



Tentative Standard Forwarding Supplement Represents Best Agreement Possible

Over the past two months, your Teamster Negotiating Committee has met with Standard Forwarding to address the most pressing needs of workers at the company. Based on the member survey and contract proposal meetings you participated in, we know that member expectations were high on several levels, especially after all the sacrifices you have made to keep the company in business over the years. Your Committee had hoped that under new management, Standard Forwarding would acknowledge the reality that improvements were necessary in most economic areas of the Agreement to address these sacrifices. Unfortunately, the bargaining proved to be very difficult and challenging, especially following a year in which we learned and verified that Standard Forwarding suffered an operating loss. We also discovered in bargaining that Standard's parent, DHL Freight, was highly concerned about the company's recent performance and became simply unwilling to meet the Union's forceful demands for the wide variety of economic improvements you asked for and we had collectively sought.

Despite the obstacles faced in bargaining, **we believe the Tentative Agreement is the best agreement we are going to achieve under the circumstances.** It does the following:

- 1) Raises wages \$0.50 per hour (and mileage equivalent) each year for the first two years with retroactivity to March 6, 2015. In addition, the parties agreed to a bonus of \$1,000 in the final year of the contract.
- 2) Required and necessary increases in Health and Welfare contributions have been secured for the next three years. Benefits have been harmonized across all

Local Unions so that all members will enjoy health insurance coverage without **any employee co-pays for the weekly premiums**, something the company demanded until the final day of talks.

- 3) Participation in the Pension Fund was maintained with the employer ultimately agreeing to 8% increases each year to keep the members on a steady track to the best retirement benefits possible under the Supplement.
- 4) All vacation weeks will now be paid on 45 hours which represents a 12.5% increase in vacation pay.
- 5) Improves the new hire progression for CDL Holders which should significantly help hiring practices at the company. For about 25% of the bargaining unit, the percentage change in the wage progression will dramatically advance their rate of pay immediately at ratification.
- 6) Moves the company to traditional road and city bid operation under the respective CS Supplements where all drivers, depending on classification, will have a more stable and predictable schedule.
- 7) Establishes the groundwork for a member-driven, Labor-Management Committee where union-represented employees can meet regularly with top management to foster better direct communications and address issues of importance in the workplace.

Simply put, based on your input, support and the best efforts of your elected representatives over the past several months, we believe this tentative agreement contains everything that is achievable with Standard Forwarding at this time and is worthy of your positive vote. If there are any questions that remain, please contact the undersigned at your Local Union.

Fraternally,

Virgil Christofferson, Local 120
John Rosenthal, Local 120
Wayne Perleburg, Local 160
Thomas Millonzi, Local 200
Jim Seelow, Local 200
Gary Mika, Local 238

Brian Simpson, Local 238
Doug Lamb, Local 279
Steve Lindquist, Local 325
Robert Warnock, Local 364
Howard Spoon, Local 371
Roger Kelley, Local 710