



Continental Airlines Negotiations Update

November 10, 2009

Dear Members:

On November 9th the Company gave us a response to our last proposal regarding wages. The Company had not responded to our wage proposal when they broke off negotiations in September. The Company's wage counter did not move off its opening wage proposal, which it made in September, 2009. In the Company's own words, its November 9th wage counter represents the same amount of money as its opening wage proposal, and is merely a repackaged version of that opening proposal. The only real "difference" is that its November 9th counter contains a new (November 30th) acceptance deadline that is just as arbitrary as the deadline contained in its September opening wage proposal. To the extent the Company's November 9th wage counter differs at all substantively from its opening (September) wage proposal, it actually is worse. In this regard, our calculations revealed that many of our members would be even worse off under the new proposal than they would be under the company's opening proposal.

On November 10th, we informed the Company's representatives that since they were unwilling to move off their unreasonable wage opener, we would not counter and bargain against ourselves. Instead we proposed terms for Article 16 – Benefits and a Letter of Agreement establishing the terms of 401(k) matching (see your Local Union for a copy of our opening proposals).

The Company refused to engage us in discussion on our Article 16 proposal and broke negotiations off for a second time. The Company immediately asked us to join it in a request for mediation from the National Mediation Board (NMB). We declined to do so because we believe that further progress could be made if the Company were willing to negotiate with us in a fair and open-minded manner. By law, we cannot stop the Company from filing its request for mediation with the NMB. That's the Company's right. Under NMB rules a single party involved in negotiations may request mediation. The Company will be filing its request for mediation today with the NMB. The NMB will grant that request pursuant to its established practice.

What this means is that we will now be engaged in mediated negotiations under the supervision of the NMB. An NMB mediator will be assigned shortly and will establish a time for the parties to meet again as well as a protocol for future discussions. Nonetheless, should the Company wish to engage in discussions outside of mediation, the Teamsters Negotiating Committee are prepared and available to resume negotiations at any time.

Union participants:

Clacy Griswold – Chairman, Robert Rasch – Co-Chairman, Nick Manicone, IBT Attorney, Paul Alves, Airline Division Representative, Business Agents: Earl Averette, Charlie Alferio, Angel Cantu, Dave Elmore, Dominic Fierro, Daisy Gonzalez, Bob Luciano, Bob McAllister, John Murphy, Justin Muraki, and Dan Stunda. Negotiation Committee Members: Chris Carouthers, Robert Clever, Dominick DiPaolo, Tommy Esposito, Vinny Graziano, Jack Harran, Craig Larson, Carl Levenson, Mike Meglich, Ralph Salzano, and Audrey Scates and Sean Vernon

Continental participants:

Jeff Wall – Chairman, Joe Ferreira, Benny King, Jim Montgomery, Randy Ramdass, Bob Ruzich, Dave Shotsberger, and Don Wright

Robert Rasch
President Teamsters Local 19
Committee Co-Chair