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| 9 | IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA | | |
| 10 | FOR THE DISTR | ICI OF ARIZONA | |
| 11 | Don ADDINGTON; John BOSTIC; Mark | C N 2.00 1/22 DHY NWW | |
| 12 | BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, | Case No. 2:08-cv-1633-PHX-NVW (Consolidated) | |
| 12 | | | |
| | D1 - 1 - 4 ! CC - | | |
| 13 | Plaintiffs, | DEFENDANT USAPA'S MOTION FOR | |
| 13 14 | Plaintiffs, vs. | RECONSIDERATION | |
| | , in the second | | |
| 14 15 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., | RECONSIDERATION | |
| 141516 | vs. US AIRLINE PILOTS ASSOCIATION, | RECONSIDERATION | |
| 14 15 16 17 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 141516 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, | RECONSIDERATION | |
| 14 15 16 17 | US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 19 20 | US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, Plaintiffs, vs. | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 19 20 21 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, Plaintiffs, | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 19 20 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, Plaintiffs, vs. Steven H. BRADFORD, Paul J. DIORIO, Robert., A. FREAR, Mark. W. KING, Douglas L. MOWERY, and John A. | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 19 20 21 | US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, Plaintiffs, vs. Steven H. BRADFORD, Paul J. DIORIO, Robert., A. FREAR, Mark. W. KING, | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |
| 14 15 16 17 18 19 20 21 22 | vs. US AIRLINE PILOTS ASSOCIATION, US AIRWAYS, INC., Defendants, Don ADDINGTON; John BOSTIC; Mark BURMAN; Afshin IRANPOUR; Roger VELEZ; and Steve WARGOCKI, Plaintiffs, vs. Steven H. BRADFORD, Paul J. DIORIO, Robert., A. FREAR, Mark. W. KING, Douglas L. MOWERY, and John A. | RECONSIDERATION OF ORDER SETTING TRIAL DATE | |

TO: PLAINTIFFS, AND ALL PARTIES, AND THEIR ATTORNEYS OF RECORD.

NOTICE

PLEASE TAKE NOTICE that Defendant US Airline Pilots Association ("USAPA") will move this Court, without oral argument, for reconsideration of the March 3, 2009 Order issued by this Court (Dkt. No. 224), and for an order continuing the April 28, 2009 trial commencement date.

MOTION

COMES NOW Defendant USAPA to move this Court, pursuant to LRCiv 7.2(g) and the on-the-record authorization, for reconsideration of the March 3, 2009, Order issued by this Court (Dkt. No. 224) setting trial to begin on April 28, 2009, and seeking an order continuing the trial commencement date.

In support of its motion USAPA states the following:

On March 3, 2009, the Court held a teleconference with the parties' attorneys and stated its disposition on a number of aspects of case management that culminated in an Order "setting trial to a jury on the issue of liability on April 28, 2009 at 9:00 a.m." (Dkt. No. 224). At the conclusion of the March 3 teleconference, the Court stated that "if anybody wants to file a motion to reconsider what I have stated as my disposition on these aspects of case management, I'm not going to foreclose that. And I will fully consider it." (March 3, 2009 Tr. at p. 36, lines 10-13). Pursuant to the Court's allowance, USAPA asks this Court to reconsider its Order that trial commence on April 28, 2009.

I. Any Decision Rendered In This Matter *Prior to* Adjudication Of The Counts One And Two Arbitration Subverts The Primary Jurisdiction Of The System Board.

Count Three, to which USAPA is subject to trial, was expressly pled to allege that Defendant violated its duty of fair representation in part by causing the company to violate the terms of collective bargaining agreements:

- ¶ 112 "Because USAPA is causing Defendant US Airways to breach its collective bargaining agreement with West Pilots, it has caused Plaintiffs and other West Pilots the injuries alleged in Counts One and Two." (Dkt. No. 86, p 22);
- ¶ 118 "By acting arbitrarily, for improper purpose and/or in bad faith, USAPA caused Defendant US Airways to breach its collective bargaining agreement with West Pilots." (Dkt. No. 86, p 22);
- ¶ 119 "Because USAPA caused Defendant US Airways to breach its collective bargaining agreement with West Pilots, it caused Plaintiffs and other West Pilots the injuries alleged in Counts One and Two." (Dkt. No. 86, p 22).

