



System Schedule Committee Update

A Publication of the United MEC

May 2, 2020

Fellow Pilots,

This morning, the Company has announced the largest displacement in our history which will impact all of us in one way or another. Their displacement notice stated this is likely the first in a series of changes to pilot staffing that will ultimately be driven by demand. As I said in my [letter](#) last night, your MEC, LEC, and Committee members are all dedicated to aggressively protecting our contract and careers. We will continue that fight throughout this downturn until passenger demand recovers and we begin to rebuild our airline.

The System Schedule Committee has put together this detailed document below to explain the surplus process and your rights under the United Pilot Agreement. Send your questions via [PDR](#) or contact your LEC representatives if you need their assistance.

The MEC understands that this action by the Company will have a significant impact on your pay and career. These changes will be on the forefront of all of our minds. Despite distractions of this magnitude, please continue to do what you do best - operate your aircraft with safety as your number one priority. Although we've never encountered a challenge of this proportion, we will tirelessly work to get through this troubling time and emerge stronger on the other side.

In unity,

Captain Todd Insler
MEC Master Chairman

Updated Information on Displacements

The following report is from the System Schedule Committee's Manpower Subcommittee

[NPDM 20-01 and Displacement 20-07D](#)

The company issued Notice of Proposed Decision Making 20-01 to the SSC on April 27, 2020. As expected, this NPDM begins the process of addressing the effects of the downturn in revenue and bookings on our airline. Phase 1 of this NPDM has resulted in Displacement 20-07 (a displacement with an Effective Date of June 30, 2020 coinciding with the beginning of the July Bid Period). This is the largest displacement in any of our careers. The main points are:

- Displacements in 49 of the 70 active Categories (Base, Equipment, Seat).
 - This includes 16 Category closures including both CA and FO in :
 - LAX 787
 - DCA, IAH and ORD 777
 - DCA, DEN, LAX and SFO 756
- More than 5,007 Total Pilots named in Displacement letters
 - 4,476 Active (Line Pilots)
 - 40 Management Pilots
 - 251 Training Instructors (displaced from their line positions)
 - 240 Pilots on Long Term Absences (e.g. Leave, ALPA etc.)
- Elimination of all 756 flying except on the 767-300
- Long term storage of aircraft and fleets that do not have the Polaris cabin or require significant maintenance

Of note: Due to the unprecedented environment the company finds itself in, they are reluctant to talk about potential furloughs at this time. The most they will say is that they *hope* they can grow United back to be 70% of the size it was in 2019 in the next 18 months. As such, this displacement reflects an airline that is 30% smaller than it was before the downturn.

To aid pilots in this difficult process we have put together this guide to displacement bidding. Please read the entire document and review the relevant sections of the UPA prior to asking questions via PDR.

[Displacements \(Per UPA Section 8-E Displacement Bulletins, Bidding and Awards\)](#)

"Displacement," "Bump" and "Surplus" are all interchangeable terms for the process that occurs when the Company determines there is an excess of pilots in a Category. Every pilot involved in or concerned with the process should read section 8-E of the UPA. If you haven't read that section, you probably won't realize some important details and protections that are part of the displacement process.

[Summary on Displacements](#)

- You can displace into any Category your seniority can hold unless that Category has been officially announced as closing.

- If you are named on the Surplus Letter, you should bid at least one choice your seniority will definitely hold at 100%.
- Conditional bids are based on the published MIN; be careful when using conditional bids.
- **You cannot be displaced unless you are named on a Surplus Letter or you volunteer for displacement; there are no "automatic" or "blind" displacements.**
- With this displacement, the Company is in "reduction mode" (8-E-5). As such, **the Secondary and Tertiary displacement sections (8-E-8 and 8-E-9) do not apply.**
- If you volunteer for displacement, you will replace a junior pilot who is named on the Surplus Letter:
 - That junior pilot's seniority will be used to determine whether you can bump into the Category you desire (except if you are displacing from a closing/phasing-out Category, then you use your own seniority).
 - Your seniority will be used to determine whether your position in the Category meets your conditional bid percentage.
- If you are displaced either involuntarily or voluntarily, you are eligible for a paid move in accordance with Section 10.
- If you are displaced either involuntarily or voluntarily, you are not subject to any freeze.
- If you are involuntarily displaced, you may be able to keep your vacation.
- If you are displaced to a position with a lower Blended Rate, you will continue to be paid at your current, higher rate until the later of: your activation date, the effective date of the Displacement or the end of any pay protection to which you are entitled (8-F-7-b).
 - This is only true if the pilot is not responsible for delays in training or activation (e.g. Sick List).
- E-SRL & E-COLA
 - E-SRL and E-COLA will not be considered pilot induced delays
 - Your E-SRL or E-COLA will not be cancelled as a result of a Displacement
 - If you are out on an E-SRL or E-COLA you cannot be sent to transition training until you return.
 - You will continue to receive your current, higher rate while on a E-SRL until the later of: your activation date, the effective date of the Displacement or the end of any pay protection to which you are entitled (8-F-7-b).

