

## **Seventh public hearing of the National Commission on Terrorist Attacks Upon the United States**

### **Statement of Gerard P. Arpey to the National Commission on Terrorist Attacks Upon The United States January 27, 2004**

Good afternoon, Mr. Chairman, Mr. Vice Chairman, and members of the Commission. My name is Gerard Arpey, and I am President and Chief Executive Officer of AMR Corporation and American Airlines. I am also a member of AMR's Board of Directors. I am joined here today by Tim Ahern, who is currently the Vice President in charge of our Dallas-Fort Worth hub. On September 11, 2001, Tim was the Vice President of Safety, Security and Environmental for American Airlines. In that capacity, he was responsible for American's Security Department and reported directly to Robert Baker, now deceased, who was the Vice Chairman of the company at the time. Tim and I both thank the Commission for this opportunity to represent AMR and American Airlines here today.

September 11th was without a doubt the worst day in the long history of American Airlines, and one of the worst in the history of the United States. While the horror and shock of that day have abated during the past two and a half years, the sadness endures. Twenty-three members of the American Airlines team died that day. We grieve their loss, and our hearts continue to go out to their families, and to the families of the passengers and people on the ground who died that day. We also grieve with the families of the firefighters, police officers, rescue workers, and military personnel who made the ultimate sacrifice to keep our country safe.

September 11th was a day of horror, but it was also a day of heroes. Later today, you will hear from one of our Reservation Specialists, Nydia Gonzalez, who will tell you about her telephone call with Betty Ong, an American Flight Attendant on Flight 11. The courage summoned by Betty, Nydia, and so many others that day has both inspired us, and strengthened our resolve to do whatever it takes to ensure that nothing like 9/11 ever happens again. Their example also reminds us that the aviation business is a tremendously worthwhile endeavor. Our mission is to bring people and cultures together from around the world, to spread the joy of flight -- and do so in the absolute safest way we know how. I daresay that is noble work--and it is what our friends and colleagues were doing before they were taken from us.

We likewise appreciate and commend the noble work of this Commission to investigate the September 11th terrorist attacks on our country, and we recognize that your findings and recommendations will serve to protect not only the aviation industry, but also the American public as a whole. For our part, we have been assisting the Commission in its investigation: we have furnished the Commission with thousands of pages of documents, provided briefings to Commission staff members about ground security and in-flight security training and procedures, and made numerous company employees available for interviews. We also provided access to the same aircraft types that were commandeered by the terrorists on September 11th. American Airlines stands ready to further assist the Commission as it completes its investigation.

At American Airlines, the security of our passengers and crew is first and foremost in any decision we make; it is the foundation of our success and a core value of our airline. Our commitment to security remains a fundamental part of our operations today, from our pilots and flight attendants to our station managers and dedicated security professionals.

This Commission has already heard a considerable amount of testimony about the roles of the government and industry in the aviation security system in the pre-9/11 environment, so I will not belabor the point here. Suffice it to say that at that time, the FAA set the security standards for U.S. airports, U.S. airlines, and foreign carriers flying into the United States. The FAA also ensured compliance with those standards and, through its Office of Civil Aviation Security, conducted aviation threat and risk analysis in collaboration with U.S. intelligence and law enforcement agencies. We at American, along with the other U.S. carriers, were responsible for implementing the system that the FAA designed and enforced. Today, we continue to rely on the FAA, the TSA, and, indirectly, the U.S. government agencies responsible for counter-terrorism, intelligence, and law enforcement, for threat assessments and the formulation of industry security strategy, as well as the design of countermeasures to meet those threats.

The civil aviation industry did not foresee the type of attacks that took place on September 11th. It is clear that the security system was not designed to deal with coordinated, suicidal hijack teams with the ability to use commercial aircraft as weapons of mass destruction.

On September 11, 2001, I was the Executive Vice President of Operations for American Airlines. In that role, I was responsible for American's worldwide flight operations, in addition to having responsibility for several of our business units, including our Cargo Division and American Eagle Airlines, AMR's wholly owned commuter carrier. Accordingly, I was directly involved in American's emergency response efforts and the other operational decisions made at American Airlines as the terrible events of September 11th unfolded.

On September 11th, I arrived at my office at company headquarters in Fort Worth at about 7:15 a.m., Central time. Because of another pressing business matter, at approximately 7:30 a.m., Central time, I called our Systems Operation Control, also known as "SOC," to advise them that I would not be able to participate in our system-wide operations conference call, which is held at 7:45 a.m. each day. Joe Bertapelle, one of our SOC managers, answered the phone. Joe told me that he had just tried to page me because we had a possible hijacking on Flight 11, one of our transcontinental

flights. Flight 11 was a Boeing 767 that was scheduled to fly non-stop from Boston to Los Angeles, and which had taken off from Logan Airport at about 7:00 a.m., Central time. Joe told me that the SOC Manager on Duty, Craig Marquis, was in contact with Betty Ong, one of our Flight Attendants on Flight 11.

