

CRAM

November 29

Craig: JAB SAYS FINE
DEAR DICK

CHECK NAME FINAL BACK TO JABE

Attached, please find (1) background paper and (2) draft response to Ferris-United meeting with Jim Baker concerning FAA problems. Will sign

United has indicated that they need to make some projections on future plans for the O'Hare terminal and their traffic load for next year. They have indicated that they would like a meeting.

12/11
MDT

Give me the signal, and I will be happy to schedule the meeting.

Thanks.

Katherine

12/11 Jim - if you will note the background information and sign the attached letter, I think Ferris can be handed-off to me and we'll resolve the dispute. Both sides now want a meeting. Both Craig

FEDERAL AVIATION ADMINISTRATION

CHICAGO CENTER

BACKGROUND PAPER

FAA and United:

Chicago Center was indeed the hardest hit by the 1981 PATCO strike. Chicago lost 80% of its usable controllers.

° FAA

Pre-strike staffing levels were at 502 (441 usable controllers; 61 trainees)

United

United chart shows 396 controllers for this same period.

° FAA

Just after the strike, Chicago Center staff dropped to 145 (85 usable controllers; 60 trainees)

United

United figures show 119 controllers following the strike.

° FAA

For the current period, FAA shows Chicago staffing levels at 306 (222 usable controllers; 84 trainees and assistants).

United

Predicts an end of year figure of 289 controllers.

° FAA

Shows current authorized staffing levels of 315 (less 36 air traffic assistants). FAA feels that these authorized staffing levels will provide same level of traffic capability as pre-strike. Pre-strike levels were too padded.

United

Current levels are not enough.

° FAA

United airlines currently has more scheduled traffic than it did under pre-strike conditions (see attachment A). FAA table shows United has increased peak hour scheduling where other major airlines have remained the same or decreased. *

United

Peak hour scheduling is still curtailed and, in some cases, still significantly below pre-PATCO levels.

CONCLUSION:

- Apparent misunderstandings between the two organizations point out a need for a meeting of the two.
- Craig Fuller should chair the meeting at the White House. Both parties are agreeable to this suggestion. *

BOTTOM LINE:

It appears that United has nothing to complain about but "success" in an environment where others have not been so fortunate. They have done well and would like to do better (can't blame a good capitalist for that!). *

November 21, 1983

Attachment A

CHICAGO O'HARE AIRPORT
SCHEDULED DOMESTIC ARRIVALS

<u>CARRIER</u>	<u>SEPTEMBER 1, 1981</u>			<u>DECEMBER 17, 1981</u>			<u>SEPTEMBER 23, 1983</u>		
	<u>7:00 AM</u> <u>9:59 PM</u>	<u>10:00 PM</u> <u>6:59 AM</u>	<u>TOTAL</u>	<u>7:00 AM</u> <u>9:59 PM</u>	<u>10:00 PM</u> <u>6:59 AM</u>	<u>TOTAL</u>	<u>7:00 AM</u> <u>9:59 PM</u>	<u>10:00 PM</u> <u>6:59 AM</u>	<u>TOTAL</u>
United Airlines	187	27	214	148	23	171	217	26	243
Delta Airlines	56	7	63	47	5	52	40	4	44
American Airlines	136	9	145	105	12	117	139	8	147
TOTAL ALL SCHEDULED CARRIERS	868	133	1001	700	102	802	785	102	887

THE WHITE HOUSE
WASHINGTON

DRAFT

November 29, 1983

Dear Richard: [Mr. Ferris]

It was a pleasure seeing you and Monty Lazarus last Friday and we thank you for taking the time to come by to express your concerns. Following the meeting, we were in touch with the Federal Aviation Administration and have been provided with pre and post strike staffing levels for the Chicago Center. The FAA numbers do not totally correspond to the ones presented by Mr. Lazarus.

Craig Fuller, Assistant to the President for Cabinet Affairs, has suggested a meeting of United officials and Federal Aviation Administration officials here at the White House to try to help resolve some of the issues you raised in our meeting. Assuming this meets your approval, Katherine Anderson of Cabinet Affairs will be contacting Mr. Lazarus to make appropriate arrangements for such a meeting.

