# Pilots at MIA's biggest cargo airline warned execs a crash was coming. Then a plane went down.

By Taylor Dolven

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A plane, the pilot warned, was going to crash.

Experience at Atlas Air had become so insufficient that a catastrophe seemed unavoidable, he told company executives at Atlas's 2017 annual meeting in Miami.

"There's a certain level where when the experience goes down and the challenges keep rising that we're going to have more close calls. And they might not all end as well as they have. And that has to be addressed," the captain told Chief Executive Officer William Flynn and Chief Operating Officer John Dietrich, according to a recording of the meeting obtained by the Miami Herald.

Two years later, on Feb. 23, 2019, an Atlas Boeing 767 full of Amazon packages left Miami International Airport and crashed 40 miles outside of Houston, killing all three pilots on board.

The National Transportation Safety Board has cited <u>pilot error</u> as the likely cause of the crash, according to the Wall Street Journal. But some pilots at the company claim that the true cause lies elsewhere.

As online shopping has boomed, so has business for cargo airlines. The global air cargo industry for U.S. carriers has grown by more than 20 percent in the last five years, measured in revenue ton-miles by the Bureau of Transportation Statistics. In that same time frame, Atlas grew its fleet by 90 percent from 60 planes to 114.

The business boost has come with a dark side, according to several Atlas pilots. New recruits have less-than-optimal flying experience. Training standards for new pilots are low, and refreshers for seasoned aviators are inadequate. Turnover is high. Pilots are promoted to captain hastily, before they have the experience to counter unexpected problems. The Federal Aviation Administration is more hands-off than it should be, they claim.

For years, pilots say they have been complaining to the management of MIA's largest cargo carrier about "an erosion of level of experience in the cockpit," in the words of a veteran captain. (The captain, who has been with the company for more than two decades, could not be reach for comment.)

At the 2017 meeting, Senior Vice President of Flight Operations Jeff Carlson agreed with the captain's assessment. "I worry about quotas on the flight deck," he said, according to the recording obtained by the Miami Herald. "I'm not

oblivious to any of that...We know experience level decreases over time. That's a challenge for this group...Regardless of the experience, the bar never changes. And I just want to make sure that sticks in the back of your mind."

#### Pilot error

When Carlson referred to a decrease in experience, he was talking about an industry-wide challenge that's been acknowledged by the Federal Aviation Administration. It's different than the issue plaguing the Boeing Max, which includes training deficiencies related to manufacturer changes to the plane and its software.

As more military veteran pilots retire, cargo carriers have struggled to replace them with equally trained candidates. In 2013, the FAA increased the minimum hours of flying experience for certification from 250 hours to 1,500 hours. In 2016, the <u>Department of Transportation's Office of the Inspector General</u> found that the agency was not providing enough oversight of airline training to ensure pilots maintain manual flying skills. The FAA has since urged pilots to fly without autopilot regularly to hone their skills.

Safety and pilot training are the highest priority for Atlas Air, said company spokesperson Debbie Coffey.

"We are constantly evaluating and updating our procedures to ensure the safety of our crews and passengers," Coffey said in a statement. "Our training facilities are widely recognized as some of the best in the aviation industry. The managers of our training department include highly experienced pilots with long military and commercial aviation experience."

Pilot complaints about training are part of an effort to gain leverage in an ongoing contract negotiation, according to a company statement. Atlas pilots quoted in this story hold leadership positions with the union, the Airline Professionals Assocation Teamsters Local 1224.

But Atlas pilots say despite the Atlas executive's shared concerns about safety in 2017, the tweaks made by the FAA and the company have not been enough to change the safety culture at the airline. A spokesperson for the FAA said the agency has not seen an increase in complaints from Atlas pilots in the past 12 months.

After the January 2017 meeting, Atlas planes experienced several close calls. In July 2017, an Atlas plane struggled to get airborne during a takeoff in Tokyo. Two months later, another narrowly avoided crashing into a mountain in Hong Kong. In July 2018, another landed so hard in Portsmouth, N.H., that the plane nearly split in half.

Two of those incidents were blamed on pilot error. The cause of the other has not been officially determined.

Former FAA inspector David Lithgow, who oversaw Atlas Air Boeing 747 training for 17 years before retiring in January 2018, said he can understand pilot concerns.

"Before I retired from the FAA, I had oversight responsibility for 100-plus flight instructors and check pilots at Atlas Air," he said in a statement to the Herald. "While this cohort of training and checking personnel was the best I had worked with during my 50 years in aviation at several US Air Force units and six airlines, I was concerned about their increasing level of stress due to the pace of their activities.

