



**NATIONAL MEDIATION BOARD**  
WASHINGTON, DC 20572

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In the Matter of the  
Application of the

INTERNATIONAL ASSOCIATION  
OF MACHINISTS AND  
AEROSPACE WORKERS, AFL-CIO

alleging a representation dispute  
pursuant to Section 2, Ninth, of  
the Railway Labor Act, as  
amended

involving employees of

NORTHWEST AIRLINES,  
INC./DELTA AIR LINES, INC.

37 NMB No. 67

CASE NO. R-7258  
(File No. CR-6986)

FINDINGS UPON  
INVESTIGATION

September 9, 2010

This determination addresses the application filed by the International Association of Machinists and Aerospace Workers, AFL-CIO (IAM). The IAM requests the National Mediation Board (NMB or Board) to investigate whether Delta Air Lines, Inc. (Delta) and Northwest Airlines (Northwest) (collectively the Carriers) are operating as a single transportation system.

The investigation establishes that Delta and Northwest constitute a single transportation system for the craft or class of Stock and Stores Employees.

PROCEDURAL BACKGROUND

On July 30, 2010, the IAM filed an application alleging a representation dispute involving the craft or class of Stock and Stores Employees. At Northwest, the IAM is the certified representative of the Stock and Stores Employees craft or class pursuant to NMB Case No. R-3654, May 4, 1964. The employees in the Stock and Stores Employees craft or class at Delta are currently unrepresented.

The Board assigned the IAM's application NMB File No. CR-6986. The Board also assigned Cristina A. Bonaca to investigate and requested that the Carriers provide information regarding their operations. On August 6 2010, the Carriers submitted the requested information. The IAM did not file any additional information.

### ISSUES

Are Delta and Northwest operating as a single transportation system? If so, what are the representation consequences?

### CONTENTIONS

#### IAM

The IAM states that there is a single transportation system for purposes of the Stock and Stores Employees craft or class.

### THE CARRIERS

The Carriers' position is that Delta and Northwest are a single carrier for all purposes under the Railway Labor Act<sup>1</sup> (RLA or Act). On January 7, 2009, the Board issued its decision in NMB Cases R-7191, R-7192, R-7193, and NMB File No. CR-6950 holding that the Board's "investigation establishes Delta and Northwest constitute a single transportation system" for representation purposes under the RLA. *Delta Air Lines, Inc. and Northwest Airlines, Inc.*, 36 NMB 36, 53 (2009). *See also Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 351 (2010); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 323 (2010); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 88 (2009); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 351 (2010); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 382 (2010).

The Carriers observe that the Board's January 7, 2009 decision found that, following its acquisition of Northwest on October 29, 2008, Delta had achieved common ownership, common management, and common control of labor relations. Since that decision, the Carriers state that Delta has proceeded to integrate operations, policies, and procedures. In support of their position, the Carriers supplied additional updated information regarding the integration of former Northwest operations and employees into Delta.

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<sup>1</sup> 45 U.S.C. § 151, *et seq.*

## FINDINGS OF LAW

Determination of the issues in this case is governed by the Act, as amended, 45 U.S.C. § 151, *et seq.* Accordingly, the Board finds as follows:

### I.

Delta and Northwest are common carriers as defined in 45 U.S.C. § 181, First.

### II.

IAM is a labor organization and/or representative as defined in 45 U.S.C. § 151, Sixth, and § 152, Ninth.

### III.

45 U.S.C. § 152, Fourth, gives employees subject to its provisions, “the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine who shall be the representative of the craft or class for the purposes of this chapter.”

### IV.

45 U.S.C. § 152, Ninth, provides that the Board has the duty to investigate representation disputes and to designate who may participate as eligible voters in the event an election is required. In determining the choice of the majority of employees, the Board is “authorized to take a secret ballot of the employees involved, or to utilize any other appropriate method of ascertaining the names of their duly designated and authorized representatives . . . by the employees without interference, influence, or coercion exercised by the carrier.”