Thank you again. The President sends his regards.

Sincerely,

James A. Baker III
Chief of Staff and
Assistant to the President

Mr. Richard Ferris
Chairman and Chief
Executive Officer
United Airlines

P.O. Box 66100

Chicago, IL 60666

312/952-4000

~~(Circled stamp)~~

Disposition: d

To: C.FULLER (EOP021)
From: K.ANDERSON (EOP026) Posted: Tue 13-Dec-83 18:11
Sys 64 (41) Subject: Ferris of United

I need some advice. I am approaching a sticky situation with the United people who met with Baker. Baker's office sent the draft that I wrote to Fred Fielding's office for clearance. They are making minor changes, thus the letter still hasn't gone out. Meanwhile, Pushy Mr. Lazarus of United keeps calling me to see what we are doing. I have told him that he will be hearing from Baker soon, and we have suggested calling a meeting of United and FAA to "discuss their differences". I think it is inappropriate for me to set up the meeting before Baker gets back to them.

Problem: They (United) now understand that a final rule on "high density rule" will be published in final form very soon. I confirmed this with FAA--expected date of sign-off is next week. Craig, we cannot comment, repeat cannot comment or conduct meetings during the comment period of rulemaking.

Another Problem: Also, next week, Helms is expected to make an administrative decision on Midway airport. (not favorable to United). This "can" be discussed in a meeting. If we don't do something right away, the entire problem will be overtaken by events, and the President will be branded with doing nothing.

Suggestion: Get Baker to sign the letter right away. While it is in transit, I can set up the United-FAA meeting for you with the clear understanding that we "will not" under any circumstances discuss the high density rule. The meeting will address the communication problem with FAA and the airline, as well as the Midway Airport situation.

Meeting needs to take place before next week.

Please call if you have any questions. I'm not too impressed with United's greediness, but we do need for it to look like we made an effort to resolve their concerns.

thanks, KMA

12/14

Jim
Do you want to
check status with JAB
JR

THE WHITE HOUSE

WASHINGTON

February 7, 1984

MEMORANDUM FOR JAMES W. CICCONI
SPECIAL ASSISTANT TO THE PRESIDENT
SPECIAL ASSISTANT TO THE CHIEF OF STAFF

FROM: FRED F. FIELDING
COUNSEL TO THE PRESIDENT

SUBJECT: Your Draft Proposed Reply to United
Airlines's Letter of December 23, 1983

The attached proposed reply has been reviewed pursuant to your request.

I continue to believe your reply to Mr. Ferris should be in writing, and have no objection from a legal standpoint to your proposed reply.

*P.S. - Pls see proposed
change in
your letter.*

TO JAB

*OK w/ you to
sign and send?*

*jc
2/8*

*(jc
2/8)*

THE WHITE HOUSE

WASHINGTON

February 3, 1984

DRAFT

Dear Mr. Ferris:

On behalf of Jim Baker, I would like to thank you for your letter of December 23.

We fully appreciate United Airlines' concern about the air traffic control situation in Chicago. However, we must repeat that the White House cannot participate in meetings on the subject between United and the FAA. While the issue of Chicago air traffic control resources is not now before the FAA as a regulatory or adjudicative matter, the point of Mr. Baker's December 14 letter is that it could become the subject of a dispute between United Airlines and the agency. Given that possibility, White House policy precludes the participation of any White House staff in discussions you may have with the FAA. As Mr. Baker mentioned, the purpose of this policy is to avoid even the appearance of interfering in decisions within the regulatory agency's purview.

We have been informed that the FAA will soon be meeting with representatives of United Airlines to discuss the problem in Chicago, and trust that this will ~~help bring~~ *provide the dialogue* about the satisfactory solution which was envisioned during your meeting here with Mr. Baker.

