accordance with the 10% available seat miles threshold test)

Accordingly, while TWA, Inc. Fleet Service Helper time is recognized for purposes of bumping into Aircraft Cleaner positions, a Mechanic will keep the same Mechanic Occupational Seniority Date he/she had when

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he/she came to American for purposes of recall and exercise of occupational seniority after recall. Time spent at TWA, Inc. as a Fleet Service Helper (or Stock Clerk or Fleet Clerk) should not be used to adjust or add to the Mechanic (AMT or Plant Maintenance) seniority date because the Mechanic has been allowed to use this seniority to bump down into the Aircraft Cleaner position. While the issue of Fleet Service Helper time is used as the primary example in this dispute, the same principles are to apply to those former TWA/LLC employees seeking to use retained seniority to bump down to or return from any lower classification.

Dispute No. 24: Is assigning former TWA/LLC employees April 10, 2001 seniority dates for establishing the placement order for awarding system or local options for surplus employees proper under DRC Decision No. 5?

DRC Decision No. 24: DRC Decision No. 5 was intended to clarify the issue as to how the April 29, 2002 Seniority Integration Opinion and Award should be applied during a reduction in force covered under Article 15 of the American/TWU collective bargaining agreement. The reason there is a need for clarification is that the three (3) possible seniority dates for former TWA/LLC employees (100%, 25% or 4/10/01) was a circumstance never contemplated when the terms and conditions of Article 15 were negotiated over the years. The 100%, 25% or 4/10/01 seniority dates are, for the most part, locally applicable seniority dates based upon the stations at which employees are based at the time of the reduction in force. The three (3) possible seniority dates create a unique set of circumstances, particularly when applying a reduction in force provision which was negotiated predicated upon a single system seniority application.

However, in reviewing the issue considered by the Committee in DRC Decision No. 5, it is the DRC's finding that the April 29, 2002 Seniority Integration Opinion and Award was fundamentally driven by crediting former TWA/LLC employees with a certain percentage of their original seniority dates based upon the equities TWA, Inc. brought to the consolidation at particular locations in terms of jobs and operations. Since the issue here involves an application that is based upon the exercise of seniority across the entire American system and because American on a system basis brought a far greater number of jobs and operations to the overall system integration, it appears to be consistent

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with that concept to place former TWA/LLC employees at the April 10, 2001 seniority date benchmark for purposes of initially awarding system options or opportunities, with the understanding that the ultimate awards will be adjusted to reflect 25% seniority in those stations in which such percentage of seniority is recognized. There is, of course, always the additional opportunity for former TWA/LLC employees to exercise 100% of their seniority at St. Louis or MCIE, which application further supports the concept of providing preferential rights to stations where TWA brought significant or 100% of the jobs or operations to the integrated system.

Once ordered at 4/10/01 seniority, then the exercise of seniority to displace or fill a vacancy in the system is outlined in DRC Decision No. 5. This decision specifies that the reduction in force procedures of Article 15 govern, but that former TWA/LLC employees can use the seniority granted in selected cities in the Seniority Integration Opinion and Award to compete with both American and former TWA/LLC employees in cities and stations which are deemed "junior" under Article 15, except that MCIE and St. Louis will always be open to bumping by former TWA/LLC employees. This decision is prospective and without prejudice to any contractual grievance which may be presently pending involving this issue.

Dispute No. 25: In DRC Decision No. 5 former TWA/LLC employees were provided an additional opportunity to displace into St. Louis and/or MCIE. The question here is whether the opportunity was limited to the displacement of non-bid classifications only in St. Louis and/or MCIE?

DRC Decision No. 25: The additional opportunity for former TWA/LLC employees found in DRC Decision No. 5 was intended to assure that former TWA/LLC employees always had an opportunity to exercise seniority within the two locations where TWA provided the preponderance of exclusive job opportunities at the time of the integration. This intention is reflected by the awarding of 100% seniority at St. Louis and MCIE to former TWA/LLC employees. The opportunity was not intended to limit the exercise of seniority to the non-bid classifications, but was intended to provide a full exercise of that seniority, whether it be to a Crew Chief, Inspector or other bid classification position, provided that the displacement rights were

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exercised in accordance with the American/TWU collective bargaining agreement. For example, a former TWA/LLC Crew Chief at DFW may exercise his/her seniority to displace a less senior Crew Chief at St Louis or MCIE.

Understanding that a previous application concerning this matter has resulted in a grievance scheduled to be heard by the American/TWU System Board of Adjustment, this clarification is to be prospective and without precedent or prejudice to such grievance.

The above interpretations, clarifications and supplemental awards are being issued this 17th day of November, 2004.

By: Richard R. Kasher
Richard R. Kasher
Dispute Resolution Committee