Northwest Airlines/
Delta Air Lines
Merger Talking Points

The Machinists Union strongly opposes mergers among the major airlines for the following reasons:

Airline hubs will be eliminated, service frequency will be reduced, competition will be diminished, jobs will be lost, customer service will deteriorate, pension obligations will be jeopardized and fuel prices will remain unaffected by a merger.

Hubs Will Be Eliminated
All the major airlines operate a hub and spoke system. A combination of two airlines will create a redundancy of hubs, forcing the closure or substantial reduction in flights at some hubs. This will lead to a great loss of jobs at not only the airlines involved, but also the dozens of service companies that support airline operations in hub cities.

Service Frequency Will Be Reduced
If two airlines merge and each flew to a particular city four times a day, after the merger the frequency of flights from the combined airline will be fewer than eight flights a day. A major goal of airline mergers is to reduce capacity, which means fewer seats available.

Competition Will Be Diminished
Fewer airlines and fewer flights mean fewer choices for consumers. This leads to higher fares.

Jobs Will Be Lost
Airline employees lost jobs after the attacks of 9/11, they lost jobs after painful bankruptcies, and mergers are just another avenue for airlines to cut more jobs. This will lead to an increase in the nation's already high unemployment rate, as well as a reduction in taxes airline workers pay the government and in the money they spend in their communities.

Customer Service Will Deteriorate Further
Customer service in the airline industry is legendary – legendarily poor. Merging two major airlines will force executives to pour resources into integrating the two companies and two different corporate cultures. This means customer service will not be a focus the combined airline for many years.

Pension Obligations Will Be Jeopardized
Many airlines have frozen or terminated pension plans. If a merger takes place between two major airlines with company-sponsored pension plans, and the combined airline intimately fails, the pensions will be forced onto the Pension Benefit Guaranty Corporation (PBGC). If, for example, a Delta-Northwest combination failed, the PBGC would be burdened with more than $7 billion in liabilities. The PBGC has already expressed concerns about such a scenario.

A Merger Will Do Nothing To Lower Fuel Prices
Airlines cite high fuel prices as a reason to merge, but the cost of fuel for two individual airlines will be the same as for one large airline.

If airline executive spent as much time running the airline and improving their product as they do searching for the next big deal, the industry would be better for passengers, employees and the communities the airlines serve.