"I urged my FAA managers to initiate a Risk Management Program in order to provide more resources for surveillance of and support for the Atlas training program but failed to make it happen. I confess that my frustration with lack of FAA support for my program facilitated my decision to retire."

Others in the industry say that blaming pilot error just touches the surface of underlying issues.

"Part of the idea is that human error is the problem. It isn't," said Shem Malmquist, a Boeing 777 captain at a different cargo airline and professor of advanced aircraft operations at the Florida Institute of Technology's College of Aeronautics. "We're putting people in situations where we expect them to fill the gaps we couldn't envision. They don't have the ability to do it. When they can't, we just say human error. That's a simple way of looking at it that doesn't solve the problems."



## 'Selling and selling'

Atlas Air was founded in 1992 in Golden, Colorado, with just one Boeing 747 plane. By 1998, it was the largest cargo carrier at Miami International Airport

transporting 230,000 tons. Atlas Air Worldwide Holdings, formed in 2001, is now the parent company of four cargo airlines — Atlas Air, Polar Air, Titan Aviation Leasing and Southern Air. Since 2010, the company's fleet has grown from 29 planes to 114, including 51 Boeing 747s, making it the world's largest 747 carrier.

The company, which trades on the NASDAQ exchange under the symbol AAWW, made \$270 million in profit in 2018. It is based in Purchase, New York. Among its chief clients is Amazon, which inked a deal earlier this year for the rights to acquire almost 40 percent of the company. Top shareholders are Blackrock, which holds 14 percent, and Vanguard Group, which holds 9.5 percent. Nine of 11 Marketwatch analysts rate it a "buy."

As Atlas quickly expanded, its seasoned pilots reached retirement age of 65, and the airline struggled to attract experienced aviators to take their place, pilots say. From September 2015 to September 2017, the percentage of pilots employed by Atlas with less than three years of experience increased from 36 percent to 51 percent of all its pilots, according to data from Atlas's pilot union presented in federal court in a recent lawsuit.

<u>Decreased pilot experience isn't limited to Atlas.</u> The problem most acutely affects cargo airlines outside the top tier of Fed Ex and UPS, which offer more attractive salaries and benefits. For instance, first-year captains at Atlas on the Boeing 767 make half of what first year captains at Fed Ex do on the same plane, according to data from Airline Pilot Central, an online database for airline industry employment statistics. Qualified pilots who start at Atlas now quickly move on to the top airlines, which are more insulated from safety risks because they have "better maintenance equipment, better dispatch, tighter policies and procedures," said Malmquist.

"When I started, to send your resume [a candidate had to have] 5,000 hours of flying," said Atlas pilot Dan Wells, who has been with the company for 24 years. "Now it's the minimum of 1,500 hours. We have folks coming in with the bare minimum." Southern Air's recruitment website says qualifications for the 737 are 1,000 flying hours, 1,500 for the 777.

In a statement, the company said that new pilots start with flying hours well above the FAA minimum of 1,500: an average of 5,738 for new Atlas pilots and 5,391, for new Southern pilots. "There is simply no correlation between the number of new hires and safety incidents," said a spokesperson for the company.

But pilots and aviation experts interviewed for this story say it's not just about the number of hours, but the quality of flying time.

Industry training focuses on manuals from the airline manufacturer and is geared to pilots who have a solid flying foundation. It has not evolved to address the new dearth of experience, Wells and others said. Quite the opposite is true, said Atlas Air pilot Bob Kirchner, who has been with the company for nearly 20 years. The bar has lowered so that new pilots with less experience are able to re-train until they pass.

"They can't afford to lose a single pilot," he said. "So when they get one, they retrain and retrain them. In the old days it was cut and dry. They'd cut you loose."

Even annual re-training for seasoned pilots has become more scripted and less effective, said Malmquist.

"[Airlines] develop a training curriculum for the year. it's leaked to the pilots; the pilots know exactly what to expect in training," he said. "The company is fine with the pilots knowing what to expect because they have a better pass rate, they can say they are training enough or can reduce training. Everyone is happy with the facade that training is."

Atlas has also shortened its promotion path, pilots say. "It took me 9 years to become a captain here," said Michael Russo, an Atlas captain who said he started at Atlas with 9,000 flying hours in 2004. "Now we see upgrade times as low as two years." Even for young fliers, he said, the Atlas approach is "throw them the keys to the airplane and say 'don't break anything."

In a statement Atlas said captain promotions now happen after an average of four years because the company is in a period of growth.