## STATEMENT OF FACTS

### Common Corporate Ownership

On April 14, 2008, Delta announced that it had reached agreement, subject to governmental and shareholder approval, to acquire 100 percent of the ownership interests in Northwest Airlines Corporation, the holding company which owns 100 percent of Northwest. The shareholders of Delta and Northwest separately approved the transaction on September 25, 2008. The

United States Department of Justice granted final United States government approval of the transaction on October 29, 2008. On that same date, Delta acquired all of the ownership interests in Northwest. With the closing of the acquisition, Delta owns 100 percent of the equity of Northwest and all former Northwest shareholders are now Delta shareholders. Immediately following the confirmation of the merger in October 2008, the Investor Relations Department at Northwest was discontinued and Delta began reporting the earnings of both carriers under one common press release from the post-merger headquarters in Atlanta.

As of July 23, 2010, there are 706 potential eligible voters in the Stock and Stores Employees craft or class. Of these, 465 are non-contract Stock and Stores Employees (pre-merger Delta) and 241 are Stock and Stores Employees covered by the IAM contract (pre-merger Northwest).

#### Management and Labor Relations

According to the declaration of Wayne Aaron, Delta's Vice President for Corporate Strategy and Business Development, Delta has in place common corporate management of the two pre-transaction carriers. There is a single shareholder-elected Board of Directors. Delta's pre-merger Chairman of the Board, Daniel Carp, remains Chairman and Northwest's pre-merger Chairman, Roy Bostock, is now Vice Chairman. The remainder of the Board is composed of seven pre-transaction Delta Directors and four pre-transaction Northwest Directors.

In an internal memorandum dated October 31, 2008, Delta announced its entire post-merger team of corporate officers. According to Aaron, except as required for compliance with the applicable Federal Aviation Administration (FAA) regulations, the Corporate Leadership team is exercising control over corporate management functions, including Finance, Treasury, Supply Chain, Revenue and Network, Marketing, Airport Customer Service, Technical Operations, Flight Operations, In-Flight Service, Legal, and Human Resources. Delta has also combined the management teams for the Corporate Real Estate, Fleet, Information Technology, Reservations, and Sales divisions.

Following conclusion of the merger, Delta's new General Counsel, Ben Hirst, assumed direction of all legal affairs at Delta and Northwest. Hirst had previously been Senior Vice President – Corporate Affairs and General Counsel at Northwest. Over 800 former Northwest management and administrative staff have relocated to positions with Delta in Atlanta.

According to Aaron, there is a single executive in charge of human resources and labor relations. Delta's Executive Vice President for Human Resources and Labor Relations, Mike Campbell, has assumed full responsibility in these areas. Common terms and conditions of employment now exist for management employees, employees not represented by a collective bargaining agreement, and represented employees in workgroups where representation issues have been resolved. Delta employee numbers and Delta badges have been issued to pre-merger Northwest employees. Delta has assumed complete responsibility for staffing former operating units.

#### Transition and Seniority Integration Agreements

Delta and the Air Line Pilots Association (ALPA), representative of the Flight Deck Crew Members at the pre-merger Delta and Northwest, negotiated a joint collective-bargaining agreement (JCBA) that brought the Northwest Flight Deck Crew Members under the pre-merger Delta-ALPA agreement effective the day following the closing of the merger. On November 4, 2008, ALPA filed an application with the Board alleging the existence of a single carrier and seeking certification as the representative of the craft or class of Flight Deck Crew Members at the post-merger Delta. Delta entered into a seniority agreement with ALPA in connection with the JCBA and final agreement on the list was reached following an arbitration decision on December 8, 2008. On January 7, 2009, the Board found that Delta and Northwest were a single carrier with respect to the craft or class of Flight Deck Crew Members. *Delta Air Lines, Inc./Northwest Airlines, Inc.*, 36 NMB 36 (2009). Subsequently, the Board certified ALPA as the representative of employees in the Flight Deck Crew Members craft or class. *Delta Air Lines, Inc./Northwest Airlines, Inc.*, 36 NMB 64 (2009).