Nevertheless, this Court has held that all of the Count One and Two allegations of contractual breach that underlie the Count Three DFR claim are within the exclusive jurisdiction of the Transition Agreement System Board. (*See* Dkt. No. 84).

In addition to the overlap between the Count Three DFR claim and the Count One/Two claims of contractual breach specifically pled by the Plaintiffs themselves, USAPA anticipates that the System Board will address several issues that could have a dispositive impact on the Plaintiffs' Count Three DFR claim, including: 1) the alleged existence of a good faith obligation under the Transition Agreement to negotiate toward a single collective bargaining agreement; 2) whether any "good faith" negotiating obligation under the Transition Agreement was owed to individual pilots; 3) the identity

of the parties under the Transition Agreement; 4) the intent of the parties in referencing ALPA Merger Policy in the Transition Agreement; 5) whether the Transition Agreement created a contractual obligation for continued adherence to ALPA Merger Policy, particularly in light of the impasse that had been reached under that policy; and 6) any remedy issued by the System Board would include wage claims currently being sought by the named Plaintiffs.

In an effort to have these underlying contractual issues resolved in the appropriate forum prior to a federal trial, USAPA invited the Plaintiffs to present their Count One claim before the System Board on January 8, 2009, concurrently with USAPA's presentation of its substantially similar TA-9 grievance. In addition, USAPA offered to schedule a hearing before the System Board on January 9 for the Plaintiffs to present both their Count One and Count Two claims. Plaintiffs, without explanation, declined both of these hearing dates with the direct consequence that the Count One and Two claims are now scheduled to be heard on May 27, 2009.

The current situation presents two serious due process issues. Proceeding with a federal court trial in April prior to the System Board's resolution of the underlying contractual issues constitutes a transgression of the Courts into the exclusive jurisdiction of the Board. This transgression violates USAPA's due process to have the relevant contractual issues determined in the appropriate forum. The Court's proposed

scheduling requires USAPA to prepare for two major trials simultaneously, which vastly compounds the dues process issues discussed in further detail below.¹

II. Defendant Is Deeply Prejudiced By The April 28th Trial Date By The Course And Conduct Of This Case To Date.

Under the procedural history unique to this case, a trial date of April 28, 2009 deeply prejudices USAPA:²

At the December 15, 2008 hearing in this matter, after the Plaintiffs made the eleventh hour decision to convert their case to a class action, the Court rejected Plaintiffs' efforts to backload the determination of class certification and determined that USAPA had a due process right to engage in class-specific discovery and obtain prior resolution of the class issue. (Dec. 15 Tr. at 5-6). In reliance on the Court's determination, USAPA devoted its resources to conducting class action discovery and to formulating a response in opposition to Plaintiffs' motion for class certification.

Throughout this time period, however, Plaintiffs failed to cooperate in the discovery process, initially resisting any discovery whatsoever, and necessitating expenditure of USAPA's resources to seek the Court's intervention. Even after the Court directed certification discovery and extended the briefing period on the class issue, the Plaintiffs

¹ USAPA also hereby incorporates into this submission the Defendant's Request for Leave to File Summary Judgment Motions (Dkt. No. 215) – the submission of which was authorized by the Court -- wherein it submitted uncontested case law and uncontroverted evidence that the Court lacks jurisdiction over Count III because that claim is not ripe and because Count III states no legally cognizable claim, *inter alia*, no court has *ever* found a DFR violation based on a date of hire integration.

