One Contract. One List. One Voice. It’s more than just a slogan. It has become a successful blueprint for ALPA leaders at Pinnacle, Mesaba, and Colgan as they move forward with plans to combine their nearly 3,000 pilots into one unified pilot group. Clearly the pilots are on board. With nearly 87 percent of eligible pilots casting ballots, 90.5 percent voted for the historic joint collective bargaining agreement (JCBA) reached after only 102 days and 23,000 man-hours of intense, focused negotiations.

The JCBA is notable because it solidifies the pattern of the Delta/Northwest merger model by achieving all-encompassing job security provisions, in addition to significantly enhancing compensation, benefits, and quality-of-life provisions. “This is the most successful merger in recent ALPA history,” said Capt. Lee Moak, ALPA’s president. “The Pinnacle, Mesaba, and Colgan leaders had a vision for this three-party merger, and they more than succeeded. This company is poised to be a major player in the regional industry, and this contract is a key piece to achieving that. This is also a case study from which we can all learn as we move forward in the ever-changing airline industry.”

Adopted early on in the joint negotiating process, “One Contract | One List | One Voice” became both the destination and the pathway for the three Master Executive Councils (MECs) and the eight-member Joint Negotiating Committee (JNC) as they navigated toward a single contract. “It was critical to ensure that we eliminated the whipsaw potential among the three pilot groups and to provide a contract that shows every pilot substantial gains,” said Capt. Kristofer Pierson (Mesaba), the JNC co-chairman.

Each pilot group came to the negotiations from a different perspective: Pinnacle pilots had just passed the 5-year anniversary of their contract’s amendable date, Colgan pilots were working under some of the worst terms in the industry and approaching the one-year mark in their first contract negotiations, and Mesaba pilots were working under a post-bankruptcy contract, while preparing to open Section 6 negotiations in January 2012. In order to build unity among the three groups, the MEC leaders initiated a number of joint activities, focusing on information-sharing and coordination among the three negotiating teams and joint MEC meetings.

This joint effort was desired after Pinnacle Airlines Corp. announced that it planned to transfer all jet flying to Pinnacle Airlines and consolidate turbo- prop flying under the Mesaba banner and return the Colgan certificate after purchasing Mesaba Airlines on July 1, 2010. “The pilots stood directly in the path of where management wanted to be,” said Capt. Paul Hallin (Pinnacle), the JNC co-chairman. “They wanted to move aircraft and pilots between the airlines, and we were only willing to cooperate with that plan if our needs were addressed as well. That meant one contract and one list.”

The first hurdle to a mutually beneficial contract was getting Pinnacle management to agree to negotiate for one book. “Management was motivated to get operational savings from the merger,” said Bruce York, director of ALPA’s Representation Department, who oversaw the work of ALPA’s professional negotiators and attorneys assigned to the process (see “Merger Support,” page 17). “There was an upside for the company to reduce redundancies and gain operational advantages and conceptualize and propose a structure for efficient negotiations that would let us share the value created.”

From left are F/O Eric Meenk (Mesaba); Capt. Mark Brozost (Mesaba); Capt. Paul Hallin (Pinnacle); Capt. Kris Pierson (Mesaba); Capt. Barry Nomann (Colgan); Jane Schraft, ALPA senior contract administrator; F/O Eric Smith (Pinnacle); F/O Nathan Hillard (Colgan); and Capt. Jonathan Allen (Pinnacle).
Once management was on board with the “one contract” concept, both sides worked together to create a process agreement that called for the new contract to be completed in 45 days. Pilot leaders then finalized a protocol agreement, which was negotiated among the three MECs to provide an alternative process and timeline for seniority list integration.

The three Negotiating Committees combined into one cohesive and unified group that understood the need to “harmonize our goals and surrender our perceptions and assumptions about each other’s contracts to determine the true best practices from each,” said Capt. Barry Nomann (Colgan), the JNC co-chairman. “Early on we realized that it was vitally important that we capitalize on all the bargaining power we had and leverage all opportunities available to us if we were going to be successful.”

