



AIR TRANSPORT



DISTRICT LODGE 142

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File: CO-18

Dear Continental Flight Attendant,

The Tentative Interim Agreement you are considering was not easy to achieve. After soliciting proposals, conducting bargaining priority surveys and attending comprehensive negotiating preparation classes at the IAM's Education and Technology Center, the Negotiating Committee entered negotiations 10 months ago with your directive to regain what was required from us during Continental's restructuring and negotiate the progressive agreement we deserve. We were making progress toward achieving that goal when Continental and United announced their plans to merge – a merger that Continental Flight Attendants' hard work and sacrifice significantly helped to make possible.

In negotiations following that announcement, your Committee continued trying to negotiate the comprehensive agreement Flight Attendants deserved. But it was clear that Continental became unwilling to continue considering some of our proposals until union representation issues were resolved and a transition agreement was negotiated for the combined Continental/United Flight Attendant group. The merger announcement also raised new issues and concerns that the Negotiating Committee had to address.

The Negotiating Committee was faced with a choice: Negotiate an interim agreement that guaranteed some immediate improvements and merger protections, or wait until transition negotiations for Flight Attendants to realize any improvements.

The comprehensive agreement your Union wanted was not possible at that time, so the Negotiating Committee decided to negotiate a down payment now, knowing additional contract enhancements would be forthcoming in transition negotiations.

If the Negotiating Committee had decided not to reach an Interim Agreement, Continental would have suspended meaningful bargaining with the October 1, 2010 close of the merger until representation issues are resolved. Continental made it clear to the Negotiating Committee, and we must relay to you, that there would likely be no further meaningful bargaining until transition negotiations. The Interim Agreement you are voting on is the last agreement that will ever be negotiated with Continental Airlines. The next time we go to the table will be with the new United Airlines for the combined Flight Attendant group, and the IAM is more than prepared.

We have negotiated into the Interim Agreement a "fence agreement" that prevents the combined carrier from achieving the full operational synergies the merger was designed to provide until either a combined agreement is negotiated for all Flight Attendants at the new United Airlines or until the parties agree to change or terminate the Interim Agreement. It is with that leverage, and your solidarity, that we will negotiate further improvements for Flight Attendants in transition

negotiations. Wear your IAM pin on your uniform with pride to demonstrate the solidarity that will lift us all to even greater heights. If you do not have a pin, they will be available at all ratification meetings.

While we believe that a Transition Agreement can be achieved without undue delay following representation elections, we are aware that in some circumstances it could take years. For example, although the IAM negotiated quick Transition Agreements for its members at US Airways following its merger with America West (and will soon begin negotiating the IAM's second post-bankruptcy agreement at that carrier), AFA-CWA-represented Flight Attendants have yet to reach an agreement five years after the merger and pre-merger US Airways Flight Attendants remain saddled with a contract negotiated in bankruptcy. This unpredictability underscores the importance we placed on locking-in guaranteed improvements now.

Each Continental Flight Attendant is now faced with the exact same choice the Negotiating Committee had: Accept immediate and retroactive wage increases, merger protections, a no furlough clause and the other improvements contained in the Interim Agreement and enjoy them until transition negotiations produce a comprehensive agreement, or forgo what is in the Interim Agreement and continue with the current contract language unchanged until the conclusion of transition negotiations.

Although it should be clear to see why we unanimously recommend ratification of this Tentative Interim Agreement, nothing must be taken for granted. We urge every Flight Attendant to exercise their right to have their questions answered and cast a vote. For information on voting location(s) and times go to www.go142.org. Ratification voting will commence on Thursday October 14, 2010 and continue through Wednesday October 20, 2010. As always and in keeping with the IAM's democratic principles, Continental Flight Attendants will decide which path to take, and the IAM will respect the course set by the membership.

Sincerely and fraternally,

Tom Higginbotham
PRESIDENT-DIRECTING
GENERAL CHAIRPERSON

Brent Thompson Brian Wozniak Ernie Dominguez Randy Hatfield
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NEGOTIATING COMMITTEE MEMBERS

TH/slb

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