² This Court itself recognized that the "lay of the land changed pretty dramatically here." (Feb. 20 Tr. at p. 43, line 8).

elected to continue to frustrate USAPA's attempts to conduct thorough class action discovery. Plaintiffs withheld relevant documents necessitating motions to compel, and did not cooperate in the scheduling of depositions of the agents of a third-party corporation that finances the litigation and substantially controls it conduct through a "control group." After a Court order for production of the corporation's fee agreement with Plaintiffs, counsel – which had been fiercely resisting its production – suddenly asserted that no such agreement existed. In short, no person or entity has any contractual obligation to finance the Plaintiffs' litigation. Eventually, USAPA was forced to subpoena several individuals (none of whom have yet been deposed).

Thus, in reliance on the Court's prior determinations, USAPA's discovery to date has been focused primarily on the class certification and, indeed, Plaintiffs have taken the position to date that USAPA was not allowed to question subpoenaed witnesses on any issues beyond that of class certification.

Aside from the focus on the class issue – concerning which there is still no final order – USAPA's litigation resources have been principally dedicated to responding to the Plaintiffs' vexatious motions, including: 1) Plaintiffs' efforts to penetrate USAPA's attorney-client privilege, which the Court characterized as "blindly fishing," (Dkt. No. 185 at 3); 2) Plaintiffs' regressive effort to deprive USAPA of the jury trial that they had requested in their own original and amended complaints; and 3) Plaintiffs' efforts to graft on dues and agency fee-related claims to its class certification motion, which has substantially complicated briefing with respect to the class issue. Indeed, as the Court set

the briefing schedules on these issues it acknowledged that it was imposing exacting demands on counsel. (Dec. 15, 2008 Tr. at p. 57, lines 5-7).

As a result of the allocation of Defendant's obligation to allocate its resources to the class issues, which the Court determined had first priority, and the Plaintiffs' vexatious motions, USAPA, to date, has taken only one deposition going to the merits of this dispute.

In view of these developments, the Court itself stated during the February 20, 2009 teleconference, that it did not anticipate a trial any earlier than June or July and, in view of this development, advised that it was receptive to the Plaintiffs' and Defendant's joint request for consideration of dispositive motions. In reliance on the schedule indicated by the Court, USAPA devoted resources to fulfilling that request. As USAPA advised the Court, this focus on dispositive motions was particularly warranted in view of the Plaintiffs' uniform deposition testimony supporting USAPA's claim that, as a matter of constitutional law, there is no live case or controversy supporting the Court's subject matter jurisdiction in this case.

Additionally, the Court further directed that USAPA devote its time and resources to addressing Plaintiffs' new class remedy, never even pled, regarding disgorgement of dues and fees, by asking USAPA to file a Rule 12(c) motion challenging the legal viability of such a remedy. The necessity of USAPA expending its resources on this issue arises not just from the Plaintiffs' disregard of the basic pleading requirements, but also its blatant non-compliance with the Court's directive that Plaintiffs' counsel let USAPA know "what cards he's holding" so that USAPA would not have to "waste your

clients' money or my time with the motion" (Feb. Tr. 28:23). Plaintiffs' counsel has steadfastly refused to comply with the Court's instruction by either supplying their 'cards' or withdrawing the ill-alleged remedy.

Since the February 20th teleconference, USAPA has had no opportunity to engage in meaningful discovery on the merits and has relied heavily on the Court's statement that its "goal is to have a trial on this probably in July, maybe in June." (Tr. 27:5).

