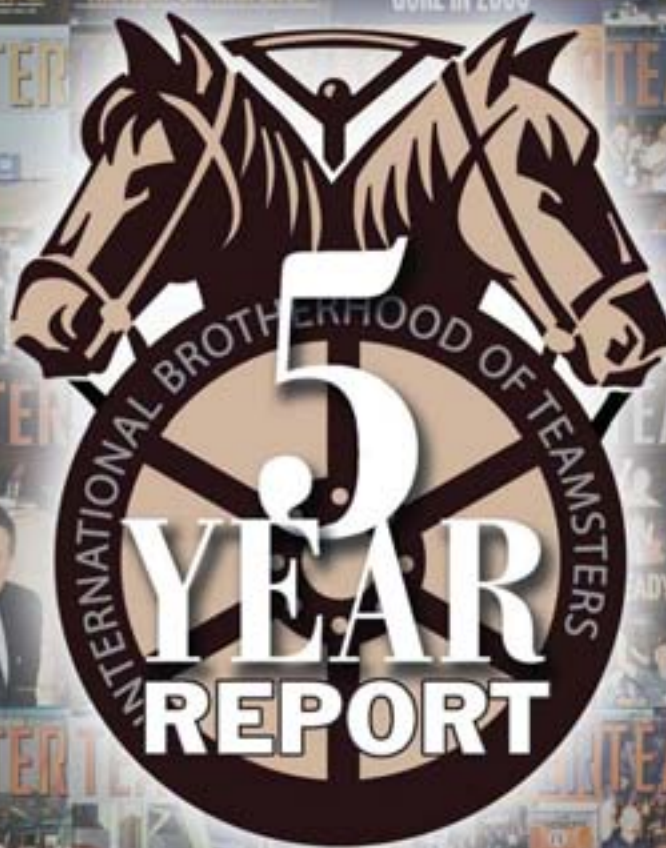


TEAMSTER



A Five-Year Report To The Membership



www.teamster.org

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TEAMSTER

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INTERNATIONAL BROTHERHOOD OF TEAMSTERS

AFL-CIO



Dear Fellow Teamster,

The past five years have been extraordinary. Our union has weathered battle after battle—and repeatedly emerged victorious. As organized labor continues to struggle against anti-worker politicians and corporations, the Teamsters Union stands alone as a beacon of worker solidarity and member strength. And though we have faced our share of challenges, we have regained our role as the most powerful union in North America.

In five short years, we have rebuilt the Teamsters Union into a powerful voice for working families. This has been achieved through strategic planning, effective implementation and, most importantly, member mobilization. And we are doing it in every area of the union.

The International Union works on your behalf in numerous areas—safety and health, contract research, media relations, steward and officer trainings, legal representation, corporate accountability and the list goes on. But there are three key responsibilities that rise above the rest: Organizing, Contracts and Politics. But growing the union, negotiating strong contracts and increasing our political power is not an easy task.

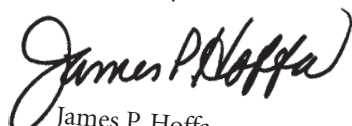
When we took office on March 19, 1999, we found a union that was on the verge of bankruptcy and was hopelessly divided. We faced employers bent on destroying our union and others willing to spend large sums of money to keep workers from joining the union. We found good union employers fighting for their survival in the face of government policies that rewarded companies for sending jobs overseas. We are fighting those who want to cut wages and health care benefits and eliminate pension and retirement plans. We engaged these challenges from Day One.

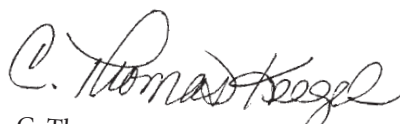
Other unions have seen our success and are joining us as never before. In the last year, the members of three international unions have voted to join our ranks—the Brotherhood of Locomotive Engineers, the Brotherhood of Maintenance of Way Employees and the Graphic Communications International Union. That's 130,000 new Teamsters. Combined with our recent organizing successes, including the largest private sector victory for all of labor in the last decade—3,200 new America West Airlines customer service representatives—we are on the path to success.

This five-year report is a detailed analysis of how we have succeeded in spite of the challenges. We are growing the union. We are negotiating the best contracts in all of labor. And we now have a voice in the political arena. We have restored the union's financial strength, including the creation of a real strike fund and a dedicated organizing fund. And we have waged a relentless fight for democracy and integrity.

Your union is stronger today than it was five years ago. We have many challenges before us, but together we will succeed. Together we will continue to build our union so more workers have a voice on the job. We urge you to read this report closely. This report is for you—the Teamster member.

Fraternally,


James P. Hoffa
General President


C. Thomas Keegel
General Secretary-Treasurer

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Organizing to

GROW



**UNION BUILDS
POWER THROUGH
SUCCESSFUL
ORGANIZING**





Unions exert power and strength through the collective will of the membership. In order to gain more power or generate greater strength, a union must increase its membership and it must do so by increasing its density within industries, sectors or geographic locales.

In 2002, the Hoffa administration convened the first-ever Special Convention to ensure that the Teamsters Union had the resources to grow and to organize new members. By establishing a dedicated Organizing Fund, the administration made a commitment to grow the Teamsters Union and increase Teamster power and strength.

The equation is simple: More members means better contracts. Organizing is truly the lifeblood of the Teamster movement—new members keep standards high for all workers and make the union healthy and strong.

Over the past five years, the Teamsters has committed more resources than ever before to growing the union and organizing new members. As a result, more workers are seeking out the Teamsters for representation and more unions, such as the Brotherhood of Locomotive Engineers, the Brotherhood of Maintenance of Way Employees and the Graphic Communications International Union, are joining the ranks of the Teamsters.

“There is strength in numbers,” said Jim Hoffa, Teamsters General President. “The most important thing we can do as Teamsters is to organize the unorganized and grow our great union.”

The Teamsters Union, like all of American labor, continues to battle economic uncertainty, unfair trade agreements and anti-worker legislation that have robbed Americans of jobs and contributed to the steady decline in union membership over the past 30 years. That is why the union is focusing all of its energy on rebuilding the union.

When the union represents a high percentage of workers in an industry, the union gets good contracts like the freight and carhaul agreements and the contract at UPS. Another example is the solid waste industry in Chicago, where the Teamsters represent a majority of the workers. Again, more members and high industry density equal stronger contracts. And the union has to make sure it is strong enough to fight the battles of the future.

A New Day

During the past five years, the Teamsters Union has put organizing at the very top of its agenda. The union’s new national organizing program serves as the foundation for rebuilding its membership. The union now has coordination throughout every level to take on global, national and regional employers. The union is leveraging all of its resources to be successful.

In 2002, the Teamsters Union held a Special Convention to put the union’s finances in order after a decade-long financial decline. In addition to establishing a permanent Strike Fund, the Teamsters created a dedicated Organizing Fund. With its financial house in order, the union now has the resources to spread Teamster representation throughout North America.

In every industry and in every part of the country, the Teamsters Union has been making great strides in organizing. The union has added thousands of members in core industries and expanded its reach in others.

Package delivery drivers, waste workers in Georgia, school district workers in Washington State, city employees in Florida, food processing workers in California, thousands of airline workers all over the country and countless other victories have all added to the recent surge in membership.

In addition to the thousands of new members organized in recent years, the recent merger of the Brotherhood of Maintenance of Way Employees (BMWEE) added another 31,000 mem-



ORGANIZING

May 1999

National Parking Council established; 330 Minnesota public defenders join Local 320.



January 2000

190 Denver bus drivers join Local 537.

October 2000

150 workers at Chicago's V & V Supremo Foods join Local 703.

December 2000

950 Air Canada flight attendants join the Teamsters.

March 2001

400 Nevada State Highway Patrol troopers join Local 14.

July 2001

230 Frontier Airlines mechanics join Local 961.

October 2001

450 nurses and technical workers join Local 79 in Tampa.

March 2002

900 Ohio Turnpike workers join Local 436.



April 2002

Special Convention creates a dedicated Organizing Fund.

October 2002

242 probation officers join Local 856 in San Bruno, California.

May 2003

900 Osceola County School District workers join Local 385 in Orlando.



bers to the ranks of the Teamsters Union. The Teamsters Rail Conference was established in January 2004 and has already garnered 70,000 new members. And on December 7, nearly 60,000 members of the Graphic Communications International Union (GCIU) chose to merge with the Teamsters and, in doing so, established a new GCIU Conference.

"The pace at which we're growing and the diversity of those joining the union is unprecedented," Hoffa said. "The recent success we've had shows that working men and women need strong unions like

the Teamsters now more than ever.

"The Teamsters have a well-deserved reputation for strong representation and bargaining," Hoffa added. "With our emphasis on rebuilding power for members in our core industries, more and more workers are seeking to join our great union. As more locals, Joint Councils and trade divisions get involved in organizing, there is no end to what we can accomplish as Teamsters."

America West

That spirit was evident last August in what was termed the biggest private sector organizing victory in the last decade. That's when 3,200 customer service representatives (CSRs) at America West Airlines voted for representation by the Teamsters Union.

The America West victory reaffirmed the Teamsters Union's status as the preeminent transportation union.

"Now that we're Teamsters, management is going to have to respect us," said Vanessa Rosa, a CSR with America West. "We won't have to live in constant fear of being fired. Being a Teamster is absolutely wonderful."

America West is the country's eighth-largest airline, making this a huge win for the company's workers. The CSRs join the airline's mechanics who have been Teamsters for several years.

"This is a milestone in the airline industry," Hoffa said after the victory. "The customer service representatives at America West were the only group of employees at the airline that were

not represented by a union. We welcome them into the Teamster family and look forward to bargaining with the company on behalf of these dedicated employees."

The 3,200-member victory is part of the union's "Organizing to Grow" program that has made organizing the unorganized a top priority. Because more members make for a stronger union and provide increased power during bargaining and in statehouses—every Teamster benefits when new members join the union.

Getting to the 'Core'

The union's "Organizing to Grow" program has already had success organizing in core industries such as solid waste, freight, warehouse and law enforcement.

In the solid waste industry, the union recently won a half-dozen elections at BFI/Allied Waste in Florida, Georgia and California. At press time, more elections were scheduled in Alabama and in the Miami area. The union has also won elections at Waste Management and Republic Services, two of the other large waste companies. The goal of the campaign is to increase Teamster density in targeted areas to improve workers' wages and benefits.

In freight, workers at USF Dugan terminals in Mobile, Alabama; Cincinnati, Ohio; and Memphis, Tennessee recently voted to join the Teamsters. A campaign is also under way to organize clerical workers at USF Holland, and drivers and dockworkers at Ward Trucking at numerous terminals.