Surplus Letter and MIN-MAX Bulletin

There are two official documents published by the Company for a displacement: the Surplus letter and the MIN-MAX bulletin. The required information for both is detailed

in the UPA. The Surplus Letter details the Categories involved, the surplus closing date, the number of pilots being surplus, the list of pilots being surplus and the Junior Man in Operation matrix. The published number of pilots being displaced is the number of *active* pilots being displaced. Pilots in supervisory positions and pilots on leaves will still be displaced but they don't count towards the number of pilots displaced from the Category.

If Displaced, Where Can You Go?

You can displace into any Category your seniority can hold. The Company cannot prevent you from displacing into a Category if there is an active pilot who is junior to you in that Category. To determine whether or not you can hold a Category, look at the Junior Man in Operation Matrix in the Surplus letter. The matrix shows the seniority number of the junior pilot in each Category (pilots on temporary hardship transfers, UPA Section 21-W, are not included). In Categories from which the Company is displacing pilots, two numbers are displayed: the bottom number is the seniority number of the most junior pilot in the Category prior to the surplus. The top number is the seniority number of the pilot who will become the most junior pilot in the Category after the surplus. If you are senior to the top number, you *definitely* have the seniority to displace into that Category. If you are senior to the bottom number, you *might* have the seniority to displace into the Category, depending on whether enough senior pilots in that Category volunteer for displacement.

The one exception to the above statement about which Category you can bump into occurs when a Category is being closed (phased out). To close a Category, **the Company must put out an official and explicit notice that the Category is closing (being phased out).** Once that official announcement is made, pilots can no longer displace into that Category. This applies to the 16 Categories that are closing listed at the top of this document.

If You Are Named In the Surplus Letter

If you are named in the Surplus Letter, you should submit at least one bid choice at 100% for a Category you can hold based on the Junior Man in Operation matrix. If you fail to do so, the system will displace you in accordance with the displacement matrix. That matrix, as directed by the MEC, will try to put you in the highest paying Category in your current seat in your Base, then in the highest paying Category in your seat in the domicile that is geographically closest to your Base.

MIN-MAX Bulletin

The Vacancy MIN-MAX bulletin accompanies the Surplus Letter. It really doesn't have any applicability to a displacement except to indicate from which Categories the Company is displacing and to establish the number of pilots used when evaluating percentage bids. All other numbers are advisory only. As stated above, you can bump into any Category your seniority can hold. The MAX number for the Category has no effect on where you can bump.

Conditional Bidding with Displacements

The UPA allows you to put conditions on your displacement based on the percentage you'll be in the Category. While percentage bidding can help you gain some control on quality of life as you bump, it can also have unexpected results. What causes the most confusion with percentage bidding is the fact that the calculation of the percentage you'll be in the Category is based on where you fit in relative to the MIN and not the percentage based on the total number of pilots in the Category at the end of the displacement. You could end up having a conditional bid denied even though the final results make it appear as if your conditional bid could have been granted.

For example: You place a conditional bid to displace into a Category only if you're in the 60th percentile. The Category has a published MIN of 100 pilots but its MAX (and actual number of pilots) is 110. As the system processes bids in strict seniority order, it sees you would be the 61st pilot in the Category. That would put you at 61% based on the MIN so your bid would be denied even though based on the final number of pilots in the Category you might be much better than 60%.

As a result of this, the SSC recommends you be careful using percentage bidding. Even though you can bid down to the single percentile, your actual position can vary greatly. Think of the percentage bid in large chunks (thirds or quarters of the Category) instead. Plus, **always bid at least one Category your seniority will definitely hold at 100%!**

Secondary and Tertiary Displacements

This displacement places the Company in "reduction mode". The Secondary and Tertiary sections of the UPA do not apply.

Volunteering for Displacement

Volunteering when you ARE NOT NAMED On the Surplus Notice...

