



August 31, 2020

VIA EMAIL (WARNnotices@deo.myflorida.com)

Attn: Steven Gustafson, State Trade and Rapid Response Coordinator

REACT Program

MSC 229

107 E. Madison Street

Tallahassee, Florida 32399-4137

VIA EMAIL (dtrantalis@fortlauderdale.gov)

Mayor Dean J. Trantalis

Commission Office

City Hall, 8th Floor

100 North Andrews Avenue

Fort Lauderdale, Florida 33301

Dear Gentilepersons:

Airport Management Services and Hudson Group (the "Hudson" or "Company") hereby amends its July 30, 2020 letter to update you on additional layoffs. The Company is an employer in the retail travel industry that operates primarily in airports and transportation hubs located throughout the country, including at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315. The Company has seen a sudden, dramatic, and unexpected downturn in sales volume at its Fort Lauderdale-Hollywood International Airport location as a result of the COVID-19 global pandemic which makes continuing operations as is unsustainable, and has caused business needs and circumstances to change in ways that were not reasonably foreseeable as recently as just several days ago.

Initially, the Company believed that the pandemic was going to impact business for a limited period, and employees were temporarily furloughed to adjust to the reduced levels of business in our locations due to the decline in air travel. As flights and passenger travel began to recover the Company began to recall furloughed employees at some of its locations, and we expected to continue to recall employees based on data showing that the pandemic had begun to abate. In addition, the progression of phased reopenings throughout the country gave the Company ample reason to expect that the worst of the crisis would soon be over. However, continuing increases in COVID-19 cases across various parts of the U.S., with some states setting new single day records in August for coronavirus deaths, have led to new travel restrictions and quarantines. This has resulted in travel volume below our expectations at this point in time, with a corresponding reduction in revenue from Hudson's airport business. Based on information from a number of airlines, traveler volume is now expected to remain low in the near term. Major U.S. carriers including United, Spirit and Delta have all scaled back their summer flight plans, which is historically the strongest travel period of the year. Southwest recently announced that it is removing 25 domestic routes from its September schedule, and expects "massive layoffs and service cuts" in October 2020 without continued government support. Additionally, according to a CBS News story on August 7, 2020, more than 80,000 airline workers face furloughs stemming from the reduction in travel due to COVID-19, with 17,000 employees, or 20% of Delta's workforce, having left the company in the past few weeks. Finally, on August



28, 2020, the New York Times reported that American Airlines will reduce its workforce by approximately 40,000, or 30% its workforce, by October 1, 2020.

In short, we have no choice but to confront the new and now inescapable reality that the current situation requires the Company to make fundamental changes by reducing the size of our workforce to adapt to the environment that we could never have foreseen. It is our expectation that this workforce reduction will allow the Company to sustain its operations as we do expect the virus to abate eventually due to the increased restrictions and mitigation measures, which, in turn, will result in the increase of travel and business.

As a result of the recently increasingly negative impact of the COVID-19 pandemic on our business, the Company has informed employees and employee representatives that it is undertaking:

- A permanent layoff of approximately 22 employees at Fort Lauderdale-Hollywood International Airport that will take effect at the close of business on Monday, August 31, 2020.
- A permanent layoff of approximately 14 employees at Fort Lauderdale-Hollywood International Airport whose furlough will exceed six months. The permanent layoff will take effect at the close of business on Thursday, October 1, 2020.
- A temporary layoff of approximately 1 employee at Fort Lauderdale-Hollywood International Airport for an indefinite period that may last more than six months.

This letter shall serve as notice under the federal WARN Act to the extent it is required, and voluntary notice with respect to those for whom WARN does not apply.

All affected employees have been provided notice of their individual layoff dates. All required notices under WARN were delivered to employees by mail. Other legally required notices to governmental entities are also being mailed at this time. This action is the result of unforeseeable business circumstances, and we are providing this notice at the earliest possible time in light of the rapidly evolving situation and developments.

Some of the affected employees are represented by a union, UniteHere Local 355, Wendi Walsh, Secretary-Treasurer, 871 NW 167 Street, Miami Gardens, Florida 33169 (the "Union"). The Union was advised of this layoff in accordance with the parties' collective bargaining agreement and provided a seniority list of those employees selected. In addition, the Union and employees were advised of the right to exercise seniority and bumping rights, if any, under the collective bargaining agreement, as well as recall rights, if any.

