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TRUSTEES KEN LAUERSDORF PAUL MCINTOSH JEFF COOPER

Tuesday, May 28, 2013

#### TO: ALL LOCAL 89 REPRESENTED UPS PART-TIME EMPLOYEES

Dear Brothers & Sisters:

Enclosed is a series of correspondence between Local 89 and the IBT General Secretary-Treasurer, Ken Hall. You have likely received one of the letters which Hall mailed directly to you on May 23, 2013. At the heart of the correspondence are Local 89's repeated attempts to protect your dues rate.

For nearly a decade the part-time dues rate was \$22.00/month. I personally negotiated this rate with the IBT back in 2002. After a standard IBT audit (which included the Local 89 dues rates), we were required to increase the dues rate for UPS part-timers in accordance with the terms of the IBT Constitution. Local 89 immediately objected to this increase and requested a waiver from General Secretary-Treasurer Hall for all UPS part-time employees. We knew right away that the dues increase would create an undue hardship on the UPS part-time membership. Hall ignored our repeated pleas for nearly a year. Then, a year later, he sent all UPS employees his May 23, 2013 letter. My response is enclosed for your review.

I implore you to read my response (and the Local 89 waiver requests). It's well worth your time. In it, I expose all of his misrepresentations about the dues issue. I also provide evidence of how Local 89 has been fighting to protect your dues rates; not increase them. What you will see is that Hall, himself, is the root of the continued dues increase.

Hall's May 23<sup>rd</sup>, 2013 letter is designed to distract you from the real issue at hand; that being the substandard contract which you will be asked to vote on within the next few days. Note that Hall is the Chairperson for the National UPS Agreement and supports the offer. But, the proposed offer from UPS fails to appropriately address fundamental issues we are facing within the jurisdiction of Local 89, as well as nationally. Don't be distracted by Hall's attempts to shift blame away from himself and the IBT. Stay focused on the true issue....a fair contract with UPS.

Fraternally,

Fred Zuckerman

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Local 89, President



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COLVIN "JOHN" BOLTON Secretary Treasurer

AVKAL THOMPSON Vice-President

BEN BRAMBLE Recording Secretary Thursday, June 07, 2012

Mr. Ken Hall, General Secretary-Treasurer International Brotherhood of Teamsters 25 Louisiana Avenue, N.W. Washington, D.C. 20001-2198

Re: UPS- Part-Time Dues Rate

Dear Sir and Brother:

Pursuant to the recommendations made by IBT Auditor Scott Hilton at the Local 89 Audit Exit Interview held on Wednesday, May 23, 2012, the Local 89 Executive Board is working diligently to effectuate total compliance with all of the Auditor's recommendations. One of those recommendations includes the re-evaluation of all dues rates currently being paid by Local 89 members. Apparently some Local 89 members were not paying the constitutionally required dues rate of two and one-half times their hourly wages. However, through the course of re-evaluating the dues rates for UPS part-time employees, the Local 89 Executive Board concluded that strict compliance with the constitutionally required dues rate would create an extreme hardship upon countless members.

Since around 2002, all UPS part-time employees have paid a standard dues rate of \$22.00/month. This rate was established after Local 89 President Fred Zuckerman requested and later negotiated the rate with IBT representatives. The basis for the request in 2002 was that UPS part-time employees are only guaranteed 15 hours per week. It seemed patently unfair to charge them a full dues rate when they do not have the opportunity to earn a full 40 hours or more per week. The Local 89 Executive Board still feels that the basis set forth back in 2002 is still valid and viable in 2012. Through a strict application of the constitutionally required dues rate, UPS part-time employees would now see their respective dues rates increase from \$22.00 up to \$70.00 per month.

Therefore, on behalf of the entire Local 89 Executive Board and all of the UPS part-time employees represented by Local 89, I respectfully request that the IBT grant us a waiver of the constitutionally required dues rate of two and one-half times their hourly wage. I further request that the IBT approve the current rate of \$22.00/month or a rate reasonably close to this number.

Please do not hesitate to contact me with any questions or concerns that you have with this matter.

Fraternally,

Colvin "John Bolton

Secretary-Treasurer



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BEN BRAMBLE Recording Secretary

August 28, 2012

Ken Hall
General Secretary Treasurer
International Brotherhood of Teamsters
25 Louisiana Ave. N.W.
Washington, DC 20001

Ken:

You had told me that you would call Fred Zuckerman and set up a conversation to resolve the dues increases effective by the instruction from the I.B.T. Auditor. I have not heard from you and neither has Fred. The billings have now gone out for a second month at the increased rates called for the I.B.T. Constitution.

