Effective April 15, 2009, IBT General President James P. Hoffa has placed Local Union No. 747 into an emergency trusteeship; however, all representation services remain available. If you are member, please contact your respective Executive Council. If you are an Executive Council member, please contact David Ross at 719.238.8133 or local747trusteedr@gmail.com; or Dan Brannan at 740.516.3996 or local747trusteedb@gmail.com. We apologize for any inconvenience this may cause.

If you have an aircraft accident or incident, please call the Local directly during business hours (8:30 a.m. to 4:30 p.m. Central Standard Time, Monday through Friday) at 800.747.2313, ext. 30. If you have an accident or incident after normal business hours and you are within the United States, you should call 866.465.5319. If you are outside of the United States, please call 812.355.8227. A trained Local 747 staff member will be contacted and call you back.

Message from Captain David Bourne Director, Airline Division

To the Members of Local 747:

This is to advise you that General President Hoffa has imposed an emergency trusteeship over the affairs of Local 747, effective immediately. The reasons for imposing the trusteeship are set forth in General President Hoffa’s April 15, 2009 Notice, a copy of which is attached.

As explained in the Trusteeship Notice, General President Hoffa has appointed Captain Dave Ross as Temporary Trustee and Captain Dan Brannan as Assistant Trustee. Brothers Ross and Brannan are responsible for handling the affairs of Local 747 while the Local is under trusteeship.

Brothers Ross and Brannan have many years of airline industry experience, are well respected throughout the industry, and are rock solid trade unionists. They are taking all necessary and appropriate steps to provide you with the highest caliber of representation. Please do not hesitate to contact them at the Local’s Houston office.

Finally, we will keep you advised of developments concerning the trusteeship, as they arise.
April 15, 2009 Message from Airline Division Director David Bourne

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“Notice of Trusteeship”

TO: Officers and Members of Local Union 747

FROM: James P. Hoffa, General President

I have recently been informed that the International Union is in danger of losing certification for several bargaining units that have been assigned for representation purposes to Local 747 as a result of the Local’s failure to perform its duties as the bargaining representative of their members. As set forth below, a decertification petition has recently resulted in the loss of representation rights at one carrier and another petition is being processed. Other petitions are threatened to be filed by members who want to receive the representation they expected when they joined the Teamsters. It does not appear that the officials of Local 747 are reacting to these decertification efforts in a manner that is likely to convince these members that future services will be improved and they should remain Teamsters.

During the course of investigating these complaints about the Local’s representation, I have also been informed that certain officers of Local 747 may have engaged in financial improprieties relating to their compensation and to the payment of legal fees. The representation problems appear to be compounded by complaints that efforts are being made by Local 747 to collect dues from workers who have chosen the Teamsters as their bargaining representative prior to the negotiation of a collective agreement, in violation of pledges made to those members and contrary to general practices within the Union.

The credible information and reports reflect the following:

1. Local 747 and its President Principal Executive Officer, Ernest "Gene" Sowell, are parties to an employment contract that they have intentionally concealed from Local 747’s membership through the inclusion of a confidentiality provision. The employment contract provides that Local 747 shall employ and pay Sowell for services performed as the Local’s General Counsel and Executive Administrator. The contract specifies that Sowell is "responsible for handling all legal matters of the ... " Local Union. Local 747 has paid Sowell more than $1.2 million since 2005 (not including health and pension coverage) for his work as General Counsel, while incurring steadily increasing amounts of outside legal fees for services that contractually are required to be handled by Sowell. Additionally, in both 2007 and 2008, Local 747 incorrectly and misleadingly reported on its LM-2 reports that its principal outside counsel, Patrick Flynn, was paid for his services as an arbitrator, not as the Local's counsel.
The remaining members of the Local Union Executive Board have either not performed their duty to oversee the employment contract or have failed to challenge Sowell's apparent abrogation of his responsibilities under the employment contract.

2. Local 747 is in immediate danger of losing bargaining units to ongoing decertification efforts generated by its failure to represent its members. Unless action is taken to convince members that the Teamsters Union is capable of performing as their bargaining agent, the Local Union, Airline Division and International Union will be injured. And it is apparent that the current leadership of Local 747 has not been responsive to the complaints of these disaffected members and has no prospect of redressing the problems at this time.

A. Great Lakes: Local 747 was assigned representational responsibility for the Great Lakes pilot group but has provided little, if any, representation. On April 9, 2009, the decertification election was completed and the members rejected continued representation by Local 747 by a vote of 209-0. Local 747 did not attempt to oppose the effort or correct the underlying issues that gave rise to it. Nor did it assist the Airline Division's efforts to convince the pilots to remain Teamsters.

