



American Airlines Stays in KC

Mayor Barnes and Governor Holden pay the tab

[Fadhel Kaboub](#) Oct . 27 . 2003

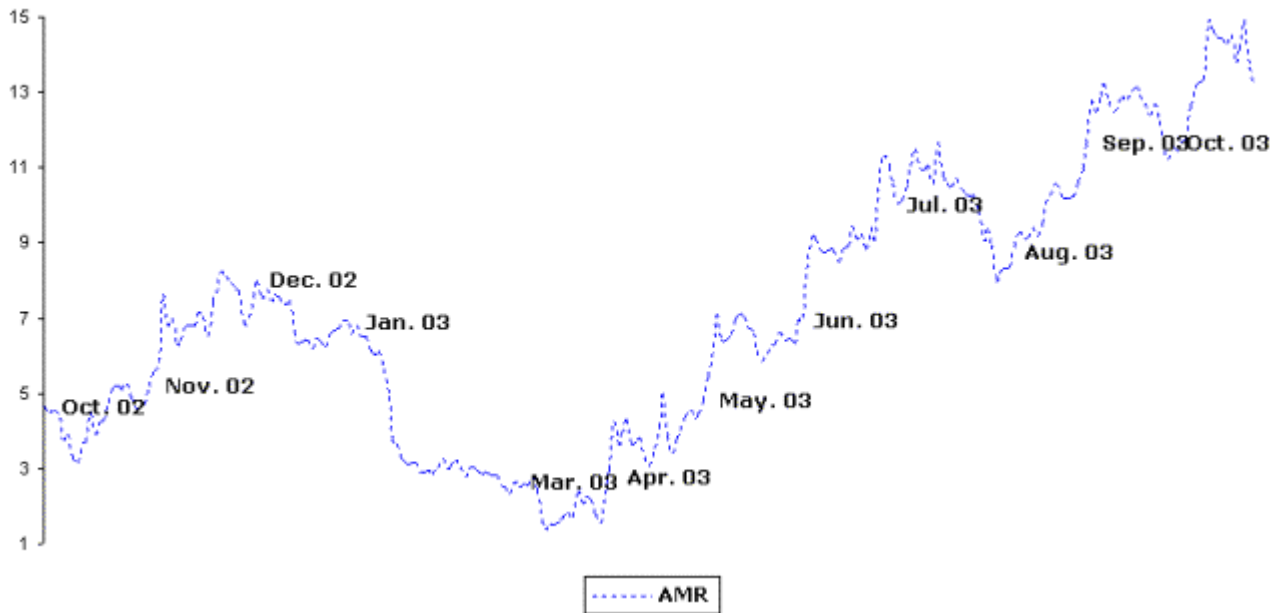
American Airlines (AA) announced this week that it would sign a 25-year lease for its wide-body hangar and associated shops at its Kansas City Maintenance Base.

"Getting to this point has taken a remarkable demonstration of commitment on the part of state and city leaders," said Gerard J. Arpey, president and CEO of American Airlines. He also expressed his appreciation to KC Mayor Kay Barnes and Missouri Governor Holden for the financial support they pledged for AA.

The City of KC and the State of Missouri pledged a support package of more than \$80 million. The details of the agreement are still being worked out.

A big sigh of relief for the 2,000 workers at the KC overhaul base? Not really! AA still plans to phase out its work on narrow-body aircraft in KC, which might eventually lead to 1,200 lost jobs if the economy doesn't recover soon.

AA declared that the phase out will take place through attrition and will not result in sever layoffs. The average age of the union work force at the KC base is approximately 53, which would allow AA to adjust its KC workforce through early retirement plans.



AMR corp. stocks on the rise since last spring

AA is the world's largest carrier serving more than 270 destinations with approximately 4,300 daily flights. The combined network fleet numbers more than 1,000 aircrafts.

AA escaped bankruptcy last spring, but reported a net profit of \$1 million for the third and usually best quarter for the airline industry. AA's total revenue climbed to \$4.61 billion.

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