I do understand that you are busy but these members are being charged what Local 89 believes is way more than a fair share. I think you also agree, but without something in writing from you, Local 89 was instructed that we must follow the I.B.T. Constitution.

Ken, we are being told that someone in your office is telling the members that Local 89 did this by choice to fund our severance. I know that you know these dues were raised on direct order from the I.B.T. Auditor. Local 89 had prior agreements to keep these dues low by averaging them, and were told to stop that and make the adjustments by August 1, 2012.

I am being told that the calls to the I.B.T. are being generated by the same member and friends that are quoting someone in your office. (about the choice)

Sincerely,

Jehn Bolton

Secretary-Treasurer

**Teamsters Local 89** 



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Tuesday, May 28, 2013

Mr. Ken Hall, General Secretary-Treasurer International Brotherhood of Teamsters 25 Louisiana Avenue, N.W. Washington, D.C. 20001-2198

Re:

UPS- Part-Time Dues Rate IBT Letter dated May 23, 2013

Dear Sir and Brother:

I am appalled by the above-referenced letter you mailed directly to the UPS membership and not to my attention first. Allowing me an opportunity to respond to your false assertions would have been the appropriate measure for a man attesting to be the General Secretary-Treasurer of the IBT and a leader of this great union.

I have now reviewed the May 23, 2013 letter and concluded that it is a blatant and unconscionable misrepresentation of the facts; bordering on a strategic lie intended to debase me in the eyes of my membership. However, you have failed to take one very important thing into consideration. The Truth! Local 89 has made two formal requests (addressed to your attention) back on June 7, 2012 and August 28, 2012, whereby we specifically requested a waiver for UPS part-time employees. I have attached the letters for everyone to review. In the June 7, 2012, letter Local 89 described how the "strict compliance with the constitutionally required dues rate would create an extreme hardship upon countless members." Also in that letter, Local 89 set forth its arguments as to why the UPS part-time employee dues rate should remain unchanged:

"Since around 2002, all UPS part-time employees have paid a standard dues rate of \$22.00/month. This rate was established after Local 89 President Fred Zuckerman requested and later negotiated the rate with IBT representatives.

The basis for the request in 2002 was that UPS part-time employees are only guaranteed 15 hours per week. It seemed patently unfair to charge them a full dues rate when they do not have the opportunity to earn a full 40 hours or more per week. The Local 89 Executive Board still feels that the basis set forth back in 2002 is still valid and viable in 2012."

Again on August 28, 2012, Local 89 requested that you promptly resolve the local union's request for a waiver. Local 89 argued that it was an urgent matter that needed immediate attention. After speaking with you personally about this matter on June 29, 2012 at the Joint Council 94 Executive Board meeting in Louisville, Kentucky, Local 89 Secretary-Treasurer John Bolton stated the following in his letter:

"I have not heard from you and neither has Fred. The billings have now gone out for a second month at the increased rates called for [by] the I.B.T. Constitution.... I know that you know these dues were raised on direct order from the I.B.T. Auditor. Local 89 had prior agreements to keep these dues low by averaging them, and were told to stop that and make adjustments by August 1, 2012."

Subsequent to the August 28, 2012, letter you personally advised Bolton to "stop sending me letters!" Thus, despite our repeated pleas for assistance, you willfully failed to respond to those requests. Now, nearly a year later, you have propagated this false notion that Local 89 did nothing to protect our many UPS part-time employees from unfair dues increases. Do you now think the members will perceive you as a "savior" or "knight in shining armor" with respect to this issue? If so, you are incredibly misguided. The members of Local 89 will soon recognize that your intentions with respect to this matter are impure. If you truly cared about the well-being of our 8000 part-time UPS employees, you would have responded to our calls for help a year ago. I would go as far as to suggest that you are now proffering this letter as a means to deflect responsibility for any complaints you have likely received in your office. But, despite your attempts to politicize this matter, whatever complaints you have received from Local 89 members are not derived from the acquiescence of Local 89. No! In fact, any complaints from our

<sup>&</sup>lt;sup>1</sup> It should be noted that you tendered a letter to Local 89 dated January 11, 2013 in which you requested an update on the local union's measures to implement requisite changes ordered by the IBT Auditor. In a letter dated January 17, 2013, I responded to your January 11, 2013 letter. In my letter I advised you that Local 89 had implemented the requisite changes, including dues increases. Therefore, you were provided with three letters from Local 89 disclosing that increases were made to members' dues pursuant to the Auditor's directive. Since the dues increases took effect last year, the per capita contributions paid to the IBT have increased substantially. To feign ignorance of the nature and timing of the dues increases until May 23, 2013 is indicia of your lack of honesty regarding knowledge of this matter and/or lack of due diligence with respect to the oversight of the IBT treasury. Either of which is unbecoming of a General Secretary-Treasurer.

members about dues increases should fall squarely on your shoulders for failing to consider and address this matter when Local 89 first advised you of it.... a year ago.

