

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION
CIVIL ACTION NO. 3:11-CV-00371-RJC-DCK

US AIRWAYS, INC.,

Plaintiff,

v.

US AIRLINE PILOTS ASSOCIATION and
MICHAEL J. CLEARY,

Defendants.

**DECLARATION OF DARIN N. LEE, PH.D.
IN SUPPORT OF PLAINTIFF'S
OPPOSITION TO DEFENDANTS'
MOTION TO DISMISS**

I, DARIN N. LEE, PH.D., declare and state as follows:

1. I am a Senior Vice President in the Boston, MA office of Compass Lexecon and specialize in the economics of the airline industry, industrial organization, labor economics and auctions. My business address is 200 State Street, 9th Floor, Boston, Massachusetts, 02109. My qualifications and *curriculum vitae* are set forth in Section I and Appendix A, respectively, of my Expert Report filed on July 29, 2011 in support of Plaintiff's Motion for Preliminary Injunction in this matter.¹
2. Based on a regression analysis that controls for variations in daily weather, seasonality and other factors, pilot actions since May 1st have resulted in an average of 6.12 minutes of additional arrival delay for each Charlotte-bound flight operated by East pilots. This represents a 70% increase in the average arrival delay for

¹ See Expert Report of Darin N. Lee, Ph.D. in Support of Plaintiff's Motion for Preliminary Injunction, US AIRWAYS, INC., v. US AIRLINE PILOTS ASSOCIATION and MICHAEL J. CLEARY, UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF NORTH CAROLINA, CHARLOTTE DIVISION, CIVIL ACTION NO. 00371-RJC, hereafter "Expert Report."

Charlotte flights compared to the base period (i.e., January 1st, 2008 – April 30, 2011) and based on an average of 232 East mainline flights per day arriving at Charlotte since May 1st, has resulted in nearly 2,500 hours of additional delays for Charlotte bound flights.

3. Similarly, since May 1st, pilot actions have resulted in a 0.6 percentage point increase in Charlotte mainline departures operated by East pilots being cancelled. Put differently, approximately 60% of all Charlotte cancellations since May 1st are attributable to pilot actions. Combined with the 1.0 percentage point increase in cancellations for East mainline flights *arriving* to Charlotte attributable to pilot actions, this represents an average of 3.8 Charlotte flights per day being cancelled due to pilot actions, or over 400 flights since May 1st.
4. Moreover, when one applies the same regression models to Charlotte Express flights, there is no statistically significant increase in either arrival delays or cancellations since May 1st. Since Express operations are subject to the same weather and airport conditions as mainline flights, this provides strong evidence that the increase in both delays and cancellations for East mainline Charlotte flights is the result of pilot job actions.
5. This information is based on data collected through August 13, 2011.

I declare under penalty of perjury under the laws of the United States that the foregoing statements are true and correct.

Executed this 15th day of August, 2011, at Boston, Massachusetts.

A handwritten signature in black ink, appearing to read 'D. Lee', with a stylized flourish at the end.

Darin N. Lee
August 15, 2011

LA3:1175765

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been duly served on Defendants US Airlines Pilots Association and Michael J. Cleary electronically via e-mail, by depositing a copy in the United States Mail, first class, postage prepaid, addressed to the following counsel of record, and by utilizing the Case Management/Electronic Case Filing System, which will send notice electronically to the following counsel of record:

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This the 15th day of August, 2011.

/s/ C. Bailey King, Jr.
C. Bailey King, Jr.
Attorney for Plaintiff