At UPS, in yet another effort to increase density, organizers continue to work with local union leaders to sign up part-time members in so-called "right-to-work" states. Since the campaign began in earnest about two years ago, thousands of part-time workers have been signed up. The effort got a boost recently when the International Union sent locals an orientation video to educate workers about the importance of joining the union.

Meanwhile, at DHL, a campaign to organize workers at independent contractors who deliver packages for the company is full steam ahead. At press time, 522 workers at 17 different independent contractors had already joined the Teamsters and there is a potential for upwards of 9,000 additional members. The campaign comes at a time when DHL is investing \$1.2 billion in the United States to better compete against UPS, FedEx and other companies.

In 2004, the Teamsters Law Enforcement League was formed to help coordinate the organizing of law enforcement professionals. The league is modeled after a successful program in Iowa. The league allows local union leaders to share their expertise and boost organizing efforts. Last February, deputies and officers in the Volusia County (Florida) Sheriff's department voted 281-47 to join Local 385 in Orlando, just one of many recent victories.

In warehouse, big organizing victories continue to stack up. Last October, nearly 250 workers at TNT Logistics resoundingly voted to join Local 135 in Indianapolis. Last August, Local 386 in Ceres, California secured a card-check agreement with Winco Foods for more than 200 workers, just one of the many such card-check agreements won in several industries. At Costco, the union continues to have success as it wins superior contracts, making sure Costco workers continue to receive the best wages and benefits in the retail/grocery industry.

'Lots' of Success

Under the leadership of Hoffa, the Teamsters have also established the National Parking Council, an organization of local unions that represent Teamster men and women employed in the parking industry and related fields.

Only a few years ago, local unions began meeting to discuss ways they could assist each other in organizing campaigns and in labor disputes. It immediately became evident that the unity and mutual support of these local unions was essential, particularly

TEAMSTER ORGANIZING VICTORIES (OVER 100 MEMBERS)

1999

- Pittsburgh Plate Glass, Huntsville, Alabama, 475 workers
- Aetna Ambulance paramedics, Hartford, Connecticut, 100-plus workers
- Stemilt Growers Inc., Washington state, 623 workers
- Minnesota state public defenders and staff support, 330-plus workers

2000

- Canadian firefighters, 100 workers
- Denver school bus drivers at ATC/Vancom, 170 workers
- Air Canada Regional flight attendants, 950 workers
- Silverline Windows, Chicago, 480 workers
- Sears' East Coast distribution center, Wilkes-Barre, Pennsylvania, 675 workers
- Limousine Service drivers, Las Vegas, 300 workers
- Palm Springs Unified School District, 691 workers
- Minnesota state court system, court reporters, 289 workers
- U.S. Capitol Police aides, clerks, 100 workers
- Thomas Concrete, Atlanta, 500 workers
- Bruce Hardwoods, Beverly, West Virginia, 500 workers
- Uniontown (Pennsylvania) Hospital, 400-plus workers
- V & V Supremo, Chicago, 150 workers

2001

- Regional Medical Center, Bayonet Point, Florida, nurses and technical workers, 450 workers
- San Francisco Airport, 700-plus workers
- Marion County Jail corrections officers, Indiana, 226 workers
- Columbia Distributors, Renton, Washington, 180 beer drivers and warehouse workers
- Frontier Airlines mechanics, 233 workers
- Republic Services, Las Vegas, 300 recycling workers
- Downingtown Area School District employees, 160-plus workers
- Kaiser Permanente medical technicians, California, 300 workers
- ABC Group Exterior Systems, Toronto, 230 workers
- SuperShuttle drivers, California, 200 workers
- U.S. Military Academy, West Point, New York, 100-plus Mess Hall workers
- Rural/Metro Inc., Seattle area, 100 emergency medical technicians
- Nevada State Highway Patrol, 400-plus troopers
- First Student Transportation, Columbia, Missouri, 150 drivers
- Fish King, Los Angeles, 400 workers

2002

- City of Cranston (Rhode Island), 200-plus workers
- Modern Landfill, Inc., Niagara Falls, Ontario, 130 workers
- Port Huron Molded Products, Port Huron, Michigan, 245 workers
- Blandin Paper Mill, Grand Rapids, Minnesota, 650 workers
- Alameda County, California probation officers, 242 workers
- Nevada Test Range, 175 workers
- Robert Wood Johnson Hospital, New Brunswick, New Jersey, 900 workers
- Douglas County (Nebraska) Health Care facility, 300-plus workers
- Lockheed Martin, Nellis (Nevada) Test Range, 120-plus workers
- Holland (New York) Central School District, 100 workers
- Greece Central School District, Rochester, New York, 725 workers
- Munson Medical Center, Traverse City, Michigan, 300 workers
- Head Start, St. Joseph and Elkhart counties, Indiana, 135 workers
- Ohio Turnpike Commission, 900-plus workers

ORGANIZING

May 2003

The Joint Association of Boxers (JAB) affiliate with the Teamsters.

December 2003

500 CATS bus drivers join Local 71 in Charlotte.



February 2004

Volusia County sheriff's deputies join Local 385 in Orlando.

August 2004

3,200 CSRs at America West join the Teamsters.

October 2004

700 Diamond Walnut workers join Local 601 in Stockton, California.



because of the dominance of several national parking companies in the industry. Hoffa agreed. In May 1999, he established the National Parking Council and made it an integral part of the Industrial Trades Division.

Today, the National Parking Council has identified nearly 30,000 Teamsters employed in the parking industry. It estimates there are another 60,000 workers who are unorganized. In the past, many of these members worked for small companies. Today, however, many work for large corporations—a trend that is expected to continue in the future—and as these corporations are organized on a national scale so must our Teamster locals be similarly organized in order to offset their power.

Back to School with Dignity

In May 2003, nearly 900 workers in the Osceola County, Florida School District voted—by a 2-1 margin—to be represented by Local 385 in Orlando, Florida.

The Osceola County victory is the largest of recent Teamster organizing victories involving school workers—bus drivers, bus aides, cafeteria workers, mechanics, maintenance and warehouse workers and custodial staff.

“I like the Teamsters because of the unity,” said Osceola bus

All Aboard!

Historic Mergers Boost Union's Strength

Since December 2003, members of two major rail unions and the Graphic Communications International Union (GCIU) approved mergers with the Teamsters, bringing nearly 130,000 new members into the Teamster family.

Members of the Brotherhood of Locomotive Engineers and Trainmen (BLET) overwhelmingly voted to merge with the Teamsters in December 2003, and members of the Brotherhood of Maintenance of Way Employees (BMWE) voted to merge in October 2004.

“This is an extraordinary moment in the history of the labor movement,” Jim Hoffa, Teamsters General President, said after the BMWE vote. “As did my father, I have envisioned one union representing all transportation workers—roads to rails, ports to planes—that would provide workers with real power on the job and in the political arena. This historic merger brings us closer to our vision of that seamless transportation union.”

Freddie Simpson, the President of the BMWE, is now President of the BMWE Division of the Teamsters Rail Conference.



“We are proud and excited to be part of the Teamsters Rail Conference,” Simpson said. “With both the BMWE and the BLET together as autonomous divisions of

the Teamsters Rail Conference, rail workers will have greater power at the workplace, in Congress and in negotiations.”

The Teamsters Rail Conference was established in January 2004 when the BLET became the first division of the Conference. With the addition of the BMWE division, the Teamsters Rail Conference now represents almost 70,000 rail members—roughly 42 percent of all union members in the U.S. rail industry.

“We were pleased to merge with the Teamsters,” said Don M. Hahs, BLET President. “Our members now receive the benefits of belonging to the largest, most powerful, and politically influential transportation union in North America.”

driver Walter Crawley, who was one of six workers who formed the original committee seeking Teamster representation. “We’re all equal in the Teamsters. That’s what I like about it.”

The Osceola victory was followed up by another win in October 2004 at the Highline School District in suburban Seattle, where 400 workers voted to join Local 763.

Whatever it Takes

The Teamsters will keep fighting for workers for as long as it takes.

A recent example was at Diamond Walnut, where 700 employees joined Local 601 in October 2004—13 years after workers went on strike over substandard contract offers by the company.

“The company fought hard for 13 years against very determined people and they grew tired,” said Lucio Reyes, Secretary-Treasurer of Local 601 in Stockton, California. “Membership in their co-op continued to decline and the media was taking a hard look at company attitudes and practices. I think they knew it was time to work with us to build up this company—not continue to let their policies destroy it.”

“This is the most beautiful day of my life,” Teresa Michel, a sorting operator in the plant, said after the victory. “I called my son and said ‘we won!’ He couldn’t believe it. Our lives will change so much. I am so thankful to the Teamsters for their help—and now I’m one too.”

Three’s a Charm

Meanwhile, in ballots counted in December, nearly 60,000 GCIU members approved a merger to become the third major union to join with the Teamsters in the last year.

“This is a historic moment for the GCIU and the Teamsters,” Hoffa said. “Graphic communications workers exemplify quality work and the belief that workers deserve fair treatment in the workplace—fundamental traits of the labor movement and principles that guide the Teamsters Union. This merger will strengthen both parties and allow us to better provide workers with real power on the job and in the political arena.”

George Tedeschi, the President of the GCIU, was named President of the new GCIU Conference of the Teamsters Union.

“I’m extremely gratified that a majority of our active members showed the wisdom and foresight to approve a merger with our good AFL-CIO sister union. We know that by becoming an IBT conference, the GCIU will have a powerful new alliance for organizing and negotiating decent wages and benefits for our members,” Tedeschi said.