Sincerely,

James W. Cicconi
Special Assistant to
the President and
Special Assistnat to
the Chief of Staff

Mr. Richard Ferris
Chairman and Chief
Executive Officer
United Airlines
Chicago, Illinois 60666

THE WHITE HOUSE

WASHINGTON

February 8, 1984

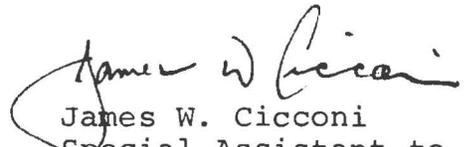
Dear Mr. Ferris:

On behalf of Jim Baker, I would like to thank you for your letter of December 23.

We fully appreciate United Airlines' concern about the air traffic control situation in Chicago. However, we must repeat that the White House cannot participate in meetings on the subject between United and the FAA. While the issue of Chicago air traffic control resources is not now before the FAA as a regulatory or adjudicative matter, the point of Mr. Baker's December 14 letter is that it could become the subject of a dispute between United Airlines and the agency. Given that possibility, White House policy precludes the participation of any White House staff in discussions you may have with the FAA. As Mr. Baker mentioned, the purpose of this policy is to avoid even the appearance of interfering in decisions within the regulatory agency's purview.

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Sincerely,


James W. Cicconi
Special Assistant to
the President and
Special Assistant to
the Chief of Staff

Mr. Richard Ferris
Chairman and Chief
Executive Officer
United Airlines
Chicago, Illinois 60666



U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of the Administrator

800 Independence Ave., S.W.
Washington, D.C. 20591

JAN 26 1984

Mr. Richard Ferris
Chairman and Chief Executive Officer
United Airlines
Chicago, Illinois 60666

Dear Mr. Ferris:

I understand that you have had several contacts (both verbally and in writing) with Mr. James A. Baker, Chief of Staff and Assistant to the President, regarding slot restrictions at Chicago O'Hare International Airport. Specifically, you believe our manpower allocation to Chicago area facilities has not been equitable, therefore having an unfair effect on the recovery of these facilities.

Your concerns are understood and I believe a meeting to discuss all aspects of the slot restrictions at Chicago O'Hare and related facilities would be appropriate. To make such a meeting more productive, I believe it would be appropriate for you to first contact Mr. Paul K. Bohr, Director, Great Lakes Region, (312) 694-7000, so that his staff may have the opportunity to provide you a briefing on air traffic control staffing progress for the entire Chicago metroplex. After this has been accomplished, please contact Mr. Michael Fenello, who will be Acting Administrator after my departure on January 31, so that he can confirm a date for a follow-on meeting.

Sincerely,

(signed) Lynn

J. Lynn Helms
Administrator

cc: Mr. James A. Baker, III
Chief of Staff and Assistant
to the President
The White House

1/10

How handle?

This was the response that Fuller drafted, Fielding reviewed + made changes, and Cicconi expedited.

R.F.

cc: Cicconi
Jone - 1/11/84 KC

Larry Garrett
6257

JAG

Follow-up?

KC:
Ask JC to discuss this with me. Get me see my 12/19 letter, please. Thank JAG



UNITED AIRLINES

Office of the Chairman

December 23, 1983

Mr. James A. Baker, III
Chief of Staff and
Assistant to the President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Jim:

Thank you for your letter of December 19, 1983.

Unfortunately, your letter leaves us a bit confused. It seems to imply that we requested White House intervention on regulatory or adjudicative issues before an administrative agency. That is not, and was not, the case. When we visited with you we specifically stated that we did not seek your assistance on any rulemaking or adjudicative matter; indeed, we flatly stated that we would discourage any such intervention.

Our plea was for assistance on another part of our problem. From the outset of the PATCO strike, United has staunchly supported the Administration. Even after it became apparent that United was being disproportionately hurt, we were steadfast in our support. However, almost two and a half years have gone by, and Chicago is still suffering more than other areas in the uneven rebuilding of the air traffic control system. We seek your assistance to bring resources into the Aurora Center. This does not involve any regulatory or adjudicative machinery. It requires an equitable allotment of manpower.

