

Key Terms in Labor Negotiations

Allied Pilots Association (APA)

The labor organization certified by the National Mediation Board as the exclusive representative for American's pilots with regard to negotiating and administering collective bargaining agreements on the pilots behalf.

Available Seat Miles (ASMs)

A common industry measurement that refers to one aircraft seat flown one mile, whether occupied or not. An airliner with 100 passenger seats, flown a distance of 100 miles, represents 10,000 available seat miles. This is one way to measure capacity and indicate how much space an airline has for purchase by passengers.

Aviation Maintenance Technicians (AMTs)

An FAA–Licensed technician that performs skilled work in maintenance, preventive maintenance and alteration of aircraft, aircraft systems, engines and components.

Collective Bargaining Agreement (CBA)

A negotiated contract between an employer and one or more unions that describes the terms of employment for unionized workers, including wages, benefits, hours and working conditions.

Cost per Available Seat Mile (CASM)

CASM is calculated by taking all of an airline's costs and dividing it by the total number of available seat miles.

Cost per Unit of Production

A measurement that gauges costs in relation to output/results.

Dependability

This is the measure of an airline's on-time performance. It includes the following components:

- D + five (D+5): departures that push back from the gate within five minutes of the scheduled time.
- D + zero (D+0): departures that push back from the gate on time.
- A + 15: arrivals within 15 minutes of the published arrival time.

Dispatcher

An FAA-licensed dispatcher coordinates with Air Traffic Control, Flight Service personnel, aircraft crew scheduling, maintenance control and various Company ground stations to ensure the safe planning and monitoring of an air operation.

Fleet Service Clerks

Responsible for transporting, loading and unloading cargo; cleaning and servicing cabin interiors; and de-icing and pushing-out towing aircraft (as well as all related guideman functions).

Form 41 Data

Information derived from airline filings with the Bureau of Transportation Statistics. Airline financial data is filed with the BTS quarterly; traffic and employment numbers are filed monthly.

Ground School Instructors

Provide instruction, training and simulator scenarios for pilots and related flight employees, primarily in classrooms.

Load Factor

The number of Revenue Passenger Miles (RPMs) expressed as a percentage of ASMs, either on a particular flight or for the entire system. To calculate this figure, divide RPMs by ASMs. For example, load factor for a single flight can be calculated by dividing the number of passengers by the number of seats.

Maintenance, Repair and Overhaul (MRO) Provider

Maintenance organization that is licensed by the FAA and has approval to perform the maintenance and repair work for specific aircraft, engines and components.

Mediation

In general, a type of dispute resolution process where a third-party or neutral mediator assists negotiating parties in reaching an agreement to a dispute. The Railway Labor Act authorizes the National Mediation Board to provide mediation services to help a carrier and a union in reaching a new collective bargaining agreement. Mediation is required, per the Railway Labor Act, before either party can advance to self-help.

National Mediation Board (NMB)

The National Mediation Board (NMB), established by the 1934 amendments to the Railway Labor Act of 1926, is an independent agency that performs a central role in facilitating harmonious labor-management relations within two of the nation's key transportation modes--the railroads and airlines. Pursuant to the Railway Labor Act, NMB programs provide an integrated dispute resolution process to effectively meet the statutory objective of minimizing work stoppages in the airline and railroad industries.

Railway Labor Act

The federal statute governing collective bargaining in the airline and railroad industries.

Revenue per Available Seat Mile (RASM)

Also called "unit revenue," this figure is calculated by dividing the airline's total revenue by all the available seat miles.

Revenue Passenger Miles (RPMs)

This is the basic measure of airline production. It tracks how many of an airline's available seats were actually sold. For example, if 200 passengers fly 500 miles on a flight, this generates 100,000 RPMs.

Schedule Enhancement Period (SEP)

A contractually mandated enhancement to Trip Trade with Open Time (TTOT). After bids close each month, pilots have a short period of time to bid for limited modifications to their awarded lines of flying. These SEP bids are then processed in seniority order (within each bid status) and awarded prior to the opening of TTOT.

Section 6

Section 156 of the Railway Labor Act, which pertains to the changing of pay, rules and working conditions.

Sequence

A pairing of flying and/or dead-heading that consists of two or more flight segments, and which originates and terminates at a pilot's crew base.

Simulator Instructors

Provide instruction, training and simulator scenarios for pilots and related flight employees, primarily in aircraft simulators.

Simulator Technicians

Maintain the flight simulators and related flight training equipment at the Flight Academy.

Stock Clerks (Stores)

Responsible for receiving, storing, distributing and organizing stock, equipment, supplies and materials for the maintenance and engineering organization.

Supplement W

A four-party agreement between or among American and the APA, and American Eagle and the ALPA, that commonly is referred to as the flowthrough/flow-back agreement. It has provided certain potential employment opportunities to pilots of each of the respective carriers.

Transport Workers Union (TWU)

The labor organization certified by the National Mediation Board as the exclusive representative for the following American Airlines workgroups:

- Aviation maintenance technicians and plant maintenance,
- Stock clerks and crew chief stock clerks,
- Fleet service and ground service
- Flight simulator technicians, associate simulator technicians and technical coordinators,
- Technical specialists,
- Ground school instructors, flight engineer simulator instructors and pilot simulator instructors,
- Flight dispatchers and dispatcher's assistants.

Trip Trade with Open Time (TTOT)

The system by which crew can drop, pick up or exchange sequences with the open time list, or pick up a sequence from the posted Sequence Drop list on a first-come, first-served basis.

Yield

This figure is calculated by dividing an airline's total revenue by all of its Revenue Passenger Miles (RPMs).