TEAMSTER ORGANIZING VICTORIES (OVER 100 MEMBERS)

2003

- Osceola County (Florida) school workers, 879 workers
- Municipal Parking, Inc., Minneapolis, 176 workers
- Charlotte (North Carolina) Area Transit System (CATS), 400-plus workers
- Swissport Cargo Services, JFK Airport, New York, 110 workers
- Budget Rent-A-Car, Washington, D.C. area, 109 workers
- Coca-Cola merchandisers, Sylmar, California, 100-plus workers
- Renaissance Mark Inc., Bowling Green, Kentucky, 112 workers
- Allied Waste/BFI, Huntington, West Virginia, 100-plus workers
- Wonder Bread thrift stores, Chicago area, 104 workers
- TNT Logistics, throughout Canada, 250-plus workers
- Acres Group Landscaping, Chicago, Illinois, 106 workers
- USA Parking, Burbank, California, 101 workers
- City of Huntington Beach, Huntington Beach, California, 500 workers
- Tyco Suppression, Windsor, Ontario, 108 workers
- Coach USA, Las Vegas, Nevada, 300 workers
- Allied Waste/BFI, San Carlos, California, 253 workers
- Durham School Services, Hayward, California, 250 workers
- Yellow Bus Company, Baltimore, Maryland, 150 workers
- Yellow Bus Company, Baltimore, Maryland, 114 workers

2004

- Fort Lauderdale, Florida city employees, nearly 1,000 workers
- Highline School District, Seattle area, 400 workers
- Grandview Foods/BBSI, Grandview, Washington, 345 workers
- Diamond Walnut, Stockton, California, 600-plus workers
- TNT Logistics, Indianapolis, nearly 250 workers
- American Red Cross, northern Ohio, 178 workers
- America West Airlines, nationwide, 3,200 workers
- Winco Foods, Ceres, California, 200-plus workers
- DHL-Gateway, Miami, nearly 200 workers
- DHL, Los Angeles International Airport, 150 workers
- ATC/Vancom, San Jose, California, nearly 300 workers
- Citywide Mobile Response, New York City, 128 workers
- Sears, Puerto Rico, 477 workers
- Chicago-area landscapers, 400-plus workers
- Caesars Indiana Riverboat Casino & Hotel, Elizabeth, Indiana, 198 workers
- Berner Food Services, Inc., Oxnard, California, 150 workers
- Portal Publications, Hayward, California, 107 workers
- Caesars Palace, Las Vegas, 129 workers
- DHL, JFK International Airport, New York City, 339 workers
- Washington state Corrections workers, 5,216 workers
- HPR-Link Logistics, Santa Fe Springs, California, 135 workers
- Apollo Transportation, Yonkers, New York, 165 workers
- Allied Waste/BFI, Atlanta, 120 workers
- Knauf Insulation, Shasta Lake City, California, 140 workers
- Volusia County (Florida) Sheriff’s department, 340-plus workers
- North American Airlines, JFK Airport, New York, 117 workers
- Evansville-Vanderburgh (Indiana) School Corporation, 323 workers
- Waste Management, San Juan, Puerto Rico, 100 workers
- NORPAC, Yakima, Washington, 900 workers
- New York City Ambulance Company, New York City, 128 workers
- DHL-IC: GF Trucking, San Diego, California, 100 workers
- Allied Waste/BFI, Lawrenceville & Gainesville, Georgia, 140 workers
- Aggregate Industries Redi-Mix, New Hampshire, 100 workers

Teamster Contracts:

STRONG

Representation

**STRONG AGREEMENTS
KEEP THE UNION
MOVING FORWARD**





The true measure of a union's worth is in the value of the contracts it negotiates. Over the past five years, the Teamsters union has negotiated some of the best agreements in the entire labor movement in spite of negative economic conditions.

The successes include national master agreements in core industries including Carhaul, where contract victories in 1999 and 2003 preserved health care, increased pensions and raised wages; Freight, where a \$1.7 billion National Master Freight Agreement in 2003 became the top monetary package ever for more than 65,000 members—a \$700 million improvement over the previous agreement; and UPS, where 2002's national master agreement marked a \$9 billion improvement over the previous contract and secured the best wage and benefit package in company history, providing 200,000 Teamsters with the industry's strongest job protections.

According to the *Wall Street Journal's* July 17, 2002 edition in reference to the UPS contract, "It was clear the Teamsters got by far the richest contract ever from the company, even winning battles on issues that had gone nowhere in negotiations during previous contracts."

And thanks to the union's revamped dues structure—a result of the 2002 Special Convention—a dedicated Strike and Defense Fund provides members on strike with out-of-work benefits of 10 times the hourly rate compared to the prior \$55 a week. The Fund serves as an important bargaining tool for extracting gains during negotiations.

Contracts keep the union moving forward and they are built on year after year. The Teamster Union has seized the opportunity and made huge strides forward in terms of wages, job protections,

benefits and even adding thousands of workers to the rolls through strong contracts.

The economic health of our nation hasn't helped matters. The past five years have been some of the most challenging in our nation's history. Millions of jobs have been lost. Companies are outsourcing work overseas, slashing health benefits and abandoning pension programs. All this while the cost of living is rising and an anti-union White House has given free reign to corporate interests. Without a Teamster contract, thousands of working people would have little protection in the face of corporate greed.



Carhaul: The First Test

The first big test of the Hoffa administration came early.

Contract talks between Teamster carhaulers and management were breaking down as management asked for huge concessions. The Teamsters had to establish a pattern of fighting rather than just stand by and watch management step on hard-working members.

The Teamsters united carhaul members with an unprecedented amount of communication in the form of rallies, newsletters and a telephone hotline that was called more than 20,000 times during the course of the campaign. More than 6,000 carhaulers, family members, friends and union supporters attended solidarity rallies in Detroit, Nashville and Los Angeles. Teamsters from across the country came together in support of their carhaul brothers and sisters.

In last-minute bargaining sessions, the union and its members let it be known that they were ready to strike and they meant business. On the day the contract expired, management buckled. Management came back to the table and met demands to give workers breakthrough pension gains, increased job security and significant wage increases.

The four-year agreement, which averted a national strike, included a provision that would also set the stage for a battle that the

CONTRACTS

June 1999

National carhaul contract reached averting a nationwide strike.

April 2000

Members from 35 locals ratify the Master Dairy Contract.

June 2000

After 60-day lockout, AWG Teamsters ratify contract, go back to work.

December 2000

Thousands of Teamsters ratify contract with Gate Gourmet.

January 2001

Detroit casino workers win strong first contract.



Teamsters are still fighting: The contract, which was ratified by 80 percent, prevents management from hiring underpaid Mexican drivers and unsafe Mexican trucks to deliver vehicles to the United States.

"The campaign we waged to win a good contract shows our commitment to rebuilding the strength of the Teamsters through unity," Hoffa said. "We made great progress in healing the deep divisions that have weakened the union in years past. This

contract truly sets a new standard for all working people."

The decisive victory set the stage for many more victories and sent a message to management everywhere: The Teamsters are back.

Money Challenges

After the carhaul victory, the union was facing difficult negotiations with UPS but didn't have the money to back up a possible strike. Prior to the contract campaign at UPS, parcel members got a boost when member-elected delegates to the 2002 Special Convention approved a dues increase to finance a dedicated strike fund.

At that convention, there was much debate and discussion about the recommendations of the Blue Ribbon Commission on Teamster Finances. Democratically-elected delegates discussed the proposals and, in the end, reform won and led to the adoption of a plan that transformed the union.

The plan allowed the union to have a meaningful strike fund, create an organizing war chest and provide expanded resources to combat corporate America and fight for Teamster members and their families.

The fund increased members' promised strike benefits from \$55 per week to 10 times the worker's hourly wage, per week. In addition, the Teamsters obtained a \$100 million line of credit to fund any potential strike action.

"We will show UPS and the freight companies that we mean business," Hoffa told delegates at the Special Convention.

Jack Cipriani, an International Vice President from North Carolina and National UPS Negotiating Committee member, added, "We're showing UPS that we mean business. We will fight to preserve the dignity of our members. We will fight to protect Teamster jobs. We will fight to get the wages and benefits our members deserve."

UPS: Setting the Standard

The UPS contract bargained by the Teamsters was not only a huge victory for UPS workers and for the union, it was a victory for all of organized labor. It showed what kind of gains could be won—even during tough economic times.

The contract campaign included rallies, petitions and an army of 210,000 dedicated UPS Team-

June 2001

Ryder Truck Rental workers from Locals 495 and 631 ratify five-year pact.

August 2001

Basic Vegetable workers return after two-year strike with strong contract.

April 2002

Local 572 bus drivers return from month-long strike with winning contract.

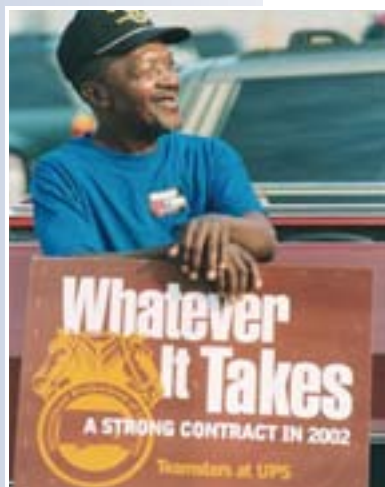


August 2002

UPS workers celebrate richest contract in history.

September 2002

900 Ohio Turnpike Teamsters ratify strong contract.



sters who were willing to stand up to management. UPS had the money, but the Teamsters Union had strength in unity and numbers.

On August 29, 2002, UPS members approved their national contract by more than 72 percent. The agreement, worth \$9 billion more than the previous contract, set the standard for collective bargaining agreements—and included extraordinary gains. The six-year contract yielded an average annual wage and benefits increase of 4.1 percent, compared to 3.4 percent in the 1997 agreement. It had a new cost of living formula that protects employees from future inflation and has health and welfare and pension contribution increases of \$3.75 over the life of the contract.

One of the most astonishing things achieved in the contract, at a time when the country was losing more jobs than it was creating, was it created 10,000 new full-time jobs, converted 10,000 nonunion jobs to union and had protections for the jobs that already belonged to Teamsters. In a tough economic climate, the contract set a new standard by delivering the richest contract in UPS history.

“This contract is a sign of things to come and shows that experience and dedication will be rewarded,” Hoffa said at the time. “We stood our ground and didn’t back down to deliver the largest wage and benefit increases ever.”

UPS: More Jobs

The master contract for UPS Teamsters wasn’t the only accomplishment at UPS during the past five years. Two years earlier, in the spring of 2000, an arbitrator ruled that UPS must fulfill its contractual obligation to create new full-time Teamster jobs as called for in an earlier National Master United Parcel Service Agreement.

In all, 10,000 new jobs had to be created and the total cost to UPS was estimated to be approximately \$80 million—the largest award in Teamster history. The new jobs moved part-timers into full-time positions.

UPS officials had refused to create the new positions called for in the first two years of the contract, claiming a reduction in package flow as a result of the 1997 strike. In 1999, under pressure from Hoffa, UPS announced it would fulfill their contractual obligations.

NMFA: History Repeats Itself

In 1964, the National Master Freight Agreement (NMFA)—the first-ever national agreement in trucking—was the crowning achievement of legendary General President James R. Hoffa. He strategically worked to establish concurrent expiration dates on all freight agreements so the nationwide unit of drivers could leverage their collective strength to achieve that historical agreement. The contract has always represented the very foundation of the Teamsters Union.

In 1964, the first NMFA shifted bargaining power from the regional to the national level and revolutionized the way America

Costco Workers Ratify Three-Year Contract

Workers Receive Wage Increases and Bonuses

By a 9-1 margin, Teamsters who work at Costco warehouses in four East Coast states approved a three-year contract that provided increased wages, bonuses, a strengthened grievance procedure and other improvements. The November 2003 victory affected 3,500 workers at 16 warehouses in New York, New Jersey, Maryland and Virginia.