Betty Ong's courage and professionalism that day made her one of the first real heroes of September 11th, and you will hear more about her later today. Betty's family is represented today by her brother, Harry Ong, and her sister, Cathie Ong-Herrera. We are proud that Betty was also a member of our family at American Airlines. We will always remember her.

Betty was located in the rear of the aircraft, and she had called our Raleigh, North Carolina, reservations center after the aircraft was hijacked. Nydia Gonzalez, an Operations Specialist, answered the call. She then called the company emergency line, which rings into the SOC in Fort Worth. Nydia was relaying information about Flight 11 from Betty Ong to our SOC Manager on Duty, Craig Marquis.

As I said, you will meet Nydia later this afternoon and learn about the important role she played that day. I understand that you will hear a portion of the telephone call between Betty and Nydia. I am sure you will be moved by Betty's remarkable poise, and by how calm and reassuring Nydia was throughout this most difficult call. Their bravery and professionalism reinforce my belief that the strength of our airline is not in its fleet of aircraft, our vast route network, or even our storied history--it is in our people.

From Betty, we learned that two of our flight attendants had been stabbed, one of them with serious wounds, that two or three passengers were in the cockpit, and that our pilots were not responding to intercom calls from the flight attendants.

After talking with the SOC, I then called Don Carty, the President and Chief Executive Officer of American Airlines at that time. He had not arrived at his office yet, and I left a message for him to call me as soon as possible. I briefed my executive assistant on what I had just learned, and then headed to our SOC facility, located about a mile from our company headquarters.

I arrived at the SOC between approximately 7:35 and 7:40 a.m., Central time. Our SOC managers told me that they were now treating Flight 11 as a confirmed hijacking. I was told that the cockpit was still not responding to calls by our flight attendants. Betty Ong had also told us that one of the passengers in First Class had been stabbed, possibly fatally. We also were receiving information from the FAA that, instead of heading west on its intended flight path, Flight 11 was headed south. Also, our pilots were not responding to Air Traffic Control or company radio calls, and the aircraft's transponder had been turned off. In accordance with our emergency response plan, our SOC managers were activating American's Command Center, which is a dedicated crisis response facility located on the floor above, and overlooking, the SOC floor.

From the reports we were receiving, we believed that Flight 11 might be headed for the New York area, possibly to land at JFK or Newark Airport. Craig Marquis and Nydia Gonzalez maintained telephone contact with Betty Ong, and we also attempted to monitor the progress of the flight via communications with FAA and Air Traffic Control officials. In the Command Center, we focused on trying to gather as much information about Flight 11 as we could. As far as we knew, the rest of our airline was operating normally at that point.

At approximately 7:48 a.m., Central time, we learned that an aircraft had crashed into one of the towers of the World Trade Center. We furiously attempted to learn if that aircraft was Flight 11. As you may recall, some early media reports indicated that the plane that had struck the building may have been a smaller aircraft, but we nonetheless feared the worst. By this time, we had lost telephone contact with Betty Ong, and the contact had not been re-established. During this time, Don Carty called me in the Command Center and asked if our aircraft was the one that had hit the World Trade Center. I told him what information we had, and I said I didn't know for sure if the airplane was ours.

While trying to confirm whether the aircraft that had hit the World Trade Center was Flight 11, we learned from Air Traffic Control officials that another one of our flights, Flight 77, was not responding to radio calls and not emitting a transponder signal, and that Air Traffic Control could not determine its location. Flight 77 had taken off from Dulles Airport at approximately 7:20 a.m., Central time, and was a Boeing 757 scheduled to fly to Los Angeles. At approximately 8:00 a.m., Central time, we issued an order to ground stop all American and American Eagle flights in the Northeast corridor of the United States that had not yet taken off.

A few minutes later, we learned that United Airlines had lost communication with one of their aircraft. Upon learning this, we immediately made the decision to ground stop the entire American Airlines and American Eagle system--there would be no more American or American Eagle takeoffs until we could sort out everything that was happening.