Following ALPA's filing, the Professional Airline Flight Controllers Association (PAFCA), the representative of employees in the Dispatcher craft or class at the pre-merger Delta, filed an application with the Board. The employees in the Dispatchers craft or class at the pre-merger Northwest were represented by the Transportation Workers Union of America (TWU). TWU, PAFCA and the Carriers negotiated a combined collective-bargaining agreement that the parties agreed would apply regardless of which labor organization would ultimately be selected by employees in the craft or class. Following an NMB election, PAFCA was certified to represent the Dispatchers craft or class at the post-merger Delta. *Delta Air Lines, Inc./Northwest Airlines, Inc.*, 36 NMB 90 (2009). Delta agreed to an integrated Dispatcher seniority list produced jointly by TWU and PAFCA and that list is currently in place under PAFCA's collective-bargaining agreement.

At the same time, the Northwest Airlines Meteorologists Association (NAMA), the representative of employees in the Meteorologists craft or class at the pre-merger Northwest also filed an application seeking to represent these employees at the post-merger Delta. Meteorologists employed by the pre-merger Delta were unrepresented. NAMA requested an NMB election, which resulted in a dismissal. *Delta Air Lines, Inc./Northwest Airlines, Inc.*, 36 NMB 88 (2009). Delta accepted an integrated meteorologist seniority list produced by NAMA and a committee of pre-merger Delta meteorologists. This list covers all meteorologists employed by the Carriers.

Employees in the Mechanics and Related craft or class at the pre-merger Northwest were represented by the Aircraft Mechanics Fraternal Association (AMFA). Employees in the same craft or class at the pre-merger Delta were unrepresented. AMFA representatives and the Carriers negotiated a transition agreement covering the transition of AMFA-represented employees to Delta's pay, benefits and work rules should AMFA no longer represent those employees. Subsequently, on February 25, 2009, AMFA filed a letter with the NMB disclaiming interest and requesting revocation of its certification as the representative of the Mechanics and Related craft or class at Northwest. The Board accepted AMFA's statement and revoked the certification. *Northwest Airlines, Inc.*, 36 NMB 84 (2009). The seniority list currently in effect for employees in the Mechanics and Related craft or class was produced by AMFA-designated representatives from pre-merger Northwest and individuals selected by the affected employees at pre-merger Delta.

At the pre-merger Northwest, employees in the Technicians craft or class were represented by the Aircraft Technical Support Association (ATSA). Employees in this craft or class at the pre-merger Delta were unrepresented. ATSA representatives and the Carriers negotiated a transition agreement governing how ATSA represented employees would transition to Delta's pay, benefits and work rules should ATSA no longer represent those employees. Subsequently, by letter dated March 18, 2009, ATSA notified the NMB that it was disclaiming interest in further representation of the Technicians craft or class at pre-merger Northwest and requested revocation of its certifications. The Board granted ATSA's request and revoked the certifications. *Northwest Airlines, Inc.*, 36 NMB 92 (2009). Pursuant to the transition agreement with ATSA, almost all ATSA-represented employees transitioned into salaried and merit positions at Delta and, according to the Carriers, these positions do not have seniority-based job or bidding rights. Those ATSA represented employees who transitioned into scale positions were grandfathered into existing seniority rights under Delta policies in the Technical Operations Division.

At the pre-merger Northwest, employees in the Simulator Technician craft or class were represented by the International Association of Machinists and Aerospace Workers (IAM). Employees in this craft or class at the pre-merger Delta were unrepresented. On December 22, 2009, the Board found that Delta and Northwest were a single carrier with respect to the craft or class of Simulator Technicians. *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 88 (2009). Subsequently, following an election, the Board dismissed the application. *Delta Air Lines, Inc.*, 37 NMB 142 (2010).<sup>2</sup>