If you are in a Category for which a Surplus Notice has been published and you wish to be displaced, you may volunteer for displacement. To volunteer, all you need to do is put a check mark in the "Volunteer" box on the Displacement Bidding page in CCS. When you volunteer, you displace into a Category using the seniority of a pilot who was named on the Surplus Notice. The junior pilot's seniority will only be used to determine if you can get *into* the Category you want to bump to. Once it's been determined you can get into that Category using his seniority, *your conditional bid percentage will be evaluated using your own seniority number.*

For example, say you are #10 in your Category and the company is displacing 20 pilots (#81 - 100) from your 100-pilot Category. You volunteer for displacement into the ANC 727 CA Category at 30%. If no one senior to you has volunteered, you will bump using the seniority of pilot #81 and Pilot 81's seniority number will be used to determine whether you can get into the ANC 727 CA Category. After it is determined that he is senior enough to hold that Category, your seniority number will be used to calculate whether you'll be in the top 30% of that Category in order to satisfy your conditional

bid. Your volunteer displacement will only be granted if his seniority will allow you into the Category AND your seniority will satisfy the conditional bid. In that case, you will be displaced instead of pilot 81 and he will remain in your Category. If either one of the conditions is not satisfied, that displacement bid will be denied. If you have any other choices entered, they will be evaluated in the same fashion. If all of them fail, you will remain in your Category and pilot 81 will still be displaced (unless someone else senior to him volunteers and takes his place). If his seniority is not such that it will allow you to get into that Category, even if your seniority would allow it, your bid will be denied and pilot 81 will still be surplus.

Volunteering When YOU ARE Named on the Surplus Notice

If you are named on the Surplus Notice and no one senior to you volunteers to take your place, you will bump using your own seniority.

If you are named on the Surplus Notice, you may still want to check the box to volunteer so your displacement bid will be evaluated even if someone senior volunteers to take your place. Your bid will be treated the same as any other pilot volunteering for displacement. If a pilot senior to you uses your seniority to bump, you will have to use the seniority of a junior pilot who is on the Surplus Notice. If there is no pilot junior to you whose place has not been taken by a pilot senior to you, you will be in the unusual position of not being senior enough to get a bump.

Let's use our example above except in this case, you are pilot 81. You have decided to check the "Volunteer" box. Pilot #10 has volunteered to bump and his conditional bid is satisfied. He has taken your place. But since you have volunteered, once the system gets to you, it will evaluate your bids just like any other volunteer; it will try to find a pilot junior to you whose place has not already been taken and it will use his seniority to determine if you are senior to the junior pilot in the Category you want to go to and your own seniority to determine if your conditional bid can be granted. In our example, if 20 pilots senior to you volunteer for displacement, you will not be displaced even if you volunteer.

Bid Entry

The displacement bidding module is available in CCS>Bidding>Displacement Bidding during the bidding window, where pilots may enter their bid choices. We also recommend reviewing the company's displacement bulletin, displacement letter and bid entry module documentation which highlight some of the details regarding the displacement process. As always, the UPA is the controlling document

Daily Snapshots

The company will post a snapshot of the surplus results every business day that the surplus is open. Because the snapshot only considers pilots who have actually entered bids, the results can change considerably from day to day. If you are one of the senior pilots on the named list and have not checked the volunteer box, you may show up on the snapshot one day and not on the next. This will happen as a result of pilots senior to you volunteering and then not volunteering to take your place. The results on the

snapshot will become more accurate as the surplus closing date approaches and all pilots who are being displaced enter bids.

Paid Moves and Commuter Passes

All involuntary and voluntary displaced pilots are eligible for a paid move in accordance with Section 10 of the UPA. Section 10-C details several conditions for paid moves so you should review them if you are interested in a paid move. Assuming you meet those conditions, as part of this paid move entitlement, you are also eligible for six months of NRPS passes between your old base or on-line residence and your new base. If you still haven't moved after six months, you are eligible for the highest priority of NRSA passes. If you are not changing base due to the displacement, you are not eligible to receive commuter passes unless you demonstrate an actual intent to move to your base.

One way to demonstrate intent would be to schedule a household goods survey. The above entitlements are different if you are going to or from GUM or moving from outside the CONUS. See Section 10 for details.

Freezes and Vacation

You are not subject to any freeze if you are displaced. This applies whether the displacement was voluntary or involuntary.

If you are involuntarily displaced, you can keep your awarded vacation as long as you notify the company you want to keep the vacation and it fits around your training. See 11-F-6 for details.

Questions?

If you have questions regarding the Displacement process, please [send a Pilot Data Report](#) (PDR) to the System Schedule – Manpower/Staffing box.