In any event, Local 89 stands committed to protect the UPS members from hardships imposed upon them by the current dues structure set forth in the IBT Constitution. Please consider this our 3<sup>rd</sup> request for a waiver of the constitutional dues structure. Furthermore, in light of your unacceptable failure to act upon our initial requests last year, Local 89 would request that the IBT be responsible for any and all "excess dues" paid for by our membership. Let me remind you that this is your responsibility! You created this hardship upon our membership through the direction of YOUR IBT Auditor and YOUR failure to promptly address our concerns. Therefore, any other resolution would not be equitable and would create an additional undue hardship upon the resources and membership of Local 89.

Please do not hesitate to contact me with any questions or concerns that you have with this matter. I would be happy to sit with you to discuss this matter further. However, much like the June 7, 2012 and August 28, 2012 letters, I suspect you will ignore this letter, as well.

Fraternally,

Fred Zuckerman

President, Local 89

Colvin "John" Bolton

Secretary-Treasurer, Local 89

Cc:

Entire Local 89/UPS Part-Time Membership

# INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA General President

25 Louisiana Avenue, NW Washington, DC 20001



KEN HALL General Secretary-Treasurer 202.624.6800 www.teamster.org

May 23, 2013

Mr. Fred E. Zuckerman, President Teamsters Local Union No. 89 3813 Taylor Boulevard Louisville, Kentucky 40215-2614

Dear Sir and Brother:

The purpose of this letter is to address Local 89's response to instructions given by an International Auditor regarding compliance with the dues structure required by Article X, Section 3(d) of the International Constitution.

While the Auditor instructed Local 89 to review its overall compliance with the required dues structure, the Auditor did not instruct you to immediately increase the dues rates of the affected members to the full amount generated by applying the Constitutional 2.5 times the hourly wage rate to the earnings of part time employees. Moreover, following the audit, I met with you to discuss the reasonable adjustments that could be made to bring the dues rates into closer conformity with the Constitution without unreasonably burdening members with the significant increases that would result from strict application of the Constitution. In particular, we discussed the impact of applying the full 2.5 times the hourly rate formula to part-time workers at UPS. You neglected to inform me that you had already increased the dues on part-timers prior to the time of our conversation.

Not surprisingly, the large increases Local 89 decided to implement on its own generated calls from members complaining about the new rates. The Local Union responded by misrepresenting to its members that the International Union insisted that the dues increases be implemented. That misrepresentation is prominently featured in Local 89 publications and its website.

As you are well aware, the International Union encourages Local Unions to take into account the number of hours members work when applying the multiple of 2.5 times the existing hourly earnings rate. The International Union has approved waivers of the Constitutional mandate in order to ensure that members are not unreasonably burdened

Mr. Fred E. Zuckerman, President Teamsters Local Union No. 89 May 23, 2013 Page Two

by sudden and significant increases in their dues. Indeed, Local 89 has received such waivers in the past.

It is the intent of the dues structure as required by the International Constitution that a member's dues rate be fair and equitable taking into consideration the work being performed. This office has been delegated authority to issue waivers to accomplish that objective. Accordingly, if you apply for a waiver to reduce the dues burden you have placed on the part-time UPS employees, I can assure you that it will be granted. Moreover, if you make such a request, the International Union will approve the waiver on a retroactive basis, which will allow Local 89 to refund the excessive dues it has been collecting. In such a situation, the International Union will refund the per capita tax collected on the higher rates.

In view of your efforts to publicize this matter and place the blame on the International Union, as well as the number of complaints we have received directly from your members, I am sending copies of this correspondence to Local 89's UPS members so they have a complete account of these events.

Of course, if you have any questions or require assistance in this matter, please do not hesitate to contact this office.

Fraternally yours,

Ken Hall

General Secretary-Treasurer

KH:rbv