

PILOTS FLYING FOR DHL EXPRESS ANNOUNCE STRIKE VOTE

The five airlines – Atlas Air, Southern Air, Polar Air, ABX and Kalitta Air – account for 70 percent of DHL's total flying

NATIONWIDE – Nearly 2,000 pilots working at four of DHL's five North American network carriers - Atlas Air, Southern Air, Polar Air, ABX - are voting this week to authorize the union to call a strike, if necessary, and pilots at a fifth DHL carrier – Kalitta Air - have already voted overwhelmingly authorizing the union to a strike. The pilots are represented by the International Brotherhood of Teamsters and its airline affiliate, Teamsters Local 1224, and have been stalled in contract negotiations with airlines, in some cases for years. The four new strike votes opened in mid-April and will be completed within the next 10 days. The strike authorization at Kalitta was approved by 97 percent in December 2015.

The five airlines play a major role in linking DHL's highly profitable North American express service to the rest of the world, and make up an estimated 70 percent of DHL's total annual freight ton miles.

"DHL is relying on U.S. pilots to fly across the globe for their business, yet the airlines they work with are robbing pilots of fair, industry-standard contracts," said Captain Mike Griffith, a 17-year Atlas pilot.

"No one wants to go on strike, but we can't continue operating under our current workplace rules which keep pilots on duty for almost 28 hours without rest," said Captain Bryan Holmberg, a Southern Air pilot. "It's time the company finally stop putting the safety of our pilots and the public at risk just to increase profits."

DHL, Atlas Air Worldwide Holdings – which owns Atlas Air, Inc., Polar Air Cargo, Inc. and Southern Air – and Air Transport Services Group – which owns ABX – have all seen profits rise in recent years. DHL reported €59.2 billion (or 66.7 billion US dollars) in increased consolidated revenue this past year, with the express division – which includes the operations of AAWW and its newly acquired Southern Air Holdings, Inc. (SAI) – being its strongest and most profitable division. Adjusted net income attributable in 2015 to AAWW's common stockholders totaled \$125.3 million, or \$5.01 per diluted share, on revenues of \$1.8 billion. Business for ATSG is equally strong, especially as the company [recently announced an agreement with Amazon.com, Inc.](#) (NASDAQ: AMZN) to operate an air cargo network for customers in the U.S.

According to a comparison study conducted by Teamsters Local 1224, DHL contracted pilots are paid considerably less and work much longer hours than pilots who fly for U.S. logistics companies UPS and FedEx. Pilots at Atlas, Polar and Southern report being forced to fly long hours with minimal rest time in between flights, leading to dangerous fatigue.

"The managements of these five airlines that fly a significant portion of DHL's freight have refused to address the legitimate concerns, needs, and security of their pilots," said Captain Daniel C. Wells, an Atlas pilot and president of Local 1224. "Their deceit and intransigence towards the pilots has put the stability of their companies and DHL's network at risk. Pilots are united across all five airlines, and we will not stand by while airline executives and DHL try to play one pilot group against another in a race to the bottom for safety, efficiency, pay and job protection."

STALLED NEGOTIATIONS FOR DHL-CONTRACTED CARRIERS

Air Transport Services Group (ABX):

ATGS's ABX pilots endured furloughs and wage and benefit concessions in 2009, when DHL abruptly cut its operations in Wilmington, Ohio. Since then, pilots have been working under the 2009 concessionary contract with ABX and have been negotiating for an amended contract for more than two years. The parties' negotiations are deadlocked over the company's refusal to provide the ABX pilots with industry-standard job security protections and its disruptive practice of transferring work between ABX pilots and pilots at a sister company.

Atlas Air Worldwide Holdings (Atlas Air, Inc., Polar Air Cargo, Inc. and Southern Air, Inc.):

Three of AAWW's four air carrier subsidiaries (Atlas Air Cargo, Polar Air Cargo and Southern Air) and their pilots are in the middle of bargaining for new collective bargaining agreements. But earlier this year, the negotiations took a troubling turn when AAWW announced its acquisition of SAI, and its two air carriers, Southern Air and Florida West.

The pilots working at Southern Air, like their counterparts at ABX, are working under a concessionary contract far below industry standards that was approved during the company's 2012 bankruptcy. After completing the SAI acquisition, AAWW and Atlas Air have insisted that Atlas Air and Polar pilots stop ongoing contract negotiations and merge their contract with the Southern Air pilots' existing bankruptcy contract – a move that would have a devastating impact by suppressing wages and lowering quality of life issues for pilots at the three companies and throughout the industry. The Atlas and Polar pilots filed for mediation with the National Mediation Board after Atlas Air refused to engage any further in legally-mandated negotiations.

Kalitta Air, Inc.:

Pilots at Kalitta Air, Inc., have already voted overwhelmingly to authorize the union to call a strike against their employer if it becomes necessary. The Teamsters, representing the Kalitta Air pilots, have been engaged in prolonged negotiations with the company for nearly six years.