The contract included bonuses ranging from \$4,000 to \$7,000 in the first year, depending on length of service; an hourly wage increase in the first year retroactive to March 1, and additional hourly wage increases; economic issues such as wages, benefits and bonuses will be revisited in the second and third years of the contract, pending Costco contract talks in California; a more efficient grievance procedure that will lead to quicker resolutions involving worker-management disputes; preservation of seniority rights; and increased afternoon break time from 10 to 15 minutes.

The contract reaffirmed the status of Costco Teamsters as the highest paid workers in the grocery industry.

Got Milk?

Strike Averted in Master Dairy Negotiations

Another early measure of the Hoffa administration’s strength came in the bargaining of the Master Dairy Agreement in April 2000. Facing stubborn employers, the Teamsters made it known that workers were ready to strike and willing to back up the threat. Negotiations went down to the wire on the agreement, covering members in 35 locals.

The sticking point was a provision that previously allowed management to impose settlements allowing automatic employer takeaways, subcontracting and imposing settlements on locals.

“We were just one phone call away from going on strike over the imposed contract issue,” said Mike Klootwyk, Iowa Dairy Chairman and Secretary-Treasurer of Local Union 387 in Des Moines, Iowa.

At the last minute, management relented and the agreement passed by more than a 9-1 margin. The workers covered by the contract included half-pint, half-gallon and gallon operators, cooler, production, dock and intake workers, and processing and CIP operators.

CONTRACTS



February 2003

National Master Freight Agreement is ratified by 86% of members.

July 2003

Carhaul Teamsters ratify national agreement.

October 2003

Chicago waste workers strike and win industry-leading contract.

November 2003

Costco Teamsters vote to ratify industry-leading contract.

February 2004

1,600 Local 665 parking workers ratify contract by a 95% margin.

March 2004

Approximately 7,500 workers at A-B ratify \$4 billion contract.



moved its goods. It also brought a whole new generation of workers into the middle class. The current NMFA covers approximately 65,000 Teamsters at numerous trucking companies.

General President Jim Hoffa tackled the tough job of negotiating the NMFA again in 2003. The contract campaign, called "Freight Unity," solidified member commitment and kept all lines of communication open between the union and the members.

Before the Hoffa administration, the NMFA contained several concessionary agreements that were negotiated by the preceding administration. The administration and the members covered by the NMFA sent a strong message that not only did they want gains in the contract, they wanted past concessions done away with. To show management they meant business, more than 95 percent of those covered by the NMFA voted for strike authorization.

"Unity is what the labor movement is all about," Hoffa said. "Like the UPS negotiations, once the employers saw we were united, they abandoned their stalling tactics when they saw we meant business. The national agreements we have reached are milestones that speak for themselves."

Getting the Hammer Back

The strike authorization proved unnecessary when the companies involved in NMFA bargaining agreed to the union's demands and members overwhelmingly ratified the contract by 86 percent—the highest margin ever for the NMFA.

The total value of the NMFA was \$1.7 billion, compared to an agreement worth \$1 billion in 1998.

One of the most positive aspects of the contract was a clause that restores "The Hammer," the union's right to strike over deadlocked grievances that was given away in 1994.

"We got the power back, we got 'The Hammer' back," Hoffa said. "By approving this agreement, our freight members now have five years

Easy as A-B C

Anheuser-Busch Contract Richest Ever

The Teamsters represent approximately 7,500 workers at 12 Anheuser-Busch (A-B) breweries across the United States under one national master agreement. In March 2004, the members ratified a strong new contract.

The contract—one of the richest in Teamster history—also includes new job protections and the total value exceeds \$4 billion. Workers will also get wage and pension increases each year until the new contract expires in 2009. Perhaps the most important aspect is that workers and retirees with the world's largest brewer still do not have to pay health premiums or co-payments.

"This was our first A-B contract for the 21st century and I can think of no better way to start off the millennium for these hardworking men and women," said Jack Cipriani, Director of the Brewery and Soft Drink Conference. "In the past, a lack of unity hurt us in negotiations. We wanted to make a fresh start with A-B and that's exactly what we did."



of security for themselves and their families. We have truly achieved a historic contract.”

Because a message was sent that the Teamsters would not be divided and would speak with one unified voice, the hammer wasn’t the only thing won in the contract. In addition to maintaining strong health care benefits and winning the highest wage increases in more than a decade, the five-year NMFA truly brought power back to Teamster truckers.

Like the UPS contract before it, the NMFA provided a shot in the arm to all working families who have been faced with givebacks and concessions during difficult economic times.

Carhaul: Coming Full Circle

The Teamster again negotiated a successful carhaul agreement in 2003 when carhaul members approved a new contract that was approved by 72 percent of those voting.

The Teamsters Union and its carhaul members showed the first time around that they were serious. They built on that victory to score an even more substantial contract the second time around.

The new contract increased wages and benefits by 13.4 percent over the term of the agreement, with many features and protections important to the carhaulers. Stronger language was added protecting Teamsters from encroachment from cross-border trucking. Job security enhancements were added to the contract that included the ability of members to follow their work when a contracted carrier is replaced. Cost-of-living adjustments were improved and protections were added to enhance the early retirement and prescription drug benefit for retirees that was won in the 1999 contract.

“This agreement was won through the unity of our members and the tireless efforts of the negotiating committee,” said C.B. “Doc” Conder, Teamsters Carhaul Director and Co-Chairman of the Negotiating Committee. “Committee members kept in constant contact with the membership, working collectively and diligently with the International Union’s support divisions, departments and staff. The committee members left no stone unturned to ensure that the concerns and needs of the members and the industry were properly addressed.”

“By approving this agreement, our carhaul members have protected the benefits they have worked so hard to secure,” said Hoffa, who served as Chairman of the Union’s National Negotiating Committee. “The industry is facing difficult conditions, and this agreement improves job security, increases wages and provides a strong cost-of-living adjustment.”

Union Stops AWG In Its Tracks

Contract Negotiated and Ratified in the Process

The Associated Wholesale Grocers (AWG) fight came early in the Hoffa administration, but the workers, along with the union, put up a fight and ended up winning a rich contract. It came after a tremendous fight, though.

Grocery distributor AWG fired more than 1,400 Teamsters in Springfield, Missouri and Kansas City, Kansas. Then, AWG severed ties with the union by bringing in subcontractors to run warehouse and trucking divisions. Two months after doing all this—after eight weeks of workers rallying in the streets, at AWG-member grocery stores and at the warehouse gates—the company unlocked its doors and the workers streamed back in with a new eight-year contract in their hands.

Simply put: The Teamsters stopped AWG’s perfect plan in its tracks. Powerfully orchestrated efforts by Local 245 in Springfield and Local 955 in Kansas City and overwhelming community support for a boycott of AWG stores also made short order of the company’s attempt to rid itself of the union. Teamsters approved contracts that included increased pension benefits, fully-paid health insurance, wage increases and a settlement of outstanding grievances with AWG.

Sweet Smell of Success

After Nine-Day Chicago Garbage Strike, Teamsters Emerge Victorious

Late in 2003, some companies still hadn’t gotten the message that the Teamsters would not be short-changed. The waste industry in Chicago came to a standstill as 3,300 workers went on strike when their employers, members of the Chicagoland Refuse Haulers Association (CRHA), refused to bargain fairly.

As the expiration of a five-year agreement approached, the 3,300 Teamsters—members of Locals 301 and 731—expected a fair contract. But after three months at the bargaining table, CRHA offered Teamster workers a wage freeze and out-of-pocket health expenses for members. The Teamsters Union was not going to back down from this fight. On September 27, 2003, 2,500 Teamsters attended a rally where they voted to strike. On October 1, waste and refuse haulers went on strike to win a fair contract and justice for the men and women who keep the Chicagoland area clean.

An agreement was reached after nine days on strike and marathon negotiating sessions between the union and association representatives. In the end, the Teamsters won \$7.95 an hour increase to cover wages, pensions and benefits over the life of the contract—as opposed to the 65 cents the company originally offered. Maintenance of health and welfare benefits with no out-of-pocket costs to members was also achieved, as well as pension security and improvements in subcontracting language.

Q & A

with General President
Jim Hoffa



You've been in office for five years now. Looking back, what would you say were the biggest challenges you faced when you first took office?

When the members elected us in 1999, the union was a shadow of what it used to be. It was in turmoil and divided. Locals were fighting against locals. The union's finances were a disaster. The last administration had turned a blind eye towards corruption at all levels of the union. The members were no longer in control. Our democracy was in jeopardy. And the combination of a lack of unity, wild spending and corruption kept the Teamsters from being a political force for good. To me, the Teamsters Union has always been a symbol of strength. And that strength comes from the members. That's why our first order of business was to put the union back in their hands.

As you said, when you took office, the union was very much divided. What have you done to unify the Teamsters?

The first thing we did was to reach out to Teamster members on all sides. We'd had enough of rhetoric and politics. It was time to stop fighting against each other and time to start fighting for the members. And we backed up that message with meaningful actions. By putting the interests of the members first, we were able to get everyone on the same page. The actions we took included negotiating strong contracts, implementing reforms to solidify our finances, making the union more democratic, enforcing a zero-tolerance policy for corruption, re-establishing the Teamsters as a political force and improving communication throughout the union. By taking quick, decisive steps, we showed we were serious about making the Teamsters great again. I am extremely proud of the way our union responded and came together. Today, the Teamsters are unified and strong once again.

You faced a number of important negotiations in the last five years. In a very tough political and economic climate, how has the union fared?

In 1999, we didn't have much time to get comfortable as we immediately had to deal with Carhaul talks. Overall, I'd say that we've negotiated some very strong contracts. And if you look at the ratification numbers, the members agree. We've been able to win contracts that have wage increases, job security provisions and increased health and pension contributions. If you read the papers, you know that most Americans are just trying to keep their jobs, trying to find ways to make ends meet. Employer-paid health insurance and defined benefit pension plans are very rare and getting rarer by the day.

The key to our bargaining successes

agreements, that's when we know that our strategy has paid off.

In 2003, 86% of the members ratified the NMFA agreement. UPS was over 70%. Carhaul was 80%. At Associated Wholesale Grocers, it was approved by 93%. We've also won strong contracts at Anheuser-Busch, the Master Dairy Agreement, Detroit casino workers, Chicago Waste Haulers, Ryder, Airborne Express (now DHL), Ohio Turnpike, Costco, Waste Haulers and America West. It's all because the members are involved and united. We win when we're united. Period.