B. Cape Air: The Cape Air pilot group voted for Teamster Representation approximately three years ago and still does not have a first contract. An independent organization has now filed an application with the National Mediation Board to replace the Teamsters as the pilot group's bargaining representative. The Cape Air pilot group is scheduled to commence voting under the supervision of the National Mediation Board this month. Their votes will determine whether the Teamsters are ousted as the unit's bargaining representative and, whether the unit has any bargaining representative at all.

C. North American Airlines: The pilots working at North American Airlines are also expressing their desire to oust the Teamsters as their bargaining representative. The pilot group's executive council leadership has advised that if Local 747 remains as their assigned bargaining representative, the unit would in all likelihood file to decertify the Teamsters. Indeed, credible reports indicate that another union is now actively soliciting authorization cards to displace the Teamsters at this airline.

In addition to other grievances regarding representation, the pilots are upset with Local 747's attempts to collect dues from them retroactive to the date the Teamsters were certified as their bargaining representative. Consistent with then-existing Airline Division policy, the pilots were assured that they would not have to pay dues until they secured a first contract. Near the end of the contract negotiations, Local 747, however, pressured many of the pilots to pay retroactive dues, advising them that this was the only way in which they could participate in the contract ratification vote. Local 747 pressured several of the pilots to sign promissory notes agreeing to pay retroactive dues, and continues to collect dues in accordance with the terms of such unauthorized promissory notes.

D. Gulfstream International Airlines: The on-the-property leadership of the Gulfstream International Airlines pilot group recently wrote a letter advising the International Union that “there is a lack of faith
that our local will do anything to improve our situation, or protect our members from a vengeful 
management should they bring any grievances.” They also complained about Local 747’s lack of 
bargaining preparation and training for the unit's rank-and-file bargaining committee.

The International Union has been advised that some of the pilots have contacted another labor 
organization seeking help to decertify the Teamsters and Local 747 and to assume the representation of 
the carrier. Although the pilot group’s leadership sought assistance from Local 747 to avoid a fullscale 
decertification effort, neither the Local 747 Business Agent nor anyone else followed through to 
provide any such help.

E. Omni Air International: It appears that Local 747 has not taken any steps to establish any on-the-
property leadership and work-standards related committees in the more than one year period since they 
voted to join the Teamsters, in violation of the Local 747 Bylaws. Several of the pilots who had 
voluntarily agreed to pay dues to the Local even before securing their first contract are now resigning 
their membership and refusing to pay membership dues in protest of Local 747’s inadequate 
representation.

F. Republic Air and Affiliates: It appears that the pilot group is dissatisfied with Local 747 because of 
its leadership's failure to provide any representation with respect to grievances. There is a backlog of 
grievances that fill up several pages of the Local 747 on-line magazine.

G. Kalitta: The Kalitta Air pilot group has expressed deep frustration with Local 747 for many months 
based on Local 747’s perceived failure to provide representation to the unit through the timely 
processing of grievances and on account of the Local's failure to communicate with the unit. Their on-
the-property leadership advised the Airline Division that unless the International assigned them to 
another Teamster local, they would decertify the Teamsters. Efforts by Airline Director Bourne to 
redress the problems have been thwarted by Local 747 President Sowell's insistence that the Local be 
compensated for lost revenue in the event the members are transferred to another Teamster Local. 
For the reasons set forth above, and pursuant to my authority under Article VI, Section 5(a) of the 
International Constitution, I am imposing an emergency trusteeship over the affairs of Local 747, 
effective immediately. The emergency trusteeship is being imposed: (1) to correct financial corruption 
or malpractice; (2) to assure the performance of Local 747's duties as a bargaining representative; and 
(3) because the affairs of Local 747 are being conducted in such a manner inconsistent with established 
policies and practices, which jeopardize the interests of the International Union and Local 747 and 
violate the rights of Teamster represented workers.

I have appointed Brother David Ross as Temporary Trustee and Brother Dan Brannan as Assistant 
Trustee. Pursuant to the procedures set forth in Article VI, Section 5 of the International Constitution, 
you will soon be receiving a notice of hearing to determine whether the temporary trusteeship should 
be continued or dissolved. Separate notice of that hearing shall be posted by the Temporary Trustee.
A copy of this Notice shall be posted immediately in the Local Union Headquarters and in such other places as will ensure the members of Local 747 are informed of the Trusteeship.

April 15, 2009 Notice from General President Hoffa