

AMFA/Southwest Airlines Contract Negotiations Update

<u>Update #3</u> <u>October 7, 2013</u>

Participants for AMFA:

Earl Clark – Region I Director
Michael Nelson –Region II Director
Bob Cramer – Airline Representative Local 4
Matt Townsend – Airline Representative Local 11
Shane Flachman– Airline Representative Local 18
Mike Young – Airline Representative Local 32
Danny York- Facility Maintenance DAL
Lucas Middlebrook- Legal Counsel

Participants for Southwest Airlines:

Mike Ryan- VP, Labor Relations Gerry Anderson- Sr Director, Labor Relations Cindy Nagle- Sr. Director, Labor Relations Clint Auton- Director, Corporate Facilities Robert Dorsey- Director, Corporate Facilities Tim Hooyman- Sr Manager, Corporate Facilities

The Negotiating Committee is providing this update to the AMFA Membership at Southwest Airlines. This is the only official authorized source of negotiating communications by the Committee.

We met with the Company for Facilities Maintenance Technician (FMT) Negotiations in Dallas on Wednesday, October 2. We began by discussing the FMT job classifications. Currently, the FMT group has 14 different job titles although all are capable of performing the General I job duties. We spent the morning working to understand the broad work responsibilities of the FMTs and how jobs are determined to be completed by in-house technicians versus by a vendor. We returned after lunch and presented the Company with our proposal which contained two classifications: 1) Facilities Maintenance Technician and 2) Lead Facilities Maintenance Technician. With the very broad scope of work accomplished by the FMT group, this is the best breakdown for the "Classification" article. We will more narrowly define actual work in the "Scope" language and it is our intent to address the additional qualifications/certificates in the "Wage" section. The Company expressed concern that the "Classification" article reaches out to many other articles. They said the FMT group has many occasions of "blended work" (where a SWA FMT is working with a vendor on the same job or location). Company said they need to spend time with the FMT leadership to further discuss this subject.

Thursday began with the Company presenting their proposal regarding Profit Sharing and 401K. This was basically capturing in writing what the FMT group is currently receiving. The Company's proposal split Profit Sharing and 401K into separate articles which it contends is simpler than the AMT CBA where they are both discussed in the same article.

We spent the remainder of the day working on "Training" and discussing the current practices being used in regards to actual training and the selection process. We are finding a major opposition to efficiency in these negotiations is the fact that the leadership of this workgroup has little or no experience working with an "organized workgroup" and its most rudimentary element - seniority.

Prior to adjourning for the session we gave the Company a counter offer to their Profit Sharing and 401K Proposal and we gave them our offer for "No Strike- No Lockout." We also changed the session scheduled for October 21 and 22 from AMT to FMT negotiations. If there is anyone who would like to be an observer for this session we'll begin at 1300hrs on Monday and 0900hrs on Tuesday; contact Danny York if you are interested.

Sincerely, Your Negotiating Committee