At the pre-merger Northwest, employees in the Flight Attendants craft or class were represented by the Association of Flight Attendants, CWA, AFL-CIO (AFA). Employees in this craft or class at the pre-merger Delta were unrepresented. On August 17, 2010, the Board found that Delta and Northwest were a single carrier with respect to the craft or class of Flight Attendants. *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 323 (2010). On August 25, 2010, the Board found that Delta and Northwest are operating as a single transportation system for the craft or class of Fleet Service Employees. *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 351 (2010). On September 7, 2010, the Board found that Delta and Northwest are operating as a single transportation system for the craft or class of Passenger Service Employees. *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 382 (2010).<sup>3</sup>

### Employee Benefits

The combined carrier has applied common terms and conditions of employment to management and non-contract employees. Aaron states that Northwest management personnel down to the level of general manager – Officers, Managing Directors, Directors and General Managers – who have accepted positions at the combined carrier have received Delta job titles in accordance with Delta’s pay grade structure. As of March 1, 2009, all salaried employees are fully subject to all Delta policies and procedures and the transition to Delta’s employee benefit plans was effective January 1, 2010. Profit sharing programs for management employees and those employees where representation has been resolved were aligned effective January 1, 2009. Company contribution levels to 401(k) plans were harmonized on January 1,

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<sup>2</sup> On March 5, 2010, IAM filed allegations of election interference. The Board issued a decision on August 10, 2010 finding election interference and authorizing a re-run election using a standard ballot. *Delta Air Lines, Inc.*, 37 NMB 281 (2010).

<sup>3</sup> This decision does not address seniority integration issues for the Stock and Stores Employees craft or class as it was not addressed by either participant.

2010 with full integration of 401(k) plans with a single record keeper and plan design scheduled for January 1, 2011.

According to Aaron, Delta has also assumed control of recruiting and hiring at the combined carrier. After October 29, 2008, Delta assumed complete responsibility for all recruiting and hiring of any personnel needed to staff the former Northwest operations. Former Northwest employees have been transitioned to single Delta HR systems, processes, and solutions in most areas including MyDeltaRewards and Chairman's Club employee recognition programs, payroll, tax processing, Family Medical Leave Act processing, Workers Compensation processing, disability programs, and time and attendance systems. All employees have access to the DeltaNet intranet site that provides employees with up-to-date information and allows access to Delta systems.

On June 23, 2009, Delta implemented a single pass travel policy and system. Under this system, all employees are provided with pass travel access to the combined post-merger Delta network under a single uniform travel policy. According to an internal memorandum dated April 23, 2009, the new policy represents some blending of the existing policies at each pre-merger carrier, but "maintains current Delta policies at its core."

#### Financial Systems

Delta has substantially integrated its financial systems, creating one common environment for a consolidated general ledger. There is a common system for reporting and tracking profit performance by flight, region and entity. All Northwest financial and operation data has been integrated into the Delta Flight Profitability System. Delta has also consolidated financial statements released by a single Investor Relations organization, harmonized single accounting policies and procedures, and developed a single Sarbanes-Oxley program. Delta has also converted Northwest's fuel accounting system to Delta's system and harmonized regulatory reporting tools. All cash forecasting, investment management and hedging activity for the Carriers is now managed at Delta's Atlanta headquarters under common procedures, controls, and systems.

#### FAA Operating Certificate

Aaron states that FAA regulations required Delta to devise a plan for the integration over time of the Carriers' separate safety, flight operations, aircraft maintenance, flight crew training, and system-wide control or dispatch functions. Delta submitted its plan to achieve a single operating certificate



(SOC plan) over an estimated 15 month period to the FAA by letter dated August 29, 2008. The FAA accepted the SOC plan on September 22, 2008. Delta filed an updated SOC plan with the FAA on April 17, 2009 and a revision to the SOC plan in June 2009. Delta attained its FAA Single Operating Certificate on December 31, 2009. From that date, all former Northwest operations became Delta operations and Northwest ceased to exist as an airline and as a corporate entity.