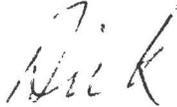
In view of the serious harm already inflicted on Chicago, the concomitant uncertainty surrounding the massive construction efforts at O'Hare Airport, and the financial commitments faced by carriers and the community, this is nothing more than a simple plea for equity.

We have pleaded for assistance with the Aurora situation in every quarter,

and have come up empty. As you so well said, the Administration created the problem, and the Administration should fix it. Without your assistance on the manpower situation, we may well struggle for many, many months without relief. Other centers and airports have been rebuilt, and we believe that Chicago should receive equal treatment.

We appreciate your assistance on this serious problem.

Sincerely,

A handwritten signature in dark ink, appearing to read "R. J. Ferris". The signature is written in a cursive style with a large initial "R" and a long horizontal stroke.

Richard J. Ferris
Chairman

RJF:a

THE WHITE HOUSE

WASHINGTON

December 14, 1983

MEMORANDUM FOR JAMES A. BAKER, III

FROM: FRED F. FIELDING 

SUBJECT: Draft Letter to Richard Ferris
Regarding FAA and The White House

Kathy Camalier forwarded for my review the letter which Craig Fuller drafted for you to send to Richard Ferris of United Airlines.

I have reviewed the letter and am concerned that White House staff participation in the proposed meeting between officials from United Airlines and the FAA may imply preferential treatment or the use of influence in the resolution of what appears to be a growing dispute between the FAA and United.

Accordingly, I recommend you not sign the letter as originally proposed, and submit the attached proposed substitute for your review and signature.

THE WHITE HOUSE

WASHINGTON

December 14, 1983

Dear Dick:

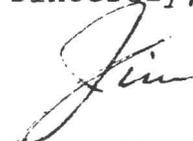
It was a pleasure seeing you and Monty Lazarus November 25 and we thank you for taking the time to come by to express your concerns. I am advised that you will soon be meeting with officials from the Federal Aviation Administration to further discuss your concerns and to try and resolve some of the issues you raised.

Since the general concerns which you expressed narrow and focus on more specific issues, which may well become the subject of a dispute between United and the FAA, established White House policy would preclude White House staff participation in the resolution of those matters. Accordingly, neither I nor members of my staff will participate in any meetings you have with FAA officials.

The primary reason for this policy is to avoid even the appearance that the White House is interfering with agencies or components of Executive departments or agencies which exercise certain regulatory or adjudicative functions. I trust you will understand the need for this policy.

Thank you again. The President sends his regards.

Sincerely,



James A. Baker, III
Chief of Staff and
Assistant to the President

Mr. Richard Ferris
Chairman and Chief
Executive Officer
United Airlines
Post Office Box 66100
Chicago, IL 60666

CRAIG FULLER DRAFT
NOT SENT

THE WHITE HOUSE

WASHINGTON

December 7, 1983

Dear Dick:

It was a pleasure seeing you and Monty Lazarus November 25 and we thank you for taking the time to come by to express your concerns. Following the meeting, we were in touch with the Federal Aviation Administration and have been provided with pre and post strike staffing levels for the Chicago Center. The FAA numbers do not totally correspond to the ones presented by Mr. Lazarus.

Craig Fuller, Assistant to the President for Cabinet Affairs, has suggested a meeting of United officials and Federal Aviation Administration officials here at the White House to try to help resolve some of the issues you raised in our meeting. Assuming this meets your approval, Katherine Anderson of Cabinet Affairs will be contacting Mr. Lazarus to make appropriate arrangements for such a meeting.

Thank you again. The President sends his regards.

Sincerely,

James A. Baker, III
Chief of Staff and
Assistant to the President

Mr. Richard Ferris
Chairman and Chief
Executive Officer
United Airlines
P. O. Box 66100
Chicago, IL. 60666

THE WHITE HOUSE
WASHINGTON

12/2

MDT:

Karen Hart brought this back. She said that her office will type the letter if we want, but she doesn't know what JAB calls Richard Ferris - said you should ask him.

If you want, I can type and get address when done. Please advise re: how JAB addresses Mr. Ferris.

KC

DEAR DICK