I'd like to add that our job doesn't end when we ratify the contract. All of us, officers, business agents, staff and members, need to enforce our contracts. We've had to fight for every single thing in our contracts. Wages, health benefits, pensions, job protections. We can't let companies

"The attacks on our industries, on American jobs, on the health care system and on pensions are all attacks at our very way of life. Unions created the middle class. Now, we need to fight to save it."

has been the involvement of the members. For our big contracts, like UPS, Carhaul and the National Master Freight Agreement, we start putting together our proposals a year ahead of time. We hold contract campaign kickoff rallies and membership meetings. We take member surveys to find out what issues are important. Then, the members sit down at the negotiating table. When the members are informed and united, we have the power. The companies, on the other hand, have to take their concessionary demands off the table and start working with our proposals. When it comes time to ratify the

ignore the provisions of our contracts. We've all worked too hard to get where we are. Every negotiation, we have to fight just to keep what we already have, let alone improve anything. And, while they are very important, these fights are not just about principles, they are about money. In the last five years, we've won hundreds of millions of dollars for members all over the country through the grievance and arbitration process.

The percentage of Americans in labor unions is hovering around 12%. What are the Teamsters doing to increase their size?



What The Media Is Saying About

"The Teamsters union has proved to be a master of grassroots advocacy, garnering overwhelming political support for blocking Mexican trucks."

—THE NATIONAL JOURNAL

"It is impossible to recall another example of a union or trade association that scored two major victories the same day following a strategy of simultaneously challenging and embracing the White House...The Teamsters has become the embodiment of the free-agent politics that now dominate Washington."

—USA TODAY

"The Teamsters emerged as the big winner in the union's five-month showdown with package-delivery titan UPS Inc. As details of a tentative contract pact were announced, it was clear the Teamsters got by far the richest contract ever from the company, even winning battles on issues that had gone nowhere in negotiations during previous contracts."

—THE WALL STREET JOURNAL



Organizing is the lifeblood of a union. We are turning our union into an organizing force. We held a Unity Conference in 2003 to launch our "Changing to Grow" program. We have gone from having virtually no organizers in the field when we took over in 1999, to today where the International Union has more than 100 full-time organizers in the field. We are dedicating millions of dollars a year to organizing at both the International Union, Joint Council and local union level. We are training members, officers and staff to be organizers. And it's working. Thousands of workers recently won elections to join the Teamsters at DHL, America West, Costco, Canadian Firefighters, U.S. Capitol Police, Florida fuel drivers, Sears Warehouse, parking workers, and in schools and hospitals. We've also partnered with UNITE-HERE in a campaign to organize laundry drivers at Cintas. In addition to organizing, we've had several unions merge with us, including GCIU, the Brotherhood of Locomotive Engineers and the Brotherhood of Mainte-

nance and Way Employees. The Teamsters union is united, strong and on the move and this is attracting new members.

Why is organizing so important? Shouldn't you concentrate on helping existing members first?

That's just it. The larger the Teamsters Union is in general and the more we expand our market share in each industry, the more power we have to help all of our members. As our union grows, it gives us the strength to negotiate stronger contracts, to improve our benefit plans and to advocate for worker-friendly legislation at the local, state and national levels. I've always said that our union gets its strength from the members. As we continue to add members, we will continue to grow stronger. And, if we don't get out there and organize, the reverse will be true. We will grow weaker and weaker.

What is the current condition of the union's finances?

In 1999 when we took office, our treasury

was down to just over \$1 million. The union was spending more than it took in. The situation was out of control. As a result, the Strike Fund was depleted and we didn't have the resources to service our members the way they deserve. So we immediately put in place some reforms to straighten things out. We had a balanced budget in our first year—and every year since. Within the first four months, our assets doubled to \$6.4 million and after eight months they were up to \$10.4 million. Today, the Teamsters' are back to having the largest net assets in the labor movement and our strike fund is strong again. But the problems we inherited went beyond lax controls and deficit spending. The union had not adjusted its dues structure since 1983. In 1999, the Teamsters were operating on the same income level as they did in the 1970s. We put together a Blue Ribbon Commission to examine our financial situation and come up with a plan that would put the union back in the black, restore the Strike Fund and set aside resources for organizing. The Commis-

About The Teamsters Resurgence

THE SUN

"There was a time when the very word Teamsters evoked some pretty dark images...But that was then. This is now. Teamsters and turtles together, confronting corporate globalization in Seattle; Teamsters helping to lead the human rights fight against PNTR with China; The Teamsters, in short, making a bid to become key partners and allies in that progressive coalition that began to gel out of the gaseous clouds of the WTO protests."

— THE NATION

"The Teamsters are again a force to be reckoned with after years of infighting...They have a lot more political clout than a few years ago."

—THE BALTIMORE SUN

"Hoffa has transformed the union into a premier political force."

—TIME MAGAZINE

sion came back with a plan that kept our local union per-cap payments to the International Union lower than any other international union at the same time as it restored our financial strength and gave us the resources to grow again. The elected delegates approved those recommendations at a Special Convention in 2002. Today, the Teamsters Union has financial stability and a plan in place to keep us secure for a long time.

The political climate in Washington and around the U.S. is not favorable to unions and the issues important to working families. What have you been able to accomplish in the political arena?

One of our biggest accomplishments has been mobilizing our membership. Our political action committee, DRIVE (Democrat, Republican, Independent Voter Education) is one of the largest PACs in the country. On top of that, we have worked hard to make sure our members are registered to vote and get involved in the political process. This

combination of resources and an active membership is incredible. We have been able to protect our borders by stopping the practice of letting Mexican trucks and drivers enter our country without any screening. We have lobbied hard to make sure that American trade agreements contain labor and environmental standards. We have taken on leadership roles with other groups to fight against unfair trade agreements like NAFTA and PNTR. More than that, we have restored the union's reputation. Politicians and other public officials from both sides of the aisle know we are a force for workers' rights. We fight for issues that impact the lives of our members. And we support candidates who support our issues. By taking a bipartisan approach, we have increased our political clout.

Over the last five years, I've had meetings with both U.S. presidents, Clinton and Bush. When people run for office at all levels, they seek the support of the Teamsters, because they know what it means to have Teamster members behind

them. We did not win the last presidential election, but we have had many successes across the country in races for the U.S. Senate and House, governorships and other offices. Some of our members have even run for office themselves—and won!

What was different about the Teamster effort in this last election?

We launched the most aggressive political action program in Teamster history this last election. Our main goal was and continues to be to advance labor's agenda in Washington and state capitols around the nation. While our candidate, John Kerry, did not win, we are proud that the International Brotherhood of Teamsters, along with the entire family of labor, united in an historic effort to fight for the interests of working families. As a result, more than 55 million people cast their vote for a progressive agenda.

For the Teamsters, this election marked the largest member mobilization effort in the history of our union. With hundreds of Teamsters working full time on the

Hoffa leads Teamsters' political resurgence

Union chief's reforms get credit for growing influence in Congress

By ALAN MACQUEEN
SAN FRANCISCO TIMES

DETROIT — The Teamsters' political resurgence



Changing: James P. Hoffa addresses a Teamsters' convention in June. The union played a role in two major congressional decisions this year.

ASSOCIATED PRESS

Working a Double Shift

The Teamsters are back in the center of Washington battles, playing both sides of the aisle

By JOHN F. DICKERSON, WASHINGTON

There was this notion in America, says Teamsters president James P. Hoffa, going his fingers through a picture of himself with a young woman, as if he were a man. The two are smiling over a picture that reads "Teamsters are not to be trifled with." The photo on his office wall is a testament to Hoffa's willingness to join with anyone to protect his 1.4 million members. He will make that point again this week when he meets with the union's endorsement to push for drilling in Alaska's North Slope, which he hopes will create jobs. "We have no personal friends," Hoffa says, using a well-worn phrase, "only personal interests."

With Congress closely divided, everyone in Washington wants to be viewed as the key to legislative success. By shifting alliances and presenting an aura of unpredictability, Hoffa has transformed the oft-forgotten union into a premier political force. In the coming weeks, the White House needs him to secure the first

on the "Universal" bill," says a senior Bush adviser, "or making them defend it."

Shifting the Teamsters' stance before Bush was in the White House. The President's chief strategist, Karl Rove, has known Hoffa for years, and the labor leader is quick to mention the help they offered during his own against Sen. Gary Hart in 1986. That political deal was Hoffa's Teamster endorsement, but when the two men who held their hands' jobs met last year, they hit it off.

By shifting alliances and presenting an aura of unpredictability, Hoffa has transformed the union into a premier political force



"The White House pays more attention than the last one did," says Teamsters spokesman Bob Latham.

On promoting Alaska drilling, the union and the White House have worked the old staff route. Environmentalists had wanted more restrictions that might change the schedule, but the White House credits the Teamsters with changing minds. When the issue came up a year ago, House Republican Whip Tom Lantos (D-Calif.) was the Teamsters' ally, which included pushing for stronger measures' efforts as well as by the House floor. The vote passed. "This was a job for us and not for me," Hoffa says. "I'm not going to be a part of it, but I'm not going to be a part of it."

Hoffa is now putting his reputation to rest. Hoffa's former boss, the Justice Department will decide the four-member Independent Review Board, which includes the union he fired. Hoffa, who gets to choose one board member, has spent the last several months in the White House. The old administration paid the office, and the two members select the third. Hoffa says a little to appear skeptical. Hoffa says if the watchdog group sees the Teamsters as a threat.

The firing also keeps Democrats in line. "We're not trying to drive a wedge between us and the Democrats," says Mike Hoffa, Teamsters director of government affairs. "We don't want to be in the ground." Such promises will help Hoffa, according

to Hoffa, with "what now?" Hoffa played the senior day in and from Washington. The Teamsters are still big in Detroit, and they're still big on a main named Hoffa.

In recent weeks, the Teamsters and their new president, Hoffa's son, (See Union, 6)

campaign in the field, and with hundreds of thousands of leaflets and phone calls, hundreds of work site visits and dozens of rallies, the Teamster membership has never been more involved in a presidential election. We knew all along that, at a time of war, the campaign to defeat President Bush would be a tremendous challenge, but it was a challenge we could not avoid because working families confronted a jobs, pension and health care crisis that could only be solved with a new direction in government policy. That crisis continues and we will not rest in our efforts to confront it and solve it. We will continue

“Our union has come a long way. I’ve never been more proud to be a Teamster and look forward to serving the members in the years to come.”

the things that we can do as Teamsters are similar. First of all, we need to continue to negotiate strong contracts that guarantee and improve our benefits. Secondly, we need to use our numbers to influence the

Companies that provide health care for their employees have faced double-digit cost increases. Two-thirds of large employers have increased employee co-pays in the last year alone. The employer-based health care system is crumbling. The health care crisis contributes to the export of our manufacturing base. It’s the cause of strikes. It’s pulling wages and family income down. When the Chairman of General Motors and the President of the Teamsters both call for a national health system, you know it’s time. First of all, we have to get Washington to summon up the courage to take on this issue. Then, we will have to fight for a system that is fair to working families and protects the benefits we have fought so hard for over the years.