Shortly thereafter, we learned that a second aircraft had hit the World Trade Center. At that time, we believed that the second aircraft to crash into the World Trade Center may have been Flight 77. I conferred with our SOC and other operational managers, and we agreed that we ought to get all of our aircraft "on the deck" immediately. At this point, Don Carty arrived at the Command Center. I explained the situation to Don, and, without hesitation, he agreed that we

should divert all airborne American and American Eagle flights to the nearest suitable airports. This occurred at about 8:15 a.m., Central time.

About ten minutes later, we received word that the FAA had shut down the entire airspace over the United States to all traffic, except military aircraft. We then received word in the Command Center that an aircraft had crashed into the Pentagon. It was not until some time later that we learned that Flight 77 had actually crashed into the Pentagon.

American employees spent the next several hours successfully landing the remainder of our flights and trying to learn as much as we could about Flights 11 and 77. By about 10:50 a.m., Central time, the remainder of American's domestic aircraft were accounted for and on the ground. Of course, it took longer to land our international and transpacific flights. Many of our international flights returned to their points of departure, while other American aircraft landed in Canada and various other airports around the world.

For the remainder of the day, our employees worked to respond to the monumental logistical challenges that arose from the decision to shut down the entire U.S. civil aviation system. Our efforts in the Command Center also focused on providing assistance to the FBI and other law enforcement officials who were investigating the attacks. We also worked closely with FAA and FBI officials to implement the new security procedures that were required to meet the new threats to our civil aviation system.

Our next scheduled flights did not take place until several days after September 11th, and we did not have a full flight schedule for several more days. Our Command Center remained open 24 hours a day for the next two weeks, until September 24th. In addition to meeting the enormous challenges that we faced as we re-started our airline in the post-September 11th world, we continued to assist the FBI and FAA as they widened their investigation into the terrorist attacks.

It was only weeks later, as we returned to some normal level of activity, that we were able to step back and try to comprehend the impact that these horrific events had on our country, our company, and our families. It was only then that we were able to start to truly grieve for our brave employees and friends, our passengers, and all of the people in New York, Washington, D.C., and Pennsylvania who were affected by this tragedy. We also mourned the losses suffered by our colleagues at United Airlines, who were likewise victimized by these cowardly attacks.

As we continue to pursue our mission of providing safe, secure air travel to our passengers--in the midst of a global war on terrorism--the events of September 11th are a constant reminder of the need for vigilance and resolve. All of us at American Airlines applaud this Commission, and the work it is doing to examine what happened on 9/11, what we can learn from it, and how we can apply the lessons of that day to make air travel, and our country, ever safer and more secure.

This concludes my opening remarks. Tim and I will be happy to answer your questions.

*Gerard J. Arpey was named Chief Executive Officer of AMR Corporation and American Airlines, Inc., and was elected a member of AMR's Board of Directors, in April 2003. In rising to CEO, Arpey continues as President of AMR and American, a post he has held since April 2002, when he also was named the company's Chief Operating Officer.*

*Arpey leads a global organization that includes American Airlines, the largest airline in the world. Together with American Eagle and the American Connection regional carriers, American serves more than 250 cities in 41 countries and territories. The combined network offers about 4,400 flights a day with more than 1,100 aircraft.*

*Before his appointment as President and COO, Arpey served as the company's Executive Vice President-Operations, Senior Vice President-Finance and Planning, as well as its Chief Financial Officer and Senior Vice President-Planning.*

*As Executive Vice President -- Operations, Arpey was responsible for American's worldwide flight operations including Maintenance and Engineering, Flight Department, Operations Planning, Purchasing, Corporate Real Estate, AA Cargo and American Eagle.*

*As the company's chief finance and planning executive, Arpey directed the corporation's strategic planning activities, including its scheduling, fleet planning and airline partnership activities. As Chief Financial Officer he was responsible for the corporation's finance functions including the Financial Planning, Treasury, Accounting, Corporate Development, and Investor Relations groups.*

*Arpey joined American Airlines in 1982 as a Financial Analyst. He has held numerous management positions during his career at American, including Managing Director-Airline Profitability Analysis, Managing Director-Financial Analysis and Fleet Planning, and Managing Director-Financial Planning. He became a corporate officer in 1989, when he was elected Vice President-Financial Planning and Analysis.*

*Arpey received a Bachelor of Business Administration Degree in 1980 and an MBA in 1982, both from the University of Texas at Austin. He also holds an FAA Multi-Engine Instrument Pilot Rating and is an avid private pilot.*

*Arpey serves on the McCombs School of Business Advisory Council at the University of Texas at Austin. He is involved in a variety of civic organizations and is a member of the Dallas Museum of Art's Board of Directors. He and his wife, Lisa, have a daughter, Alexandra, and two sons, James and Luke, and are residents of Colleyville, Texas.*