Because they did not face the obligation to defend against a class motion, the Plaintiffs have accrued a *substantial advantage* in terms of trial preparation, by the end of the week of March 16, they will have completed ten depositions on the merits. Moreover, while USAPA has cooperated in providing witnesses for deposition, it is expected that many of those individuals whom USAPA seeks to depose will require service of subpoena because they have no relation, allegiance or affinity with named-Plaintiffs, Plaintiffs' counsel, or Plaintiffs' bankrollers, Leonidas LLC. Likewise, in certain circumstances, document demands may accompany deposition notices. And as a practical concern, even if certain deponents will be produced by Plaintiffs' counsel without the need for subpoena, pilots' schedules cannot be changed overnight and scheduling conflicts are sure to arise within the next seven weeks. Consequently, it does not appear logistically possible to complete the necessary discovery to adequately defend against the Plaintiffs' claims in seven weeks, given that during this seven-week period, the large majority of discovery must be completed and disputes resolved, potential expert witnesses must be disclosed and deposed, pre-trial motions and deadlines must be filed and met, and jury instructions must be crafted.

An additional complication, as this Court has previously recognized, is that "it can become an enormous challenge to craft jury instructions because you have to figure out the right answer to all legal questions up front." (Dec. 15 Tr. at p. 22, lines 11-13). The Court also expressed its belief that given the "unsettled areas of law" that this matter presents, the crafting of jury instructions becomes even more arduous because the Court must determine "ahead of time what all the substantive rules are and instruct the jury in a way that a non-lawyer group of folks will not be confused by." (*Id.* at lines 20-22). Given the new extremely truncated timeline before trial, this "enormous challenge" now must be accelerated in a manner that is antithetical to due process consideration, and this alone results in inevitable prejudice.

Moreover, the granting of a class action combined with this truncated trial schedule risks imposing on USAPA irresistible pressure for a 'blackmail settlement' that is itself prejudicial and entirely avoidable. *Matter of Phone-Poulenc Rorer Inc.*, 51 F.3d 1293, 1303 (7th Cir. 1995) (quoting 1973 publication of Judge Friendly). *See also, In re Visa Check/MasterMoney Antitrust Litigation*, 280 F.3d 124, 148 (2d Cir. 2001) (noting the "brutally coercive effect of [class] certification"); *In re General Motors Corp. Pick-Up Truck Fuel Tank Products Liability Litigation*, 55 F.3d 768, 784 (3d Cir. 1995) ("class actions create the opportunity for a kind of legalized blackmail").

Plaintiffs own actions belie their claims of urgency. These actions include their delay in seeking injunctive relief, delayed conversion of the case to a class action, last-minute additions of dues-based claims, vexatious motions related to attorney-client privilege and the right to a jury trial, and their refusal to proceed before the System Board

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on January 8 and 9, 2009. USAPA also wants this matter resolved, but not in a matter that violates its due process rights or the primary jurisdiction of the System Board over all contractual issue.³ The trial date, as scheduled, would violate USAPA's due process rights by jeopardizing its ability to properly prepare its defense in the face of such high stakes, class action litigation.⁴

WHEREFORE, defendant USAPA respectfully requests continuance of the trial date now set at least until such time as the System Board has rendered its decision in the Count One and Count Two issues that have been submitted to its exclusive jurisdiction. Respectfully Submitted,

Dated: March 5, 2009

By: /s/ Nicholas Paul Granath, Esq.

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³ While it is recognized that US Airways has a stake in this case, it is USAPA that is subject to trial; prejudice to USAPA is a reason to continue the trial schedule.

⁴ Additionally, trial counsel James K. Brengle who was introduced to the Court at the December 15 hearing, has a previously scheduled trial that conflicts with the Court's current trial schedule in this matter. (*See* Declaration of James K. Brengle).

CERTIFICATE OF SERVICE

This is to certify that on the date indicated herein below a true and accurate copy of the foregoing pleading, *to wit*,

- Defendant USAPA's Motion for Reconsideration of Order Setting Trial Date;
- Certificate of Service

were electronically filed with the Clerk of Court using the CM/ECF system, which will send notification of such filing to the following:

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Who are admitted counsel for Defendant US Airways, Inc. in this matter.

And further that paper hard copies were provided to The Honorable Neil V. Wake, District Court Judge, 401 W. Washington Street, SPC 52, Phoenix, AZ 85003.

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| 1 | On March 5, 2009, by: |
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