

# INTERNATIONAL EXECUTIVE BOARD

## SUMMARY REPORT



August 8-11, 2011  
Executive Board Room – Solidarity House  
Detroit, Michigan

Dennis Williams  
Secretary-Treasurer

## **International Executive Board Summary**

### **August 8-11, 2011**

The meeting was called to order by President Bob King at 8:30 am. A quorum was present.

#### **VOTING STRENGTH**

King	34	Gamble	49
Williams	34	Hall	42
Ashton	34	Jewell	28
Estrada	34	Kariem	25
Holiefield	34	Kushner	35
Settles	34	Lortz	41
Adams	21	McInroy	46
Casteel	16	Wells	42
Davison	34		

#### **PRESIDENT'S REPORT**

President King outlined the process for UAW national auto negotiations which opened with Chrysler on July 25, General Motors on July 27 and Ford on July 29, 2011. The issues and priorities were discussed, along with the importance of all UAW contracts being consistent and at industry level. He stated that any agreement will be presented to the membership for ratification.

Members Denise Rumpeltes and Roman Gessner of the German Works Council of IG Metall were introduced and gave a brief presentation of their mission.

Virginia (Ginny) Diamond was introduced and will assist in the International Affairs Office.

Motion made, seconded and passed to support tentative agreement of UAW and its clerical unit, OPEIU Local 494.

Sister Julie Kushner reported on the Labor Council for Latin American Advancement (LCLAA) conference she attended in Puerto Rico. She also reported that Brother Ted Feng attended the 2011 Asian Pacific American Labor Alliance (APALA) Conference and was elected to the executive board as member-at-large.

Brother King stated that Larry Cohen, President of Communication Workers of America has initiated a strategic strike against Verizon and UAW will be supportive to the extent they can do so.

Change to Win representatives Bob Callahan, Chief of Staff and Paco Fabian, Communications Director, gave a presentation on Rebuilding the Labor Movement.

The AFL-CIO Young Workers' Summit is September 29-October 1, 2011 in Minneapolis. The UAW International Technical, Office, Professional Conference (ITOPC) is scheduled for February 24-26, 2012 in Washington, DC.

### **National CAP Department – Mary Beth Cahill**

Sister Cahill gave a presentation on building a 21<sup>st</sup> century political program and developing the next generation of skilled leaders and operatives within labor. The key elements for a successful program include committed leaders, training, experience and making labor's voices heard.

The UAW National CAP Conference will be held February 26 thru March 1, 2012, in Washington, DC.

### **Legislative, Governmental and International Affairs Department – Barbara Somson**

Sister Somson reported on the recently passed CAFÉ law. The current CAFÉ law for model years 2012 through 2016 remains in effect, which establishes a fleet-wide average of 35.5 miles per gallon by end of model year 2016. The recently passed law covers model years 2017 to 2025 that will be at fleet-wide average for light duty vehicles in the US of 54.5 miles per gallon by model year 2025.

She also reported on the Budget Control Act of 2011 that was signed into law August 2. The debt limit was raised by \$2.4 trillion that will happen in two phases. Phase 1 is \$1 trillion in spending cuts with no revenue raisers. Phase 2 is the creation of a Super Committee whose job is to legislate another \$1.5 in deficit reduction.

### **Health and Safety Department – Cindy Suemnick**

Sister Suemnick reported the June 7, 2011 fatality of Ben Alcorn, Local 1092, Region 4 member employed at Acme Galvanizing, Milwaukee, Wisconsin.

In follow-up to the death of John Bernady, Local 2317, Region 3, she reported that the efforts of Region 3 and Health & Safety Department investigation prompted the County Coroner to revise its autopsy report and reissue cause of death as undetermined with blunt force trauma to the chest as a contributing factor. The initial cause of death was listed as natural disease. The revised report will allow the family to revisit the issue of death benefits.

The Health and Safety Department has submitted four grant proposals totaling approximately \$1.7 million. Thus far the department has been successful in an award of \$743,876 from the National Institute of Environmental Health Sciences (NIEHS).

### **Information Systems Department – Mike LaCour**

Brother LaCour gave a demonstration on SharePoint which has been installed and is now in use. He also reported on WebEx for online meetings which allows up to 100 participants to be included in the scheduled event.

### **Education and Mobilization Department – Julia Daugherty**

Sister Daugherty reported there are 19,557 GimmeFive members to date and 3,069 members have been awarded buttons. Changes to the website include improvement in sign-up and reporting process and the addition of a community button.

Education Department has developed four core programs for utilization at the Summer/Fall Schools.