The pension system has a very different set of problems. While the health care system in America is definitely broken, the pension system is not. With some very minor tax changes, Social Security could easily be fixed. However, the Bush administration and its allies don’t want to fix the system. They want to see it destroyed. They want to make defined benefit pension plans a thing of the past. Their vision of an “ownership society” means privatization of Social Security and other programs. And that means putting all of the risk and responsibility on individuals. They want us to gamble away our retirements in the stock market. To address the nation’s pension problems, once again, we need to negotiate strong contracts. We need to fight back employers’ efforts to convert our defined benefit plans to defined contribution, or 401(k), plans. We also need to protect multi-employer plans that spread the risk out over many companies in an industry. And we have to influence our elected officials to take a stand to protect retirement security.

The labor movement was a critical part of the creation of the American middle class. Fair wages, job security, protections on the job, health coverage and guaranteed pensions all contributed to families



the fight for fair trade, universal health care, worker rights, pension reform and retirement security. And we will continue to work with everyone — Republican, Democrat and Independent—who shares our agenda.

You mentioned the health care and pension crisis. What are the Teamsters doing to address these important issues?

The pension and health care systems are under siege. These two crises are the result of a direct attack on the American Dream—and the American middle class. While the two systems have different problems and require different solutions,

legislative and political agenda. This means not only electing public officials who will fight for our issues, but also creating and supporting legislation to protect our benefits and fix the problems in pensions and health care. Thirdly, we need to organize. The more members we have—the more people in the American labor movement—the more power we have.

Looking at health care specifically, there is really only one solution at this point. We need a national health care system and we need it now. Rising health care costs are causing a loss of jobs and making America less competitive. Today, 45 million Americans are without health care.

being able to live the American Dream. The attacks on our industries, on American jobs, on the health care system and on pensions are all attacks at our very way of life. Unions created the middle class. Now, we need to fight to save it.

While protecting Teamsters on the job is critical, what is the union doing to help Teamsters and their families in their communities?

Obviously, a union must be able to provide its members with good wages and benefits, protections on the job and job security. But the Teamsters Union has always been much more than that to me. There's a reason we call ourselves a brotherhood. We are a family. That means we have to do much more. The Teamsters have always been active in the fight for civil rights. We have taken up a number of initiatives to help our members and their families. One that is especially important to me is the James R. Hoffa Memorial Scholarship Fund. We now give out 100 scholarships worth a total of \$300,000 a year. Helping our members help their children succeed is a very fitting tribute to my father. While we're on education, our members have started school-to-work programs and donated history books to classrooms. Another program that I'm proud of is our Disaster Relief Fund. Teamsters from across the country contribute to this fund to help out other Teamsters in need. We have been able to help out our brothers and sisters in Oklahoma, Florida, Kansas, Virginia, New Jersey, Kentucky and Guam, to name a few places, as they tried to get back on their feet after hurricanes, tornadoes, floods and fires.

Of course, I can't talk about disaster relief without once again expressing how proud I am of the way our members responded to the terrorist attacks of September 11. Teamsters in the New York City area immediately volunteered in the rescue, recovery and clean-up efforts. Teamsters from across the country sent

donations and even made trips to New York to lend a hand. We will always remember the way we responded and the spirit we showed. Since September 11, many members of the Teamsters family have been called into active duty, serving in the armed forces around the world to protect our country. Our thoughts and prayers are with all of them.

Unfortunately, when you mention the Teamsters Union to some Americans they think of corruption and organized crime. You launched your own internal program to root out corruption and criminal influences throughout the union. Five years later, what kind of progress have you made?

The Teamsters stereotype doesn't mesh with reality any longer. In fact, today's Teamsters Union is the cleanest and most democratic union in North America. Our union is comprised of 1.4 million men and women who work hard every day. And there are thousands of shop stewards and local union officers who work equally hard defending their interests. Nevertheless, we are vigilant in our efforts to remain corruption free. We do not take our current status as the cleanest and most democratic union in America for granted. When our General Executive Board was sworn into office, one of the first things it did was to launch a vigorous anti-corruption program.

No other union or any corporation has ever attempted such a thorough self-review. And, since that time, we have put locals in trusteeship and thrown people out of the union who were not living up to the standards we established. The important thing to remember here is that no matter how much we accomplish, and we've accomplished quite a lot, we can never, ever relax. There are always those who would take advantage of their positions for personal gain. There will always be some bad apples out there that will try to undermine our union. Our job is to make sure they stay powerless and on the outside.

What challenges do you see for the union in the next five years and going forward in the Teamsters' second century?

For unions and union members, the challenges never really change. We will always have to concentrate on maintaining our unity, keeping our finances strong, increasing the size of our union, negotiating strong contracts and enforcing them. As Teamsters, we will continue to battle corruption and keep our democracy strong.

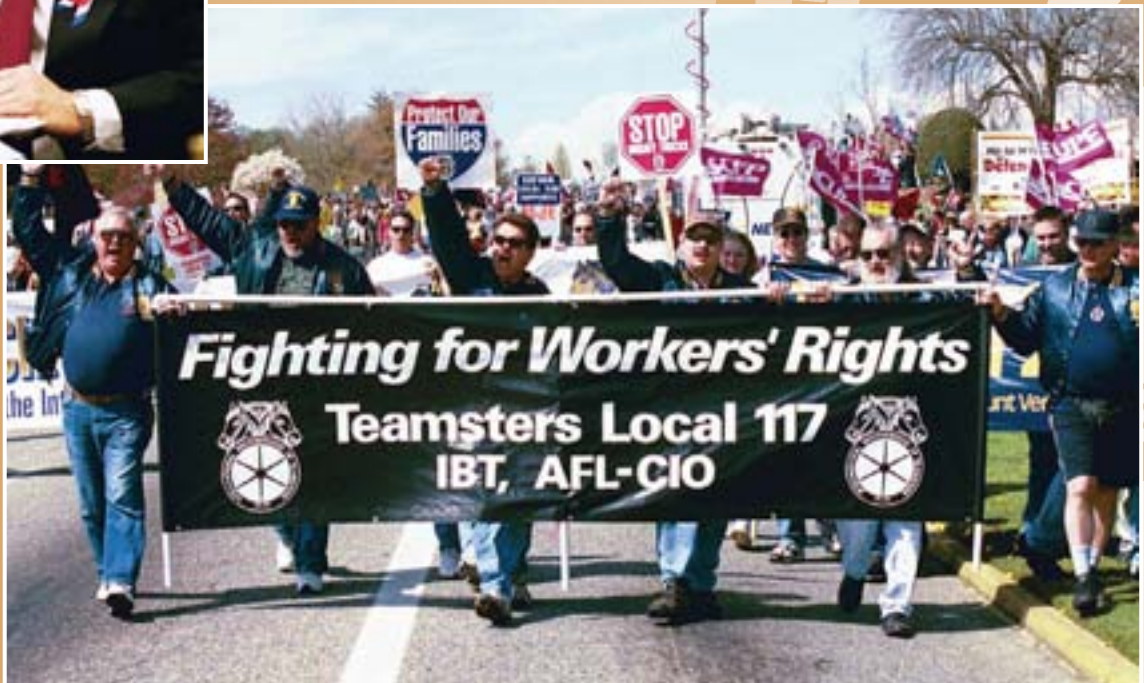
One of our goals is to end the Consent Decree and get the government out of our union. With the reforms we've put in place and the progress we've made, I am hopeful that this will happen soon. There are also bigger, more global issues to face. As I've said, our health care and pension systems are in crisis. We need the government to step in to both situations and develop workable solutions. It is long past time for national health insurance. Health care costs are driving companies and families into debt. Retirement security for many Americans is disappearing. Our society needs to do more to address both of these issues.

As the economy and the corporations we deal with become increasingly global, we also have to take a stand to protect workers' rights around the world. Very recently, we received a tragic reminder that the rights we take for granted in the U.S. are not so natural elsewhere. A Teamster member, Jose Gilberto Soto, was murdered in El Salvador outside of his mother's home while trying to help port workers in that country. We need to raise the standards of living for all workers. Labor rights are human rights.

Last year, we celebrated the Teamsters' 100th anniversary. Our union has come a long way. Today, we have a very diverse membership of men and women who include truck drivers, nurses, teachers, airline employees, laundry workers, railroad engineers, bottlers, boxers and public safety officers. I've never been more proud to be a Teamster and look forward to serving the members in the years to come.

A Powerful VOICE

TEAMSTERS WORK ACROSS
PARTY LINES TO GET THINGS
DONE IN WASHINGTON





Fighting for members does not begin and end at the bargaining table.

Often what affects members most is decided in the halls of Congress. Over the last five years, there has been a renewed push to have the union's voice heard in Washington, D.C. and beyond.

By fighting for everything from the highest office in the country all the way down to city council members and everything in between, the Teamsters Union has established a reputation for strong political action. When General President Jim Hoffa took office, he said: "We have no permanent friends. We only have permanent interests. If you are willing to support the interests of working people, you can earn our support. If you do not, then we don't want to have anything to do with you."

This set the stage for the Teamsters' political action over the past five years. Many fights have been taken up. Plenty have been won and some lost. Other fights are ongoing. When certain fights cannot be won, the union affects change in other ways. Namely, by changing the very composition of Congress. Countless United States Senators and House members have been elected thanks to Teamster support.

If there is an issue that affects working families—whether it's overtime, outsourcing, trade agreements, organizing issues, ergonomics, hours-of-service regulations, pension reform and many others, the Teamsters Union—whether through lobbying or grassroots political action—takes up the fight.

WTO: Battle in Seattle

Just as the Hoffa administration was taking office, an international battle was brewing in Seattle. The World Trade Organization (WTO) was scheduled to meet. The last week of November 1999 will go down in the history books as the moment when the issue of worker rights in the global economy took center stage.

And the Teamsters Union, under the guidance of Hoffa, was a major catalyst of the movement.

The Teamsters Union mobilized workers from all over the country to take part in the "Battle in Seattle." Tens of thousands of working people united together to give new voice to the long battle for worker rights that had been fought by millions around the world for decades. And it brought to the world stage the fight for fair trade that the Teamsters mounted in congressional battles over the North American Free Trade Agreement (NAFTA), the General Agreement on Tariffs and Trade (GATT) and other so-called "free trade" agreements.

"I have never been so proud of our union as I was marching with thousands of our brother and sister Teamsters peacefully through the streets of Seattle," Hoffa said.

The Teamster presence at the WTO meeting was important because members' wages and benefits were at risk. If the WTO continues to allow unfair trade practices across the globe, then workers will be undercut and standards will decline.