But that rapid growth, say pilots, has exacerbated the problem. Atlas has continued to win cargo and military contracts, adding new, complex routes to the workload, all while attempting to merge pilots and company cultures from its three different main airlines.

In 2016, Atlas acquired Southern Air for \$107 million. The merger required longtime pilots at Atlas, Polar and Southern airlines to learn new procedures. During mergers, cohesion among the ranks can deteriorate, adding stress and heightening safety concerns, said retired FAA inspector Paul Dolza who was in charge of overseeing Atlas's merger with Southern. Those stresses can be especially acute between captains and first officers who are meant to act as constant checks on one another.

"The major problem is blending disparate groups into a cohesive whole that uses the best parts of the procedures that the airlines already have in place. That isn't always the case," said Dolza.

All the while, the company has continued to book additional business. Since 2016, the U.S. government has awarded Atlas World Wide Holdings <a href="247">247</a> contracts totaling \$96 million, mostly to ferry U.S. soldiers and supplies around the world. In 2016, Atlas agreed to dedicate 20 of its planes to Amazon shipments by the end of 2018 and give Amazon the right to acquire 30 percent of the company's common shares. Earlier this year Amazon increased its stake in Atlas by acquiring another five Atlas planes and upping its rights to reach 40 percent of common shares.

A spokesperson for Amazon said the company is disappointed by the current relationship between Atlas and its pilot union. Since 2016, Atlas pilots and executives have been trying to negotiate a new contract. "The continued inability of Atlas and their pilot union to resolve these negotiations could result in a change

to the allocation of our current and future aircraft. We have an obligation to deliver to our customers, and so do they," the spokesperson said in a statement.

The result of more and more contracts, pilots say, is an extremely high-stress environment. A review of dozens of recent internal flight crew reports obtained by the Miami Herald that were filed to management by Atlas pilots shows they have reported being pressured to work when fatigued and pressured by maintenance crews to depart despite safety concerns.

"Things have become more contentious, more burdensome," said Russo. "The marketing department is very aggressive. They keep selling and selling and selling, and we wonder how we're going to service all these customers."

An FAA spokesperson said Atlas shares information with the agency and the FAA "independently assesses and monitors Atlas' risk mitigations to ensure they are effective." The FAA has not seen an increase in complaints from Atlas Air pilots on its hotline in the last 12 months.

Atlas pilots said they hoped that by bringing safety concerns to executives, the company would overhaul its procedures and training program. But that's not what happened.

#### **Near misses**

The January 2017 company meeting was not the first time pilots raised concerns.

Russo said he warned the company a year earlier that the training program needed to change. In his view, pilots need to be trained in a classroom rather than remotely via computer. And he wants to see Atlas exceed the FAA minimum standard of 25 hours of instructor-monitored flying time post-certification.

"There's been a lot of incidents that could have been full-blown aircraft disasters like what happened in Texas," said Russo. "I was concerned. Summer of 2016 I told the chief pilot personally that I was concerned about the fact that we may be heading toward an accident and that the training program wasn't up to the task of training our new pilots. I'm not the only one."

On July 15, 2017, the first of a series of recent close calls happened on a runway in Tokyo, Japan. At Narita International Airport, a Polar Air plane barely made it off the ground during takeoff. The pilots had failed to re-program the Boeing 747 with the required thrust after the airport changed the flight to a shorter runway prior to takeoff, according to a Japanese government report.

When the plane crossed the end of the runway, it was just 16 feet off the ground — about 200 feet lower than required.

The Japanese Transportation Safety Board cited pilot error as the root cause of the "serious incident." The captain of the plane had nearly 15,000 total hours of flying experience, with about 5,100 on the Boeing 747. The first officer had 13,500 hours of flying experience, with 408 on the 747.

A spokesperson for Atlas said the company responded by expanding its runway change checklist.

Two months later, on Sept. 24, 2017, an Atlas Boeing 747 took off from Hong Kong International Airport headed to Alaska with four pilots on board. Shortly after takeoff, the plane veered to the right off the flight path, pointed toward one of Hong Kong's largest mountains. Air traffic control told the pilots the plane was off track and instructed them to turn left to get back on track. Then, air traffic control warned the pilots of the mountain to their right and told them to bring the airplane to 5,000 feet as fast as possible to avoid it.

At 2,000 feet, the plane's automatic warning system kicked in: the message "Terrain, terrain. Pull Up" blared and flashed in the cockpit. The pilot turned left, missing the mountain by just 670 feet.

