



Association of Flight Attendants AFL-CIO
1275 K Street, NW, Washington, DC, 20005-4090

PHONE 202-712-9799 FAX 202-712-9797



For Immediate Release:
July 7, 2003

Contact:
Sara Dela Cruz 847-292-7170, ext. 524

United Airlines' American-style July 4 Celebration: Slush Fund for "Key Employees"

CHICAGO -- United Airlines Association of Flight Attendants, AFL-CIO, Master Executive Council President Greg Davidowitch made this statement on the flight attendants' intention to file an objection with the bankruptcy court over United's proposed new Key Employee Retention Program for mid level management employees:

"As our country celebrated our nation's birthday, United management celebrated by asking the bankruptcy court to grant gifts to 'key employees' that are being paid for with money provided by United workers' concessions. It's as if United decided that an appropriate way to celebrate the Fourth of July would be to take after former American CEO Donald Carty's idea that a few should prosper at the expense of many.

"The need for this 'KERP' is fabricated. The flight attendants are going to file an objection to this new money grab. People who are committed to United's future success are not leaving the company in any greater numbers than among other employee groups. On the contrary, United's been praised by the media and Wall Street for its ability to lure key talent from competitors and other corporations.

"Flight attendants are outraged at the prospect of a select group of employees receiving bonuses in light of what we have been through the past two years. When we agreed to cut our pay and work rules, it was with the promise of a better future for all United employees. A critical component of the concessionary negotiations is a Success Sharing Program that was designed to be fair and equitable for everyone to share in the rewards of a new United Airlines.

"Senior management should remember how contentious the last KERP was for our members. This new KERP flies in the face of that principle and can only be viewed as divisive and an abrogation of the commitment for shared sacrifice.

"The dedicated, front line employees of United are key to its successful reorganization. If United believes it necessary to reward employees for their service to the company while in bankruptcy, it should implement the Success Sharing Program a year earlier than planned for all employees, not just a privileged few.

"We have worked with United management during the bankruptcy process to ensure our airline's success, and we will continue to do so. But, we will also challenge decisions when they demonstrate the kind of poor judgment shown in the filing of this KERP motion. This type of decision takes us two steps backwards as we struggle to gain forward momentum for a successful emergence from bankruptcy."

Once filed, the flight attendants' objection will be made available on our website, www.unitedafa.org. More than 50,000 flight attendants, including the 24,000 flight attendants at United, join together to form AFA, the world's largest flight attendant union.

#

INFLIGHT SAFETY PROFESSIONALS



INTERNATIONAL TRANSPORT WORKERS' FEDERATION