



September 8, 2020

VIA EMAIL (WARNnotices@deo.myflorida.com)

Steven K. Gustafson
State Trade and Rapid Response Coordinator
Department of Economic Opportunity
107 E Madison Street
Caldwell Building, MSC G-229
Tallahassee, Florida 32399

VIA EMAIL (buddy.dyer@orlando.gov)

Mayor Buddy Dyer
City Hall
400 South Orange Avenue
Orlando, Florida 32801

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 Orlando International Airport, 1 Jeff Fuqua Blvd, Orlando, Florida 32827. The Company has seen a sudden, dramatic, and unexpected downturn in sales volume at its Orlando 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.

The Company has informed employees and employee representatives that it is undertaking a permanent layoff of employees at the above location as a result of the recently increasingly negative impact of the COVID-19 pandemic on our business. This additional layoff will take effect at the close of business on Thursday, October 1, 2020, and is expected to result in the permanent layoff of approximately 33 employees and a temporary layoff of approximately 2 employees for an indefinite period which may last more than six months at Orlando International Airport. 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 permanent 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.

Attached is a listing of the names, addresses, and job titles of affected employees. A sample of the notices provided to affected employees is 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



Supervisor-Hourly	[REDACTED]
Supervisor-Hourly	[REDACTED]
Supervisor-Hourly	[REDACTED]
Supervisor-Hourly	[REDACTED]
Warehouse Associate	[REDACTED]
Warehouse Associate	[REDACTED]
Warehouse Associate	[REDACTED]
Warehouse Associate	[REDACTED]
Warehouse Associate	[REDACTED]

NAMES, ADDRESSES AND JOB TITLES OF THE INDIVIDUALS AFFECTED BY TEMPORARY LAYOFF FOR AN INDEFINITE PERIOD THAT MAY LAST MORE THAN SIX MONTHS

Employee Name	Employee Address	Job Title
[REDACTED]	[REDACTED]	Business Partner Manager 1
[REDACTED]	[REDACTED]	Warehouse Associate