Top of the Charts

The Teamsters bring tenacity to any fight they take on and the union is more than willing to cross party lines for the benefit of its members. During the past five years this took on new meaning as causes were taken up that had previously been ignored. As a result, the union has gained more clout and its political arm has taken on a more respectable polish than it had in the past.

One major accomplishment has been revitalizing interest in the DRIVE program. DRIVE (Democrat, Republican, Independent Voter Education) is the Teamsters' nonpartisan political action committee. It supports grassroots action by Teamster families to stand up to the interests of big business. In the last five years, contributions to DRIVE have increased by 33 percent. Membership has also grown; in 2004 alone, 9,844 new members signed up for DRIVE.

November 1999

Teamsters from across the country descend on Seattle to protest WTO.

April 2000

Teamsters protest in Washington, D.C. against PNTR status for China.

November 2000

In the 2000 Election, the Teamsters support Vice President Al Gore.

February 2001

Teamsters rally near the Mexican border to voice opposition to NAFTA and cross-border trucking.



March 2001

Teamsters rally in Oklahoma against right-to-work laws.

March 2001

The Hoffa administration voices support for energy exploration in ANWR.

July 2001

Hoffa testifies before the Senate reaffirming Teamster opposition to cross-border trucking.

September 2001

Hoffa testifies before the House on the impact of the 9/11 attacks on the airline industry.

June 2002

Political and legislative coordinators for the union gather in Washington, D.C. to discuss strategy for the 2002 election cycle. The theme of the three-day conference is "Building a Teamster Majority."

November 2002

For the mid-term elections, Teamster support propels many Senate, House and gubernatorial candidates to victory.



Reflecting the growing political clout wielded by the strongest union in North America, *Fortune* magazine ranked the Teamsters in its "Washington Power 25," a list of the most powerful lobbying groups in the nation's capital. The Teamsters Union is the only AFL-CIO affiliate to make it into the top 25, sharing company with such renowned political heavy-hitters as the National Rifle Association, the U.S. Chamber of Commerce and the National Association of Manufacturers.

"This designation proves what we have been saying all along: The

Teamsters are back, united, proud and strong," Hoffa said. "It means that when our collective voice of 1.4 million members speaks, policymakers on Capitol Hill listen."

The ranking is all the more remarkable given that the anti-union White House has overseen a flood of new pro-business lobbying groups, representing such constituencies as beer wholesalers, realtors and homebuilders.

"Despite the fact that big business lobbying grossly exceeds that of labor, this report recognizes that the Teamsters, and the working families we represent, are a force to be reckoned with," Hoffa said.

This statement would ring true time and again as the union jumped headfirst into issues affecting working people.

Cross-Border Trucking

One of the most sterling examples of Teamster power has been demonstrated over the last five years in the fight to keep unsafe Mexican trucks off of the nation's highways. Everyone from the Supreme Court to the president, from the most powerful lobbyists in the world to members of Congress, have all tried lifting the ban but have been unsuccessful.

Before NAFTA was signed into law, there were many restrictions on cross-border trade among the U.S., Canada and Mexico. NAFTA changed all that by lifting those restrictions. The diligence of the Teamsters is the only thing that has kept restrictions on cross-border trucking in place, keeping Mexican rigs from threatening the safety and jobs of U.S. drivers and workers.

The American and Mexican trucking industries, an international arbitration board, pro-trade lawmakers and even President George W. Bush's administration have weighed in on the restrictions over the past five years. All these groups have been trying to allow Mexican trucks to enter freely into the U.S., as NAFTA calls for, rather than keeping within the thin commercial zone in Southwestern border states.

The U.S. Supreme Court even got involved in 2004 and issued a ruling that was seen by many as lifting the ban on Mexican trucks. But the ban is still alive, thanks to the hard work and lobbying efforts of the Teamsters.

"The Teamsters Union is well versed in this matter and our

union can tell you a thing or two about trucking safety,” Hoffa said. “Mexican trucks pose a definite danger to families traveling on American highways and we will not rest as long as some keep trying to let them in without regulation.”

Other Issues

The union’s increased clout on Capitol Hill has brought much attention to issues that otherwise might be ignored by the general public. Two such issues are PNTR and FTAA. The first is granting Permanent Normal Trade Relations (PNTR) status to China—a country not known for adhering to international labor laws. Free Trade Area of the Americas (FTAA) is an extension of NAFTA. Both were opposed by the Teamsters Union.

In 2000, approximately 5,000 Teamsters rallied in Washington, D.C. to tell Congress to vote “no” on PNTR for China, in which it would benefit from concessions like lower tariffs on goods and reduced domestic import barriers on items like clothing and steel. For FTAA, thousands of Teamsters rallied against it, most notably a 1,400-member rally in Florida in November 2003. FTAA will cost more American jobs, trample labor rights and hurt the environment.

Under the direction of the Hoffa administration, these issues took on a new light as the union got involved and, as a result of the international media attention paid to the union’s efforts, the general public became more knowledgeable on both issues.

The Teamsters has weighed in on countless other issues in the last five years, ranging from fighting for relief for airline workers after the September 11 attacks to working toward fairer rules for workers, from battling attacks on overtime to lobbying on behalf of retirement security, multi-employer pension reform and health care issues.

The union has also gotten heavily involved in presidential politics over the last five years. Teamsters from around the country participated in efforts to elect both Al Gore and Senator John Kerry to the highest office in the land. Though the union may not have elected the president, it made the current administration sit up and take notice, realizing that the Teamsters would not sit still as Bush tried to tear down hard-won labor gains.

President Bush: Fighting With and Against

While the Teamsters actively fight against President Bush on many issues, it has also worked closely with him at times. While working together on opening Alaska’s Arctic National Wildlife Refuge (ANWR), Bush even visited Teamster Headquarters in Washington, D.C., becoming the first sitting president to do so in decades. Hoffa was also a guest in the presidential box—joining Afghanistan’s Hamid Karzai—during Bush’s first State Of The Union address.



April 2003

Hoffa announces the formation of the Labor Environmental Alliance aimed at promoting economic development and new jobs while protecting the environment.

June 2003

Hoffa appears at a press conference with members of Congress to denounce unfair U.S. trade agreements with Chile and Singapore.

August 2003

The Teamsters Union endorses Rep. Richard Gephardt for the Democratic Presidential nomination.

September 2003

With prodding by the Teamsters Union, the Senate votes to protect overtime rights.

November 2003

Teamsters turn out in Florida to protest the FTAA legislation.

November 2003

The Teamsters Union leads a congressional delegation to Mexico to witness the effects of NAFTA 10 years after its passage.

January 2004

While the union rallied members in Iowa for the caucuses for Rep. Gephardt, he loses to John Kerry.

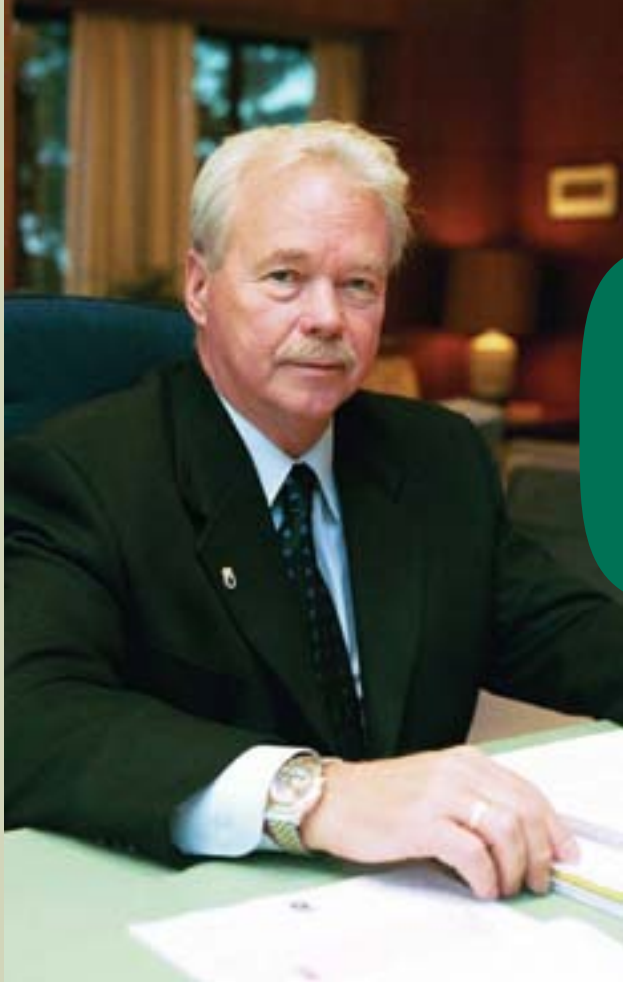
November 2004

In the 2004 Election, the Teamsters support Senator John Kerry.

The Teamsters has reached—and is still reaching—across party lines to open up ANWR for energy resources and jobs in this ongoing effort.

“Sixty-two percent of Americans believe our nation has grown too dependent on foreign oil, and exploring for oil in ANWR would reduce that dependency,” Hoffa said. “It makes sense that we should explore for energy resources not only where the majority of Americans support exploration but the majority of Alaskans support it too.”

The Teamsters have led the fight because it strongly believes that responsible energy exploration in ANWR will not only provide a safe alternative to the millions of gallons of oil currently imported from abroad, but will also provide thousands of good Teamster jobs. And with fuel prices climbing steadily, it makes even more sense.



Q & A

with General Secretary-Treasurer
C. Thomas Keegel

As Secretary-Treasurer of the union, you were put in a tough spot from day one. Can you tell us what the union's financial situation was when you took office?

When we first took office, the Teamsters Union was in a pretty dire situation. The union's treasury had been depleted. It was down from \$154 million to around \$1 million. The Strike Fund was paying 1980s-level benefits. The weekly benefits had dropped to \$55 a week, down from \$200 a week. The union was spending much more than we were taking in.

How did things get so bad?

It was a combination of factors. First of all, the union had few if any safeguards or protocols in place to govern spending. The union was deficit spending on a regular basis. That may work for the government when it is trying to spur the economy and investing in infrastructure, but it rarely works for companies or unions. The union was using outdated and inefficient equipment. And it couldn't afford to invest in newer, cost-saving technology. On top of that, the dues structure had not changed in almost twenty years. While the union was growing and the costs of

everything were going up, our income stayed relatively constant. It was a disastrous situation.

What did you do to put things back on course?

Well, we immediately put in place some controls to contain spending. We created a balanced budget for our first year and we stuck to our plan. We have kept the budget balanced ever since. We also cut down on spending. We eliminated excess without cutting member services. We cut out perks. We upgraded our check processing system and we replaced outdated equipment, purchasing new computers and other equipment to make ourselves more efficient. We renegotiated our insurance contracts to get better rates. We examined every aspect of the union. And, throughout this process, we kept the membership informed every step of the way. Not only did we want to cut costs, but we wanted the members to be a part of the process. This is their union.