### Routes and Schedules

Planning and scheduling of all Delta and Northwest flights and markets are now managed by a single Network/Schedules team at Delta's Atlanta headquarters. Northwest's scheduling function was successfully migrated to Delta's AirFlite system so that all flights can be managed with one computer system. According to Aaron, beginning in April 2009, Delta loaded and implemented schedules for cross-fleeting, placing Northwest aircraft on traditional Delta routes and vice versa. In February and March 2009, Delta successfully sent its first fully integrated schedule (for April 2009) to the Global Distribution Systems. Delta has also aligned domestic published fares, rules and conditions; consolidated Revenue Management performance tracking and reporting; consolidated international pricing teams in Atlanta; and created a single system for pricing and processes under common management. All operational coordination with Flight Operations, In-Flight Services, Airport Customer Service, Technical Operations, and Operations Control Center are also now managed by one scheduling team. All flights have been scheduled, priced, and revenue-managed from one system since January 31, 2010.

### Frequent Flyer Programs, Clubs, and Credit Cards

On October 29, 2008, Delta sent participants in the frequent flyer program of each carrier a message stating that "Northwest Airlines is now a part of Delta." Subsequently, members of Delta's Sky Miles program and members of Northwest's World Perks program began earn full mileage credit for flights flown on either carrier. In January 2009, Delta launched technology to allow customer-initiated integration of Northwest WorldPerks accounts into Delta Sky Miles accounts. The customer could link the two accounts to transfer miles between the two accounts, and, according to Aaron, over 1.2 million accounts were linked by June 2009. As of October 1, 2009, all frequent flyers are in the Delta Sky Miles program.

Prior to the acquisition, both Delta and Northwest operated airport club rooms for qualifying customers. Delta operated Crown Rooms and Northwest operated World Clubs. All club rooms have been rebranded as Delta Sky

Clubs. Delta has also aligned club room supply distribution vendors, hours of operation and policies for irregular operations, club membership programs (including the pricing and levels of membership), Day Pass product and employee uniforms.

On April 1, 2009, Delta launched a new monthly in-flight magazine, "SKY" for placement on the combined Delta and Northwest fleet. Delta also renegotiated its co-brand agreement with American Express in December 2008, and deactivated the Northwest WorldPerks Visa cards in July 2009.

#### Customer Service Policies and Fees

On domestic and international flights, Delta has harmonized In-Flight Service products such as food available for purchase (EATS program), duty free products and service delivery, business and economy class snacks, blankets and pillows, and In-Flight entertainment programming. The majority of on-board policies and procedures have been coordinated including passenger safety briefing, emergency procedures, pets in cabin, cabin reserved seats, designator codes, paperwork at the gate, armed passenger notification, lost ID procedures and late arrival passengers. Baggage policies and fees have been harmonized and all flights are under a common boarding process.

#### Signs and Logos

All former Northwest stations have had a full deployment of the Delta brand. The Delta name and logo has been added to former Northwest ticket counters and other places where the Northwest logo appeared. Effective June 1, 2009, a single station leader has been named at all co-located stations. Effective May 19, 2009, all flights are under a common four zone boarding process. On August 3, 2009, Delta also relaunched its Red Coat Customer Service across all pre-merger Delta and Northwest hub locations.

Delta has also replaced non-airport Northwest branding with the Delta logo at stadiums and other venues. For example, according to Aaron, the Delta logo has replaced the Northwest logo at the Target Center in Minneapolis and on buildings such as the former Northwest cargo hanger at the Minneapolis/St. Paul International Airport.

#### Aircraft Livery

All 247 of the Northwest mainline fleet have been painted in the Delta livery. Soft good integration, that is the integration of on-board items such as seat belts, seat covers, bulkhead laminates, briefing cards, aisle curtains, demo

belts and baby bassinets, is complete on 100 percent of Northwest mainline aircraft.

### Reservations

In January 2009, the Interactive Voice Response (IVR) technology at the phone reservation centers for both Delta and Northwest were synchronized and all calls go to one system. All reservation centers are linked to enable the transfer of customer calls between centers. Consolidation at Delta's reservations headquarters facility in Atlanta is complete and Delta has harmonized complaint codes, verbiage, compensation guidelines and response types. Delta has also consolidated overlapping Asian and Latin America call center locations.

