INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA General President

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

September 1, 2017

Mr. Al Gudim, President Corporate Labor Relations United Parcel Service 55 Glenlake Parkway, NE Atlanta, Georgia 30328

Dear Al:

I have had the opportunity to review the company's June 30, 2017, proposal to create a new classification of Full-time Seasonal Personal Vehicle Drivers ("PVD"). I must advise you that the Teamsters National UPS Negotiating Committee rejects the concept in the strongest possible terms, for the reasons set forth herein.

As you are aware, the preamble to Article 1 of the National Master Agreement expresses the parties' "mutual intent of preserving and protecting work and job opportunities for the employees covered by this Agreement." The placement of that mutual commitment in the first substantive provision of the contract was not inadvertent. It emphasizes the company's obligation to maintain and protect the job opportunities of its employees, our members.

Further evidence of that assurance is the company's pledge that "no bargaining unit work will be subcontracted, transferred, leased, assigned or conveyed except as provided in this Agreement." It is our view that the company's proposed creation of a PVD classification breaches these fundamental commitments as well as the company's obligations under Article 1, Section 4.

Mr. Al Gudim 9/1/2017 Page 2

Article 40, Section 1(i) is the only contractual provision that permits a current classification of employees to utilize their personal vehicles to deliver packages in extraordinary circumstances; i.e., where no other means of delivery is possible. As you know, that exception is limited to air packages. There is nothing in the contract that permits the use of non-company vehicles to deliver or pick up ground packages. And the painstakingly drafted and endlessly negotiated rules regarding the transport of air packages contain numerous restrictions designed to protect bargaining unit work and prevent the erosion of terms and conditions of employment, consistent with the mutual interest expressed in Article 1. Those protections and/or limitations do not appear in your proposed PVD draft. Your proposal neither provides job opportunities for current employees nor full contractual benefits and protections for the seasonal drivers. I point this out because, in my view, the proposal undercuts the standards established for the workers who currently provide these delivery services and would constitute a threat to the bargaining unit on a par with any other means of subcontracting, etc. prohibited by Article 1.

In short, we have no intention of permitting the company to utilize seasonal employees to transport ground packages in their own vehicles. We would consider any attempt by the company to initiate such a program to be a violation of the current contract and will invoke all of our rights to prohibit such implementation. And I highlight, if such is necessary, the significant financial penalties the company will face if it is found to have violated its pledge in Article 1, Section 4 that it will not to establish a parallel work force to which it can divert bargaining unit work.

Sincerely,

Sean O'Brien, Director Package Division