### **Research and Policy Department – Linda Ewing**

Sister Ewing made a presentation on international comparisons in looking at the United States in a global context, using information compiled by the Organization for Economic Cooperation and Development (OECD), which includes world industrialized developed countries as well as developing countries.

### **Public Relations Department – Michele Martin**

Sister Martin distributed materials and gave a presentation on the marketing campaign for the UAW Family Education Center (Black Lake)

### **Civil and Human Rights and Community Services Department – Miguel Foster**

Brother Foster reported on the mobilization efforts for the Martin Luther King Memorial dedication on August 28, 2011 in Washington, DC. Events are events planned for the week prior to dedication, with highlights provided of the August 26 Jobs Symposium planned by AFL-CIO, and the August 27 National Action Network and Reverend Al Sharpton program.

### **Retired Workers Department – Warren Danford**

The UAW Retired Workers Advisory Council meeting is the second week of September in Washington, DC. It is scheduled in conjunction with the 10<sup>th</sup> anniversary of the National Legislative Conference for the Alliance for Retired Americans.

### **Social Security Department – Sarah Doyle**

Sister Doyle gave a presentation and more detailed explanation of cash balance plans, defined contribution plan and traditional pension plan.

### **Organizing Department – Higher Education – Carrie Haynes**

Sister Haynes reported on the active campaigns at University of Minnesota, 4,500 teaching and research assistants; New York University (NYU), 1,500 teaching and research assistants; Polytechnic, 500 graduate students; and Polytech, 150 adjuncts.

### **SECRETARY TREASURER’S REPORT**

Secretary Treasurer Williams reported the International Union, UAW had total resources of \$1,042,109,607.74 on June 30, 2011. Liabilities amounted to \$11,852,018.84, leaving a Fund Balance of \$1,030,258,588.90.

The General Fund liquid balance was \$30,199,806.03 as of June 30, 2011, compared to \$8,292,908.72 as of March 31, 2011, an increase of \$21,906,897.31 for the three-month period.

The General Fund received additional revenue from the Strike Assistance Fund in the amount of \$6,179,590.06 during this three-month period. This amount was generated by the reallocation of dues, which provides a 12.65 percent rebate to the General Fund.

The General Fund also received a \$25 million transfer from the Strike Assistance Fund in June of 2011 per Article 16, Section 14 of the Constitution.

The International Union earned a total of \$21,358,273.14 on its investments during this three-month period.

The average membership through June 30, 2011 was 384,756.

Brother Williams presented the “UAW Financial Planning Principles”. Motion made, seconded and passed to adopt the Principles.

Sister Kim Geromin gave PowerPoint presentation on the electronic systems that are being transitioned into, which include per capita and the Concur Travel & Expense System that staff will soon utilize for travel, credit card and expense statements. The target is October 31, 2011 to cease use of paper expense statements. The International Union, UAW Policy on UAW Corporate Credit Cards was distributed. Motion made, seconded and passed to adopt the policy.

Coordinated Travel Services (CTS) will relocate to the UAW-GM Center for Human Resources (CHR) and focus on assisting with UAW conferences, conventions, etc.

Sister Amy Loasching gave a Union Building Corporation (UBC) presentation on properties for sale, sold, offers accepted and rejected; and also an auditing update and report. Motion made to accept UBC report, seconded and passed.

The following resolutions were presented to the Board for adoption:

- Resolution of the Officers of the International Union, UAW Relative to the Allocation of Investments in the UAW Strike Trust;
- Resolution of the Pension Committee of the International Union, UAW Relative to the Allocation of Investments in the UAW Master Pension Trust;
- Resolution of the Officers of the International Union, UAW Relative to the Allocation of Investments in the UAW Strike Trust (ACWI);
- Resolution of the Officers of the International Union UAW relative to the Allocation of Investments in the UAW Master Welfare Trust;
- Resolution of the Officers of the International Union, UAW for the Purpose of Adopting an Investment Policy with Respect to the Assets of the UAW Strike Trust; and
- Resolution of the Officers of the International Union, UAW for the purpose of Adopting an Investment Policy with Respect to the Assets of the UAW Master Welfare Trust.

Motion made, seconded and passed to accept the resolutions.

### **Amalgamations, Charters, Mergers, Transfers, Councils, Administratorships**

Units were added to the following amalgamated local unions: Locals 251, 412, 2280 and 5960 (Region 1); Local 163 (Region 1A); and Local 1112 (Region 2B). Motion made, seconded and passed.