Delta has begun common marketing under the Delta name with single "DL" designator code. The "NW" code is no longer used. There is only one website: [www.delta.com](http://www.delta.com) for the combined Carrier. Delta has also integrated its alliance partnerships, combining the existing Northwest-KLM Joint Venture and Delta-Air France Joint Venture into the new comprehensive Delta-Air France/KLM Trans Atlantic Joint Venture. The new joint venture creates an integrated portfolio of alliance, codeshare and frequent flier partnerships.

### Common Uniforms and Insignia

All pilots, flight attendants, and customer service representatives on the combined Carrier wear common uniforms for their respective jobs.

## DISCUSSION

### I.

#### The Board's Authority

45 U.S.C. § 152, Ninth, authorizes the Board to investigate disputes arising among a carrier's employees over representation and to certify the duly authorized representative of such employees. The Board has exclusive jurisdiction over representation questions under the RLA. *General Comm. of Adjustment v. M.K.T. R.R.*, 320 U.S. 323 (1943); *Switchmen's Union of N. Am. v. Nat'l Mediation Brd.*, 320 U.S. 297 (1943). In *Air Line Pilots Ass'n, Int'l v. Texas Int'l Airlines*, 656 F.2d 16, 22 (2d Cir. 1981), the court stated, "the NMB is empowered to . . . decide representation disputes arising out of corporate restructurings."

In response to the Board's request, the Carriers submitted a declaration with exhibits from Wayne Aaron, Delta's Vice President – Corporate Strategy and Business Development. In his declaration, Aaron incorporates by reference declarations dated November 4, December 11, and December 18, 2008 and August 20, 2009 that were provided in NMB File Nos. CR-6950 and CR-6959. The Board's decision on whether a single transportation system exists with respect to the craft or class of Stock and Stores Employees is based on the facts developed in the investigation of the IAM's application.

## II.

### Single Transportation System

The Board's Representation Manual (Manual) Section 19.4 provides that: "Any organization or individual may file an application, supported by evidence of representation or a showing of interest . . . seeking a determination whether a single system of transportation exists."

In *Trans World Airlines/Ozark Airlines*, the Board cited the following indicia of a single transportation system:

[W]hether a combined schedule is published; how the carrier advertises its services; whether reservation systems are combined; whether tickets are issued on one carrier's stock; if signs, logos and other publicly visible indicia have been changed to indicate only one carrier's existence; whether personnel with public contact were held out as employees of one carrier; and whether the process of repainting planes and other equipment, to eliminate indications of separate existence, has been progressed.

Other factors investigated by the Board seek to determine if the carriers have combined their operations from a managerial and labor relations perspective. Here, the Board investigates whether labor relations and personnel functions are handled by one carrier; whether there are a common management, common corporate officers and interlocking Boards of Directors; whether there is a combined workforce; and whether separate identities are maintained for corporate and other purposes.

14 NMB 218, 236 (1987).

The Board finds a single transportation system only when there is substantial integration of operations, financial control, and labor and personnel functions. *Burlington N. Santa Fe Ry. Co.*, 32 NMB 163 (2005); *Huron and Eastern Ry. Co., Inc.*, 31 NMB 450 (2004); *Portland & Western R.R., Inc.*, 31 NMB 71 (2003); *American Airlines and Reno Air*, 26 NMB 467 (1999). Further, the Board has noted that a substantial degree of overlapping ownership, senior management, and Boards of Directors is critical to finding a single transportation system. *Precision Valley Aviation, Inc., d/b/a Precision Airlines and Valley Flying Serv., Inc., d/b/a Northeast Express Reg'l Airlines*, 20 NMB 619 (1993). The Board's criteria for substantial integration of operations do not require total integration of operations. *US Airways/America West Airlines*, 33 NMB 49 (2006).

