PILOT GROUP PROFILE

PSA Pilots Endure by Evolving with Their Environment

By John Perkinson, Staff Writer

he many twists and turns of PSA and its pilot group throughout their rich, collective history together reflect the turbulent and ever-changing nature of the U.S. domestic airline market. New related technology, growing competition from other airlines, and changes in the aviation industry landscape have forced this airline to reinvent itself on several occasions.

Today's PSA is a fleet of state-of-the-art airliners, flown by well-trained and seasoned pilots, operating in a profitable and growing region, poised to shine in the coming era. The carrier has reached this enviable position because of its ability to adapt and the willingness of its pilots to make the operation

work. Nonetheless, PSA pilots are not

immune from many of the same issues and challenges that affect their industry peers.

Current flight plan

PSA is one of two wholly owned subsidiaries of the US Airways Group, which recently merged with America West Airlines to create the fourth largest airline family in the United States.





Based in Vandalia, Ohio (near Dayton), PSA is one of more than half a dozen airlines that provide service as US Airways Express.

Today's scenario for PSA pilots is as challenging and complex as ever and illustrates why a proactive membership is so important, despite the fact that the pilots' contract will not be amendable for $2\frac{1}{2}$ years.

During 2006, management approached the pilots to fly, in exchange for concessions, a predetermined number of 90-seat airliners (in addition to the current fleet of 50- and 70-seat Canadair jets they were operating). The pilot leaders declined to make any concessions, noting that the airline was no longer in bankruptcy and that the pilots would not trade wages and quality of life merely for additional airliners. The positioning of this new equipment, the MEC reasoned, should be based on corporate marketing and customerneeds assessment, and not on what management's labor attorneys could haggle from the airline's employees.

As the pilots of US Airways and America West continue to seek productive ways to finalize the fusion of their operations, the pilots of PSA and its fellow subsidiary—Piedmont—work toward a collective agreement to tackle pilot flow-through between the Group carriers and other issues of joint interest.

Aside from these continuing concerns, the current PSA MEC chairman, Capt. Mark Stanley, recognizes other ongoing challenges that, in many respects, mirror the circumstances at comparable airlines throughout the industry.

"The PSA pilots are committed to working together with pilots from the other US Airways Group airlines to keep from being pitted against each other," he notes. "Many contentious issues have the potential to divide us as members of a single airline family, and we must communicate and strive to reach some level of consensus to overcome these, if we have any hope of controlling our collective destiny. Cooperation among these pilot groups will be the key; without it, we will fail."

Stanley points out that despite his airline's recent relative good fortune, PSA management continues to place too much emphasis on beating down costs. He says, "Our company generates good numbers, but often at the expense of employee morale and even customer satisfaction. Inadequate staffing has fostered routine contract abuse among our schedulers. Of particular concern, the current, overreaching dependability program penalizes pilots for following FARs, which specify that they should not fly when they are sick. Consequently, our pilots simply don't feel valued. This is having a cumulative, detrimental effect on our entire operation, and it has to stop.

"Management needs to look for constructive ways to engage our workforce so that pilots and other employees feel like more than just a company expense. We need to replace one-sided, management-imposed policies with true teamwork—more than just the standard management lip service about working together—and productive, consensual side letters and agreements, if we are to improve employee productivity and the general well-being of our airline," says Stanley.

Stanley and the rest of the MEC remain hopeful that PSA management will see the light and that their airline will continue with the trailblazing role it has so frequently played in the past. This kind of foresight should help PSA better

"Management needs to look for constructive ways to engage our workforce so that pilots and other employees feel like more than just a company expense."—Capt. Mark Stanley, PSA MEC chairman

prepare itself for the demands and changes of airline travel's coming age.

Once upon a time in the West

PSA today is unrecognizable from its many earlier versions—even the PSA of 5 years ago. PSA's rich heritage stems from two distinct sets of airline families.

The airline's name derives from Pacific Southwest Airlines, an early, low-cost carrier that began operations in May 1949 and initially offered DC-3 service between San Diego, Burbank, and Oakland. At a time when many consumers considered airline travel a luxury, PSA offered fares of only \$9.95, making flying available to a broader cross section of the population.

The San Diego-based airline helped revolutionize the industry in a number of ways, including the "quick turn." PSA recognized that to be profitable, it needed to keep airplanes in the air. To make this possible, the airline established a program that enabled crews at downline stations to turn a DC-3 in as little as 5 minutes.