Attached is a listing of the names, addresses, and job titles of affected employees. Samples of the notices provided to affected employees and their representatives are enclosed with this letter. Other notices



required under law (such as to elected officials and the local Workforce Investment Board) have been mailed today.

I will be the Company's liaison to the Department for the provision of rapid response services. For further information, please feel free to contact me at 201-528-2477.

Kind regards,

Roger Fordyce
Chief Executive Officer



**NAMES, ADDRESSES AND JOB TITLES OF THE INDIVIDUALS AFFECTED
PERMANENT LAYOFF EFFECTIVE AUGUST 31, 2020**

Job Title	Union	Name of Affected Employee	Employee Home Address	
Service Associate	UniteHere Local 355		Fort Lauderdale, FL	33334
Service Associate	UniteHere Local 355		Miramar, FL	33027
Service Associate	UniteHere Local 355		Wilton Manors, FL	33311
Service Associate	UniteHere Local 355		Miami, FL	33065
Service Associate	UniteHere Local 355		Miami, FL	33125
Service Associate	UniteHere Local 355		Fort Lauderdale, FL	33311
Service Associate	UniteHere Local 355		Hollywood, FL	33020
Service Associate	UniteHere Local 355		Fort Lauderdale, FL	33311
Service Associate	UniteHere Local 355		Pembroke Pines, FL	33025
Service Associate	UniteHere Local 355		Lauderdal Lakes, FL	33311
Service Associate	UniteHere Local 355		Lake Worth, FL	33463
Service Associate	UniteHere Local 355		Fort Lauderdale, FL	33311
Service Associate	UniteHere Local 355		Hollywood, FL	33020
Service Associate	UniteHere Local 355		Pembroke Pines, FL	33027
Service Associate	UniteHere Local 355		Miami, FL	33169
Service Associate	UniteHere Local 355		Miami, FL	33168
Service Associate	UniteHere Local 355		Lauderhill, FL	33313
Service Associate	UniteHere Local 355		Hialeah, FL	33015
Service Associate	UniteHere Local 355		Oakland Park, FL	33311
Service Associate	UniteHere Local 355		Pembroke Pines, FL	33025



Service Associate	UniteHere Local 355
Specialty Service Associate	UniteHere Local 355

Hollywood, FL	33024
Miami, FL	33169



**NAMES, ADDRESSES AND JOB TITLES OF THE INDIVIDUALS AFFECTED
PERMANENT LAYOFF EFFECTIVE OCTOBER 1, 2020**

Job Title	Name of Affected Employee	Employee Home Address	
Beauty Advisor		Miami, FL	33168
Beauty Advisor		Lauderhill, FL	33313
Beauty Advisor		Miramar, FL	33023
Merchandiser		Sunrise, FL	33351
Merchandiser		Davie, FL	33314
Office Administration		Miami, FL	33182
Operations - Manager		Lauderdale Lakes, FL	33313
Operations - Manager		Miramar, FL	33027
Supervisor-Hourly		Miami, FL	33161
Supervisor-Hourly		Miami, FL	33138
Supervisor-Hourly		Fort Lauderdale, FL	33312
Supervisor-Hourly		Hollywood, FL	33020
Supervisor-Hourly		Fort Lauderdale, FL	33312
Supervisor-Hourly		Miramar, FL	33029



**NAMES, ADDRESSES AND JOB TITLES OF THE INDIVIDUALS AFFECTED
TEMPORARY LAYOFF FOR AN INDEFINITE PERIOD THAT MAY LAST MORE THAN 6 MOS**

Job Title	Name of Affected Employee	Employee Home Address	
Supervisor-Hourly		Ft. Lauderdale, FL	33319



August 18, 2020

Via E-Mail Only (wwalsh@unitehere.org)

UniteHere Local 355

Wendi Walsh, Secretary-Treasurer

871 NW 167 Street, Miami Gardens, FL 33169

Dear Ms. Walsh:

When the COVID-19 pandemic first began, Airport Management Services and Hudson Group ("Hudson" or the "Company") believed that the pandemic was going to impact business for a limited period, and employees were temporarily furloughed to adjust to the reduced levels of business in our airport and transportation hub locations due to the decline in travel. As flights and passenger travel began to recover the Company began to recall furloughed employees at some of its locations, and we expected to continue to recall employees based on data showing that the pandemic had begun to abate. In addition, the progression of phased reopenings throughout the country gave the Company ample reason to expect that the worst of the crisis would soon be over. However, continuing increases in COVID-19 cases across various parts of the U.S., with some states setting new single day records in August for coronavirus deaths, have led to new travel restrictions and quarantines. This has resulted in travel volume below our expectations at this point in time, with a corresponding reduction in revenue from Hudson's airport business. Based on information from a number of airlines, traveler volume is expected to remain low in the near term. Major U.S. carriers including United, Spirit and Delta have all scaled back their summer flight plans, which is historically the strongest travel period of the year. Southwest recently announced that it is removing 25 domestic routes from its September schedule, and expects "massive layoffs and service cuts" in October 2020 without continued government support. Additionally, according to a CBS News story on August 7, 2020, more than 80,000 airline workers face furloughs stemming from the reduction in travel due to COVID-19, with 17,000 employees, or 20% of Delta's workforce, having left the company in the past few weeks.

In short, we have no choice but to confront the new and now unescapable reality that the current situation requires the Company to make fundamental changes by reducing the size of our workforce to adapt to the environment that we could never have foreseen. It is our expectation that this workforce reduction will allow the Company to sustain its operations with our employees (and your members) in place as we do expect the virus to abate eventually due to the increased restrictions and mitigation measures, which, in turn, will result in the increase of travel and business.

As discussed with Robert Divivo, based on this truly unprecedented situation, we must convert a number of employees from furlough to layoff at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315, effective 11:59 p.m. on Monday, August 31, 2020, in accordance with the terms of our collective bargaining agreement. I am attaching a seniority list by job classification highlighted for layoff selection. If there are any employees who exercise bumping rights, this list will be amended and those newly selected employees will receive notice. In accord with our collective



bargaining agreement, the selected employees will be paid all accrued and unused vacation time, if any. Additionally, since these employees have been laid off, they may be entitled to continue receiving unemployment insurance and have been so informed. I am attaching a copy of the employee notice sent to the highlighted employees selected for layoff.

This layoff is considered permanent. Therefore, pursuant to the terms of our collective bargaining agreement, we will advise you of any recall when we are able to ramp back up.

Should you have any questions, please do not hesitate to contact me at 1,866.417.3985.

Kind regards,

Rich Yockelson

Richard Yockelson

Enclosures



August 20, 2020

When the COVID-19 pandemic first began, we could have never imagined the long-lasting impact that it would have on the global economy, world travel, and of course, our business. At the time we placed you on furlough status, we believed the furlough would be very temporary based on the information and guidance available to us. Unfortunately, the pandemic has not abated as we expected. Instead, the spread of the COVID-19 virus around the United States has surged at an increasing rate, resulting in new governmental orders and travel restrictions in many states. The increased spread of the virus and the resulting travel restrictions have led to a severe reduction in air travel and business at airports and travel hubs, and in particular, an increasingly dramatic and sustained reduction in Hudson's business, that could not reasonably have been predicted when this situation began.

As a result of the national emergency and its continuing social and economic impact, we need to make fundamental changes to Hudson by reducing the size of our workforce to adapt to the environment that we could have never foreseen. Unfortunately, effective 11:59 p.m. on August 31, 2020, your furlough status will be converted to lay off from your position at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315 in accordance with the terms of our collective bargaining agreement. At this time, you should consider your lay off to be permanent, but you may have recall rights, as well as "bumping" rights (that is, the ability to use your seniority or length of service to remain employed by displacing another employee from their job), in accordance with the terms of our collective bargaining agreement.

You may continue to be eligible to receive unemployment insurance benefits, and we encourage you to file for these benefits as soon as possible. Please see <https://www.benefits.gov/benefit/1695>. Any decision regarding your eligibility for, or the amount of, unemployment insurance benefits that you might be entitled to receive is solely up to the State Department of Labor. In accordance with our collective bargaining agreement, you will receive a payroll check either by a separate mailing or direct deposit for your accrued, unused paid time off through your termination date, if any.

If you are currently enrolled in health benefits, your benefits will continue through August 31, 2020. You will receive a separate notice about continuing your health benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

This was an extremely difficult decision, and one that we wish was avoidable. We also want you to know how much we appreciate your dedication to Hudson Group and the work you have done on behalf of the company.

Should you have any questions, please do not hesitate to speak with your manager or contact Human Resources at 1.866.417.3985.

Kind regards,

A handwritten signature in black ink, appearing to read 'Roger Fordyce', is written over a light blue horizontal line.

Roger Fordyce
Chief Executive Officer

cc: UniteHere Local 355, Wendi Walsh, Secretary-Treasurer, 871 NW 167 Street, Miami Gardens, FL 33169