

May 12, 2017

Kevin Crissey
Director and Senior Analyst
CitiGroup Research Division
388 Greenwich Street
New York, NY 10013

Dear Mr. Crissey:

As the National President of the Association of Professional Flight Attendants, representing 26,000 flight attendants at American Airlines, I'm writing to object to your recent comments about our jobs, our salaries and our company.

Following a long overdue partial restoration of wages we lost through concessions after 9/11 and during American Airlines bankruptcy, you made the following statement:

“This is frustrating. Labor is being paid first again. Shareholders get leftovers.”

We're surprised you would make such an uninformed assertion. As business columnist Michael Hiltzik pointed out in [an April 28th column in the Los Angeles Times](#):

From 2014 through 2016, American Airlines authorized \$9 billion in share buybacks, money that went directly into shareholders' pockets. The company also paid out 40 cents per share in shareholder dividends in both years. By contrast, the pay raises will cost American \$1 billion over three years [for flight attendants and pilots].

American has achieved historic record profitability, with over \$13 billion in net income over the past three years. Shareholders received their \$9 billion payout beginning in 2014. Since 2014, shareholders also have been awarded \$600 million in dividends -- while we didn't receive our wage adjustment until 2017. That is hardly being paid first.

Mr. Crissey, as someone who follows this industry, you undoubtedly must recall that between 2003 and 2012, flight attendants at American and the former US Airways contributed more than \$6 billion in wage, health care and retirement concessions to help our employers keep their planes in the air. (That figure doesn't include concessions on a similar scale contributed by pilots.) We've made deep sacrifices to keep our employer flying during the lean years; some of our members even lost their homes, their cars and their savings as a result of wage cuts.

It appears that you have it exactly backwards -- shareholders, not workers, were paid first at American Airlines.

Management at American has evaluated our performance and changing working conditions, compared our compensation to industry peers and, perhaps most importantly, they listened to the message sent loud and clear by APFA members that it was time to increase our pay so that we no longer lagged behind our counterparts at airlines such as Delta and United.

We're extremely confident that in the long run, investing in the people who provide direct service to American's passengers will be a better strategy than squeezing money out of operations to reward shareholders at the expense of passenger service and employee morale. We hope that you don't prefer that the company favor shareholders at the expense of delivering a world class flight experience in a highly competitive market -- we think that's no way to build and run an airline for the long term.

As flight attendants, we are the frontline workers who provide a safe and secure travel environment for passengers under increasingly difficult conditions. We're proud of our contribution to American Airlines, the nation's largest air carrier. We also know that fair treatment and fair compensation are essential to building and sustaining a team that can deliver the improvements in customer service that airline passengers are rightfully demanding.

As someone who follows American Airlines, I encourage you to better understand the perspective of American's front line workers in order to fully appreciate how we affect the bottom line and contribute to

shareholder value. I would be happy to meet with you to further discuss the value flight attendants bring to American.

Sincerely,

Bob Ross
National President
Association of Professional Flight Attendants