The Board determined that Delta and Northwest operate as a single transportation system for the crafts or classes of Flight Deck Crew Members, Flight Dispatchers, and Meteorologists. *Delta Air Lines, Inc./Northwest Airlines, Inc.*, 36 NMB 36 (2009). The Board has also determined that Delta and Northwest operate as a single transportation system for the crafts or classes of Simulator Technicians, Flight Attendants, Fleet Service Employees, and Passenger Service Employees. *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 88 (2009); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 323 (2010); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 351 (2010); *Northwest Airlines, Inc./Delta Air Lines, Inc.*, 37 NMB 382 (2010). The corporate merger of Delta and Northwest is complete and, since the Board's previous decisions, the Carriers have continued to move inexorably forward to form a single system.

By the end of 2008, the merger had been approved by the stockholders of both Delta and Northwest and by the United States Government, and Delta had acquired 100 percent of the ownership interest in Northwest. The Carriers had established a single Board of Directors and a single senior management structure, and placed authority for human resources and labor relations functions for the Carriers under the control of a single executive. Delta assumed authority for hiring and recruitment at the combined Carrier. The Carriers and ALPA negotiated the JCBA and finalized a seniority list. Subsequently, the Carriers also negotiated a collective bargaining agreement with PAFCA and TWU, prior to PAFCA's certification as the representative of the Flight Dispatchers craft or class. Further, the Carriers negotiated transition agreements with AMFA and ATSA and reached agreement on seniority integration lists with AMFA, NAMA, PAFCA and TWU.

Most notably, Delta obtained its FAA Single Operating Certificate on December 31, 2009. Planning and scheduling of all Delta and Northwest flights and markets are now managed by a single team at Delta's Atlanta headquarters. Delta has also launched 14 cross-fleeting markets, placing Northwest aircraft on traditional Delta routes and vice versa. Delta has harmonized all on-board policies and procedures, including passenger safety briefings, emergency procedures, pets in cabin, paperwork at the gate, armed passenger notification, lost ID procedures and late arrival passengers. Delta has also harmonized the In-Flight service products such as food available for purchase, duty free products, business and economy snacks, blankets and pillows and In-Flight entertainment programming on domestic and international flights.

Delta and Northwest hold themselves out to the public as a single airline. All Northwest mainline fleet have been painted in the Delta livery. The Delta logo has replaced the Northwest logo at all former Northwest ticket counters. Delta has also replaced non-airport Northwest branding with the Delta logo at stadiums and other public venues. All pilots, flight attendants and customer service agents on the combined carrier wear common uniforms for their respective job groups. There is one brand for the combined Carrier's club rooms and the Carriers have launched a new monthly in-flight magazine for placement on the combined Delta and Northwest fleet. All frequent flyers are part of Delta's Sky Miles. Delta also deactivated the Northwest WorldPerks Visa card in July 2009. All flights carry the "DL" designator code and the "NW" code is no longer used. There is only one website: [www.delta.com](http://www.delta.com). The Carriers have also integrated their alliance partnerships to create a single comprehensive Delta-Air France/KLM Trans-Atlantic Joint Venture.

Based upon the application of the principles cited above to the facts established by the investigation, the Board finds that Delta and Northwest operate as a single transportation system for representation purposes for the craft or class of Stock and Stores Employees.

#### CONCLUSION

The Board finds that Delta and Northwest are operating as a single transportation system for representation purposes under the RLA. Accordingly, the IAM's application in File No. CR-6986 is converted to NMB Case No. R-7258. Pursuant to Manual Section 19.6, the investigation will

proceed to address the representation of this craft or class. The showing of interest on a single transportation system is governed by Manual Sections 19.601, 19.602 and 19.603. The participants are reminded that under Manual Section 19.7, existing certifications remain in effect until the Board issues a new certification or dismissal.

By direction of the NATIONAL MEDIATION BOARD.

A handwritten signature in cursive script that reads "Mary L. Johnson".

Mary L. Johnson  
General Counsel

Copies to:

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