As the negotiations began under the expedited time line, the least controversial sections of the contract were tentatively agreed to first, building momentum to address the more difficult sections that covered scope, compensation, scheduling, and benefits. By relying on and maintaining existing language in the less controversial sections, the negotiators were able to spend most of their time crafting new provisions in key areas where improvements were needed.

“We adopted an internal work protocol for the review and negotiation of each section,” Pierson explained. “First, we reviewed and discussed the language and practices on each property. We engaged in a side-by-side comparison of the relevant contract provisions, and then we decided on what our priorities were in each section. We then reviewed the industry standard with respect to all of the key issues. We found the key to our success was focusing our internal debates and discussions on what was best for the combined pilot group rather than being wed to certain provisions that already existed in each of our contracts.”

The MECs unanimously directed the JNC to focus on achieving job security provisions that would bind each airline and the parent company. That focus produced a guarantee that all flying performed for Pinnacle Airlines Corp. would be done by pilots on the integrated seniority list under the JCBA. “Pilots who are new to the industry may not understand the historic value and importance of this scope language,” Nomann added, “but taking away the company’s ability to whipsaw is what will allow us to maintain an industry-leading contract.”

Concerned with the short staffing already wreaking havoc on the operations and quality of life at Pinnacle and Colgan, the JNC also gained new commitments from management that the airlines will alter their practices. “There are key elements of this contract that require appropriate staffing levels,” said Nomann. “To do otherwise leads to monetary consequences, including limits on forced work assignments and costly premium pay when the company extends or junior-assigns a pilot.”

To address the high workload associated with the expedited negotiations, the JNC created topic-specific subcom-
merit the need to discuss their management counterparts the broader concepts in each of those complex sections. The subcommittees continued to the full JNC, where the strengths and weaknesses of all proposals were fully vetted before finalizing those sections. All sections were agreed upon by unanimous decision. “It was important to reach consensus on all provisions to ensure we kept moving forward together,” Nomann said. Support from the Economic and Financial Analysis and Retirement and Insurance Departments helped to expedite consideration of the concepts being explored.

As the initial 45-day deadline approached, the forward momentum slowed slightly as both sides grappled with the complexities of scheduling and quality-of-life issues. “The difficulty of merging two contracts and three distinct operational cultures complicated the process,” said Pierson. “Our proposals were reasonable, relying heavily on already existing language and practices, but it was still difficult to get management to agree.” The parties mutually agreed to extend the deadline in recognition of the fact that substantial progress was being made.

“From Day 1, the MEC chairmen and JNC have been clear that any agreement had to reflect the 6 years that Pinnacle had already spent in bargaining, the loss of Section 6 negotiations for Mesaba pilots working under a bankruptcy agreement, and the years that Colgan pilots worked at below-industry-standard terms and conditions,” Hallin said. “This commitment to the pilots created hurdles that slowed the expedited process, but we would not be deterred.”

The two sides met again after a Thanksgiving holiday break and put their full effort into reaching a deal that would bring all three airlines together.

On December 17, the JNC announced it had reached a tentative agreement that contained significant improvement in all of the cornerstone areas of the contract: job security, compensation, benefits, and quality of life. From the merger announcement press release sent July 1, 2010, to the final signing ceremony on Feb. 17, 2011, ALPA Communications Department staff provided significant support.

“The negotiations and attorneys were busy planning for and conducting negotiations, ALPA’s Communications Department worked alongside pilot leaders from the beginning to develop and implement a strategic communications plan pursuant to ALPA merger policy,” said Marie Schwartz, director of the Department. “ALPA merger policy requires establishing joint communications designed to build pilot unity, educate the pilots on the merger process, outline the risks associated with third-party involvement in the seniority list integration process, and provide information on the agreement reached with management.”

The strategic communications plan was anchored by the electronic newsletter inFORmATION, the primary vehicle for simultaneously distributing regular Negotiating Committee updates and other information relevant to the process to all three pilot groups. The joint communications supported the individual communications the pilot groups sent out to their pilots.

“A single contract with this degree of job security ensures we are going to move forward in unity,” Pierson said. “Pinnacle can have as many operating certificates or codeshare agreements it wants, but the flying will be done by our pilots, on one list, under this contract.”

One Contract: achieved. One List: in development. One Voice: loud and strong. This pilot group is doing it right. ☛