Charters were revoked for Local 2342 (Region 1); Local 1618 (Region 1C); Locals 1 and 5110 (Region 1D); Locals 1954 and 2242 (Region 3); Local 2310 (Region 4); Locals 136 and 1760 (Region 5); Local 2123 (Region 8); Locals 465 and 595 (Region 9). Motion made, seconded and passed.

Local 305 Retiree Chapter merged into Local 2911 Retiree Chapter (Region 3). Motion made, seconded and passed.

Flex-N-Gate Intra-Corporation Council will be established in accord with Article 20 – National and Corporation Bargaining Councils. Motion made, seconded and passed to establish Council.

Brother Hall reported on administratorship of Local 2071 (Region 1) and requested continuance. Motion made, seconded and passed to continue administratorship.

Brother Davison reported on administratorship of Local 23 (Region 3) and requested continuance. Motion made, seconded and passed to continue administratorship.

Brother Wells reported on administratorship of Local 1797 (Region 5) and requested continuance. Motion made, seconded and passed to continue administratorship.

Brother Adams reported on administratorship of Local 686 (Region 9) and requested continuance. Motion made, seconded and passed to continue administratorship.

Brother King reported on administratorship of Local 7127 and requested continuance. Motion made, seconded and passed to continue administratorship.

### **Memorial Resolutions**

#### ***Douglas F. Caravaggio***

Retired International Representative  
Strike Assistance Department  
Passed May 10, 2011

#### ***William H. Reilly***

Retired International Representative  
Chrysler Department  
Passed June 19, 2011

#### ***James A. Clark***

Retired Administrative Assistant  
Secretary-Treasurer's office  
Passed April 28, 2011

#### ***Hershel Roberts***

Retired International Representative  
Region 4  
Passed May 3, 2011

#### ***Robert B. King***

Retired International Representative  
National Ford Department  
Passed January 9, 2011

#### ***Merlin Sears***

Retired Assistant Director  
Region 3  
Passed June 25, 2011

#### ***John W. Lewis***

Retired International Representative  
Auditing Department  
Passed May 12, 2011

#### ***James S. Warner***

Retired International Representative  
Region 1C  
Passed July 8, 2011

#### ***A. David Minnis***

Retired International Representative  
Region 5  
Passed May 10, 2011

### **Agricultural Implement & Transnational Department**

#### **Caterpillar**

Caterpillar's announced first quarter profit was \$1.84 per share, an all-time quarterly record with a reported record profit of \$1.225 billion, an increase of 426 percent over the same period 2010.

They reported second quarter financial profit of \$1.72 per share, excluding \$204 million expense related to the completed acquisition of Bucyrus, which gives CAT domination in manufacturing. The profit was \$1.015 billion, an increase of 44 percent over the same period 2010. Caterpillar raised its expectations for sales and revenues to \$54 to \$56 billion and profit of \$6.75 to \$7.25 per share.

Employment increased worldwide by more than 27,000 employees since the beginning of 2010 and hiring is expected to continue in 2011. They have approximately 10,000 UAW-represented members.

Caterpillar now owns ElectroMotive Division (EMD) locomotives. EMD's contract expires September 14, 2011.

### **Deere & Company**

Deere has 10,600 UAW-represented employees. Their second quarter financial report released on May 18, 2011, announced net income of \$904.3 million or \$2.12 per share for that quarter. For the same period 2010, Deere earnings were \$547.5 million or \$1.28 per share. The first six months' earnings stand at \$1.418 billion or \$3.32 per share.

Strong sales in the agricultural equipment sector, especially in the United States, Canada and Brazil are contributing to the company's profit increases.

### **CNH**

CNH is owned by Fiat. Employment at CNH facilities is reported at 1,275 UAW-represented members. Membership has almost doubled in the past three years at Local Unions 180 (Racine, WI) and 807 (Burlington, IA)

CNH reported a net income before restructuring and exceptional items of \$320 million or \$1.33 per share in the second quarter of 2011, up from the same period 2010 of \$140 million. Net sales of equipment were \$4.88 billion.

### **Mitsubishi**

Employment at Mitsubishi stands at 853 production, 154 maintenance and 136 supplemental.

### **VICE PRESIDENT JOE ASHTON**

#### **General Motors Department**

As of June 30, 2011, the UAW represented a total of 49,401 members at General Motors, of which 39,027 were production and 10,374 skilled. Of the total 49,401 members, 40,586 are active – 31,301 in production and 9,285 skilled. Of the remaining 8,815 members there are, 1,438 on temporary layoff; 1,347 on indefinite layoff; 277 on time-for-time; 3,680 on leave; 1,802 active temporary and 271 in pre-retirement

Total charges to the SUB fund are \$9,704,764, leaving a balance of \$1,247,590,761.