The Hong Kong Transportation and Housing Bureau is still investigating the "serious incident." The pilot flying at the time had nearly 32,000 hours of experience, with 1,100 hours on the Boeing 747. An initial report from the Hong Kong government did not include information about the flying experience of the other three pilots on board.

A spokesperson for Atlas said the company changed the recommended use of navigation displays and the way certain departures are handled.

On July 27, 2018, an Atlas Boeing 767 carrying 240 soldiers and 10 crew from Germany to the Portsmouth, N.H., International Airport landed so hard that the body of the plane broke; no injuries were reported. The first officer, who was flying at the time, was "operating the aircraft during the second leg of his initial operating experience following completion of initial training," according to FAA records obtained through the Freedom of Information Act.

The FAA recommended the company retrain the pilot. A spokesperson for Atlas said the company has retrained the check airman who was on board at the time. The NTSB is still investigating and recently classified the landing as an accident.

n a statement Atlas said that the recent close calls make up a very small fraction of the 180,000 take offs and landings on its airlines in the same time frame.

On Feb. 23, 2019, Atlas Air flight 3591 left Miami International Airport headed for Houston on a freighter route. Forty miles from George Bush Intercontinental Airport at around 12:40 p.m., the 767 plane pushed to full thrust — the same thrust used during takeoff — and nose dived 6,000 feet down into Trinity Bay. Three people died: captain Ricky Blakely, 60, of Indiana; first officer Conrad Jules Aska, 44, of Miami; and Mesa Air pilot Sean Archuleta, 36, of Texas, who was riding as a passenger on the flight.

Blakely had worked for Atlas since September 2015 and had 11,000 hours of flying time, 1,250 hours on the 767. Aska had worked for Atlas since July 2017 and had 5,000 hours of flying time, 520 hours on the 767.

"We are heartbroken by the loss of Flight 3591 that claimed the lives of three of our friends and colleagues," Atlas said in a statement. "The root cause of the accident has not yet been determined, however, we are working closely with the NTSB and the FAA to learn what happened, why it happened and what needs to be done to prevent a recurrence. If Union Leaders or any pilot knows something about the cause of the accident that would allow for remedial action, we encourage them to contact the NTSB."

### Revamp needed

The multiple expressions of concern and the series of close calls should have been a wake-up call for executives, pilots say.

In a statement, Atlas said the issues raised by pilots in this story are part of their union's "negative publicity effort in an attempt to gain leverage in ongoing contract negotiations." In November, a federal judge in Washington, D.C., found that pilots were purposefully slowing down their work and ordered them to stop. A federal appeals court is currently weighing the case.

While the only Atlas pilots who would speak on the record for this story hold leadership positions with the union, two other pilots confirmed the safety concerns but said they feared retribution from the company for speaking publicly. One cited a recent case in which Atlas fired a pilot from his job as an instructor after he criticized the company during a legal deposition. That pilot sued in federal court, and Atlas settled the case this year.

Other airlines have overhauled training after incidents. After a United Airlines passenger plane <u>came within 100 feet of striking a hill</u> near San Francisco in 1998, United revamped its training protocols.

"United treated it as a catastrophe, made changes to their culture," said Russo. "We've had several near misses and we've gotten more procedures and checklists out of it, but the training hasn't responded in a proportionate way. What they need is a total revamp."

Karlene Petitt, a pilot for a passenger airline who recently completed her Ph.D. in Aviation specializing in safety culture and training at Embry-Riddle Aeronautical University in South Florida, said even experienced pilots can be at risk if they get complacent and lose touch with the deeper understanding of basic manual flying or are under stress.

"How we're training is the key," she said. "We've changed training to shorten the [economic] footprint. Lack of understanding is why all these are going to happen."

In May, the widow of Archuleta, the pilot who was a passenger on the fatal flight in February, sued Atlas Air and Amazon in federal court, alleging the companies failed to adequately train its pilots and prevent the crash.

Atlas pilots say the company has not made any significant changes to operations since the crash and worry they are still at risk.

"One might argue, well, we don't know what happened so why should we change anything?" said Russo. "But my concern is that nothing has changed, we're just continuing on like we did before the accident."

## **ATLAS AIR**

President / CEO: William Flynn

**Chairman:** Robert F. Agnew

Employees: 3,275

Fleet: 114 planes

Major clients: Amazon, DHL, U.S. Department of Defense

**Trading symbol:** AAWW on the NASDAQ exchange

Annual revenues: \$270 million net income in 2018

**Share** price (as of Wednesday a.m.): \$40.91

**52-week high**: \$75

A previous version of this story misstated the year that David Lithgow retired as an FAA inspector. He retired in 2018.