In its nearly 40 years of service, PSA evolved from a small "mom-and-pop" style operation to a major player in the western U.S. domestic airline market, operating a fleet of more than 30 Boeing and McDonnell Douglas airliners by the 1980s.

The Southwest Flight Crew Association, the union that eventually represented the PSA pilots, was a practical, proactive group but is probably best remembered for a 53-day strike that the union conducted in 1980. PSA had placed a sizable order for DC-9 Super 80s, and the pilots fought unsuccessfully to maintain the three-pilot cockpit, which was common for airliners of that day. Later, in 1981, PSA pilots joined ALPA, as ALPA was spending untold hours and



PSA's fleet is made up of 35 Bombardier CRJ-200s and 14 CRJ-700s.

considerable funds to counter the NTSB's findings that blamed the pilots in a 1978 PSA fatal B-727 midair collision over San Diego.

USAir bought and absorbed PSA's operations in April 1988. The PSA moniker would not resurface for several years.

Back East

Meanwhile, a small Cessna 402 operation called Vee Neal Airlines (named for owner Vee Neal Frey) offered a half dozen daily roundtrip flights between Latrobe, Pa., and Pittsburgh. In time, the airline acquired six new Jetstream 31s and changed its name to Jetstream International Airlines to better reflect its updated operation.

The new Jetstream Airlines, based in Erie, Pa., connected area passengers with several major cities in the East and Midwest. The airline later became a wholly owned subsidiary of Piedmont Airlines and moved to the Dayton, Ohio, area, where it remains today.

In July 1988 (several months after USAir bought the West Coast PSA operation), Jetstream became a wholly owned subsidiary of the US Air Group. Despite its Jetstream name, the new USAir Express airline broadened its fleet with Embraer EMB-120 Brasilias. However, PSA would later transition to an all-Dornier 328 fleet. Accordingly, Jetstream International Airlines changed its name to PSA in 1995 to shed the previous aircraft reference, to preclude the use of the PSA name by another airline, and to recognize the original PSA as part of the USAir heritage.

The Post-9/11 Era

USAir became US Airways in 1997, setting the stage for today's PSA and its emerging role within the Group. The PSA pilots ratified a new labor agreement in 2002, but after the

events of 9/11 and the economic downturn in much of the U.S. airline industry, PSA and its parent company were forced to file for Chapter 11 bankruptcy later in the year.

The US Airways Group spent 7 months in bankruptcy. During this period and as part of the bankruptcy restructuring process, the Group was making decisions about who should fly the increasingly popular regional jets within the reorganized company.

Before this time, the Group's three wholly owned subsidiaries—PSA, Piedmont, and Allegheny (the latter two eventually were consolidated to create a new Piedmont)—were strictly turboprop operations.

The introduction of regional jets dramatically changed the way the network airlines allocated their flying. This new type of airliners could provide feed at hub airports as well as point-to-point service. The PSA pilots became the first of the three Group subsidiaries to sign what became known as a "Jets-for-Jobs" side letter, doubling the size of the PSA fleet while providing to furloughed US Airways pilots 50 percent of the staffing necessary to pilot the airline's new 50-seat Bombardier CRJ-200s. The PSA pilots recognized that this sacrifice would help the Group emerge from bankruptcy and ultimately lead to new opportunities for their airline and their members.

Capt. Steven Toothe, the PSA MEC chairman at the time, stated in a ALPA press release, "Enhancing our fleet with this new aircraft will ensure that PSA remains a vital component of US Airways' operation."

In 2004, the PSA pilots negotiated terms allowing them to fly 70-seat CRJ-700s. The US Airways Group and PSA would file for Chapter 11 again in September 2004, but PSA would evolve from a turboprop operation to an all-jet venture virtually overnight. ?

PSA Pilot Group At a Glance

Number of pilots—400-plus

Corporate setup—Wholly owned subsidiary of US Airways

Operations—More than 370 daily flights between 64 destinations, including US Airways hub operations in Charlotte, Philadelphia, New York, and Washington, D.C.

Pilot bases—Dayton, Ohio; Charlotte, N.C.; and Knoxville, Tenn.

Fleet—35 Bombardier CRJ-200s and 14 CRJ-700s