



12-04

April 13, 2012

Contract 2012 Negotiations Update

It was one month ago today that the MEC Negotiating Committee met with Delta management to exchange Contract 2012 openers. Our opener, which was developed under the careful direction of the Delta MEC, was e-mailed to you as an attachment to [Negotiators' Notepad 12-01](#). By now, you should have received a hardcopy in your company v-files.

Since openers were exchanged, our expanded negotiating team and the Company have undertaken an aggressive meeting schedule in an effort to reach a comprehensive agreement in a timely manner. The MEC's expanded negotiating team consists of:

- The Negotiating Committee
- Subject matter experts from the Scheduling, Strategic Planning, Retirement & Insurance and other committees
- ALPA's general counsel
- An attorney and professional negotiator from ALPA's Representation Department and
- Professionals from ALPA's Economic & Financial Analysis Department

We have also retained, and will continue to retain, outside professionals on an as needed basis. For example, the services of

an independent actuarial firm have been retained to assist with issues related to the retirement and insurance portions of our contract.

The Company also has an expanded team. In short, the right people are at the table, and both parties are committing the time and resources necessary to attempt to reach an expedited and comprehensive agreement.

Progress has been made on several sections of the contract, and meetings continue at a rapid but deliberate pace. In order to facilitate the process, both parties have broken their expanded teams into several smaller groups to deal with specific sections within their areas of expertise. One group, for example, is working on benefit-related issues such as sick leave, insurance, and retirement, while another group has been tasked with scheduling-related issues, including vacation and deadhead. Each group works closely with the other groups within their respective expanded teams to ensure a coordinated and unified team effort.

As you may recall from [Touch & Gos 12-02 - Section 6 Negotiations: The Strategic Plan](#), the negotiating process typically consists of four phases: *Receive, Analyze, Recommend,*



Direct. This was the process employed by the MEC to develop our opener, and it will continue to be employed as we move forward. In this way, the MEC is in control of our end of the negotiating process at all times. The process will typically repeat itself often as progress is made or additional information is received.

To that end, the Negotiating Committee has been providing the MEC with weekly updates on the progress of negotiations, and these updates will continue going forward with more frequent updates provided if necessary. Additionally, the MEC will meet next Wednesday, April 18, in special session to receive a comprehensive progress report.

Significant progress has been made in a short period of time, but there is much work left to be done. We are still early in the overall Section 6 process, but keep in mind that we were not even scheduled to exchange openers with management until just last week.

If the committee eventually reaches an overall tentative agreement with Delta management, it will be presented to the MEC for deliberation and a ratification vote. If ratified by the MEC, it will then be presented to the Delta pilots for membership ratification.

We want to reemphasize that the final product will not be sacrificed for the sake of expediency. Furthermore, there is no risk with this expedited process. Either party to the negotiations is free to withdraw from the expedited process at any time *without prejudice*, at which time negotiations would resume under a traditional Section 6 timeline.

In his March 9, 2012 [*Chairman's Letter*](#), MEC Chairman Captain Tim O'Malley wrote, "Your MEC is ready to negotiate our next contract!" The MEC has received your input, is well prepared, and negotiations are now well underway. We have the right resources and talent in place, and we intend to lead the industry to deliver a contract we can be proud of.

We will provide you with additional updates as negotiations progress and additional information becomes available.

On another note, the Delta Pilot Network continues to conduct Pilot Unity Building (P.U.B.) events across the country. Please watch the weekly Code-a-Phone or visit the [Delta Pilot Network page](#) of the Delta MEC website for the latest schedule, and we encourage you to make every effort to join us at a location near you.