U.S. market share of GM brands total sales as of June 2011 is Chevrolet 14.6 percent; GMC 3.0 percent; Buick 1.4 percent; Cadillac 1.0 percent.

General Motors made \$5 billion for the first half of 2011.



## **Gaming Department**

Negotiations will open August 18, 2011 for the Detroit area casinos: MGM, Motor City and Greektown.

There were 700 members successfully organized at Tropicana and 800 members at Caesar's. The casino industry continues to grow; presently there are over 100,000 dealers.

## **VICE PRESIDENT CINDY ESTRADA**

### **IPS/Competitive Shop Department**

Sister Estrada made a presentation on setting standards in the parts supplier sector. Industry standards have been developed and attained in the seat assembly contracts of Magna, Lear and Faurecia, and they have all been negotiated and ratified.

Motion made, seconded and passed to support direction Sister Estrada proposed on IPS strategy.

A presentation was made on the Flex-N-Gate organizing campaign. There is a huge Latino and African American population at two of the seven sites. The Flex-N-Gate Council is expected to build.

## **Public Sector and Health Care Servicing**

Currently there are 68 anti-worker bills that have been introduced or passed since January that mainly target government employees, including such issues as paid union time, health and safety protection, and retiree health care.

Sister Estrada stated that in coordination with SEIU, MCO, AFSCME and the other State employee unions, it was agreed that UAW would be the leader with Sister Estrada at the helm, in negotiating the economic and health care, including retiree health care, issues.

## **VICE PRESIDENT GENERAL HOLIEFIELD**

### **Chrysler Department**

Chrysler UAW-represented employment is currently 27,374, with 24,312 hourly and 3,062 engineering and office and clerical. There are 92 on indefinite layoff.

Chrysler Group LLC reported US sales of 20,394, a 30 percent increase compared with sales in June 2010 of 92,482 units, making it the best June sales since 2007. All Jeep and Ram truck brand models contributed to the 30 percent June sales increase, including the all new 2011 Jeep Grand Cherokee, which posted a 208 percent sales increase and the 2011 Ram pickup truck with a 35 percent sales gain.

Chrysler brand's 2011 Super Bowl commercial "Born of Fire" received five awards at the Cannes Lions 58<sup>th</sup> International Festival of Creativity.

### **Heavy Truck Department**

As of July 2011, there are 16,241 total members in the Heavy Truck sector, with 10,961 active, 5,231 on layoff and 9 on military leave.

On July 15, 2011, the NLRB reversed the November 2, 2010 decision of the Administrative Law Judge rendering the lockout of the Peterbilt works to be lawful. The NLRB also reversed the previous decision of made whole (with backpay and benefits). All options are being reviewed.

### **General Dynamics Department**

There are 4,613 active members at General Dynamics

The US Navy awarded Electric Boat a \$1.2 billion contract for the construction of the 14<sup>th</sup> Virginia class submarine. The award is the beginning of production of two Virginia class subs per year program, which will help reduce costs as well as keep overall employment stable.

General Dynamics Land Systems will pay its UAW-represented employees in Ohio, Pennsylvania and Michigan a second quarter share plan amount of \$515.99, which is based upon performance for cost, quality, schedule and safety objectives.

### **VICE PRESIDENT JIMMY SETTLES**

#### **Ford Motor Company**

Brother Settles reported there are approximately 42,000 members at Ford. There are 343 on indefinite layoff. Ford produced 1,364,140 vehicles in North America during the first six months of 2011, and U.S. only year-to-date production is 960,587.

So far this year 2,497 ETAP applications have been approved and \$1.2 million has been spent.

In the last quarter, UAW Ford members raised a quarter million dollars for contribution to the March of Dimes.

#### **Severstal Steel**

Severstal Steel received a \$730 million grant from the U.S. Department of Energy for new construction. They were the only steel company to receive a grant from the Obama Administration.

### **Aerospace Department**

A tentative agreement has been reached with Honeywell. The Lockheed Martin agreement expires at the end of 2011.

### **Insurance Department**

UAW is presently in negotiations with Blue Cross Blue Shield. The current agreement expires the end of August 2011.

### **Chaplaincy Department**

The UAW Chaplaincy Conference held June 5-10, 2011 at Black Lake was a success. In diverting from the usual program, a Social Unionism workshop was scheduled and very well received.