Once we got our spending under control, we needed to set up new systems to keep it that way. The union hired an independent Certified Public Accountant (CPA)

to review all of our internal controls and protocols and make recommendations for improvements.

How long did it take to get things turned around?

The union's finances were a top priority for our administration. We hit the ground running because we knew the situation could not continue for even a day longer. Because of the reforms we put in place, we saw immediate results. In our first four months, the union's assets doubled from \$3.2 million to \$6.4 million. After eight months, assets were up to \$10.4 million. Today, we record total assets of \$148 million which includes \$97 million in liquid assets. Included in our liquid assets is the Strike and Defense Fund, and funds for organizing activities both funded in accordance with the International Constitution.

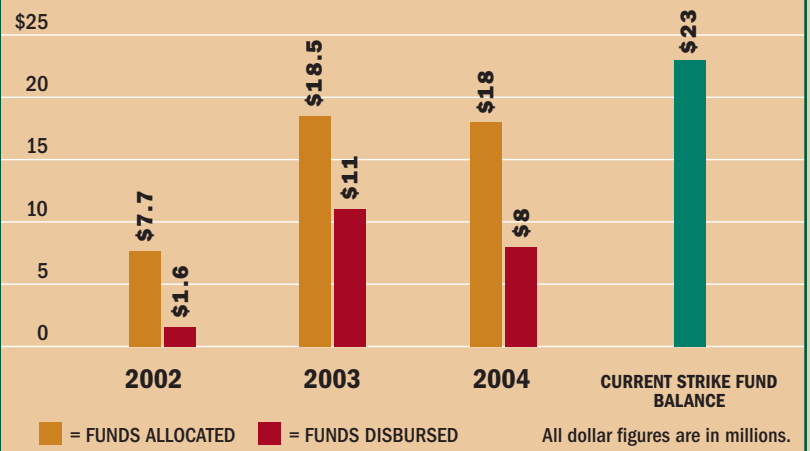
You said that the dues income and structure were not adequate to meet the needs of the members. How did you address this situation?

In 2001, we created a Blue Ribbon Commission to assess our financial situation. We knew the dues structure needed to be



A MEANINGFUL STRIKE FUND

A dedicated Strike and Defense Fund was created as a result of the 2002 Special Convention. Member benefits increased from \$55 per week to 10 times the hourly rate per week:



fixed once and for all. We needed to figure out a way to maintain a steady and sufficient income stream. We instructed the Commission to develop a new dues structure that would fix the problem once and for all, and at the same time allow us to revive the Strike Fund and set aside resources for organizing. The Commission spent several months studying the situation and developing its recommendations. The Commission suggested raising dues by a nickel an hour. According to their plan, this increase would create a dedicated strike fund with meaningful benefits, establish an organizing war chest and rebuild the union's services and programs. At the same time, our per capita dues structure remained lower than that of any other international union and we maintained the autonomy of our local unions. The union called a special convention in 2002 to discuss and vote on the Blue Ribbon Commission's proposals. The delegates overwhelmingly voted to adopt the recommendations. Two years later, I am proud to say that our Strike Fund benefits are back up to 10 times the hourly rate of pay per week and we have the resources we need to organize new

“When we first took office, the Teamsters Union was in a pretty dire situation. The union’s treasury had been depleted. It was down from \$154 million to around \$1 million,” Keegel said. “Today, our liquid assets are back up to approximately \$97 million and our total assets have jumped to \$148 million.”

members and provide existing members with the services they need and deserve.

Have you been able to maintain the momentum? What is the union’s financial situation today?

Today, our liquid assets are back up to approximately \$97 million and our total assets have jumped to \$148 million. As I said, our Strike Fund is once again healthy and able to provide much-needed assistance to our striking members. The systems we have put in place reversed the union's course and put us back in the black. One of the reasons we were able to take such big steps so quickly was because of the support we got from the members. When we ran for office, we talked about trusting the members and putting the union back in their hands. We made sure to explain the situation we faced and the reforms we wanted to institute. We even held a conference for Teamster accountants from across the country to explain

our new systems and ask them to bring our reforms back to their locals. As the union reunited, it made our tasks that much easier.

Throughout the presidential campaign, candidates talked about our economy and the problems we face. What do you see as the challenges for keeping the Teamsters Union in a strong financial condition?

The first thing is we need to keep our union united. We've tried to make our reforms transparent. We're not hiding anything from the members. They need to hear the good news and the bad. Doing that makes it much easier to accomplish our goals. Secondly, we need to organize. The more members we have, the more power we have to negotiate stronger contracts and provide better services. More members also mean more dues coming in. New members will never spread our resources too thin. They will only expand our resources for all members.

Building Teamster POWER For A New Century

The 2001 Teamsters Convention showcased a union that was unified, energized and ready to grow. Nearly 1,800 delegates were called upon to tackle complex and daunting challenges facing the union.

The most important of these changes was the historic amendment enshrining the concept of “one member, one vote” as a permanent component of the union’s International Constitution.

This decisive action was the central feature of the “Democracy Pack-

age” presented to the delegates by the convention’s Constitution Committee. It called for open nomination of candidates at a convention by elected delegates, direct election of officers and the groundwork for restoring self-governance to the union. The “Democracy Package,” unprecedented in the labor movement, was overwhelmingly approved following the committee’s presentation.

“That resolution made the Teamsters the most democratic union in North America,” said Jim Hoffa, Teamsters General President. “It was a great day for our members.”

Meeting Financial Challenges

The second major resolution debated at the convention dealt with finances. Secretary-Treasurer Tom Keegel spoke to the delegates, urging them to pass a resolution creating a Blue Ribbon Commission to study the financial situation of the union and make recommendations for improvements to the General Fund

and the Strike Fund. After years of waste, fraud and abuse of dues, the union was barely solvent.

“We had to stem the tide of financial losses,” Keegel said. “We could not implement a successful plan to repair and strengthen the union’s finances until that was accomplished. We kept at it until we had thoroughly cleaned house and established a financial control system that is the tightest and most efficient in the labor movement.”

The delegates completed an amazing amount of work at the 2001 convention, compressing 10 years worth of unfinished business into a five-day period. In addition to the “Democracy Package” and finance reform, significant changes to the International Constitution and strategic plans for new programs were adopted.

One year later, the Blue Ribbon Commission on finances presented recommendations at the Special Convention in April 2002. 95 percent of the delegates voted to accept recommendations from the Blue Ribbon Commissions on strengthening the Teamsters finances. The vote resulted in a dues increase of five cents per hour per member and opened up many new avenues to rebuild the union’s net assets.

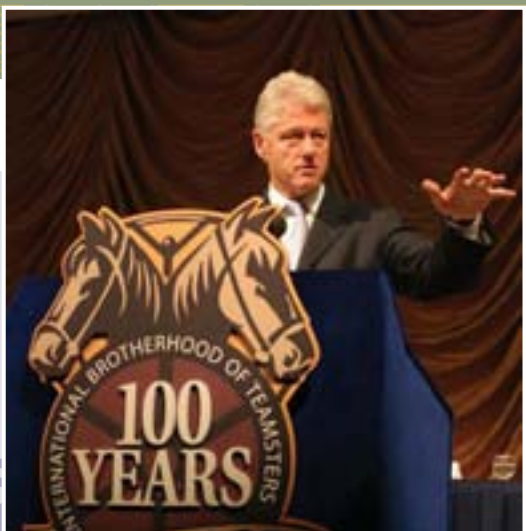
The plan produced by the Blue Ribbon Commission helped created a dedicated strike fund with meaningful benefits as well as earmarking millions towards funding new organizing campaigns, among other things.

Improving Image

The Teamsters Union has also implemented several major initiatives to address the union’s public image and restore members’ pride.

For the first time in U.S. history, a national labor union financed an independent, internal investigation of the history and current status of organized crime influence in its ranks and released it to the public. The 526-page report is called “The Teamsters: Perception and Reality: An Investigative Study of Organized Crime Influence in the Union.” Former federal prosecutor





Edwin Stier was the principal author of the report.

“Our study has found that organized crime is no longer the problem it once was in the Teamsters,” Stier said. “The days of the Teamsters being synonymous with organized crime are over. The Teamsters Union is no longer dominated or heavily influenced by organized crime. Today’s Teamsters are committed to keeping organized crime out of the union.”

The Hoffa administration has promoted unity in other ways over the last five years. The 100th Anniversary Celebration, held in September 2003, showcased the Teamsters achievements over the last century. The celebration, attended by thousands of members from across North America, featured speeches by Bill and Hillary Clinton, Dick Gephardt, AFL-CIO President John Sweeney and Civil Rights legend and U.S. Rep (D-GA) John Lewis.

One For All

Teamsters also now gather every year to celebrate their growing solidarity at the Teamsters Unity Conference. Members have a chance to show their enthusiasm, discuss concerns, share ideas and promote events and political activities that support Teamster goals.

The 2004 Unity Conference was a momentous occasion for the union. More than 2,000 members gathered to focus on two pressing issues for the future of the union and the labor movement: Politics and Organizing.

Teamsters from across North America joined together to fight for the rights of working families and bring to power a pro-worker voice at all levels of government. Person-to-person communication and the involvement of local and religious communities were stressed as key components to increasing members’ political power.

Teamsters continue to find strength and unity in their diversity as well. The Human Rights Commission and the Black, Hispanic and Women’s caucuses are working harder than ever before to help members find a stronger voice on the job and in the union.

“Being a Teamster is knowing that you are part of something bigger than yourself,” Hoffa said. “It is knowing that together we have the power to improve the lives of all working people.”

May 2000

Teamsters celebrate renewed unity, pride and action at the Unity Conference.

June 2000

The Teamsters National Black Caucus celebrates 25-year anniversary.

March 2001

Teamsters unite in support of UPS contract campaign.

June 2001

Historic Constitutional changes adopted at 2001 Convention.



March 2002

Teamster women develop action plan for the future at conference in Chicago.

May 2002

Teamsters secure their financial future at a Special Convention with passage of recommendations by Blue Ribbon Commission.

September 2002

Teamsters stand in solidarity with striking longshoremen in California.

November 2002

Freight members unite to prepare for contract negotiations.

May 2003

Unity Conference 2003 brings renewed energy and support to union-wide organizing initiatives.

September 2003

Teamsters celebrate 100-year anniversary.

March 2004

Teamster women exercise their political voice at annual conference.

May 2004

Teamsters and rest of labor unite in support of Kerry campaign.

October 2004

A united Teamsters Union leads labor movement in get-out-the-vote activities.



REACHING OUT

Taking Action to Improve the Lives of Working Families

Over the last five years—with working families facing economic instability, relentless natural disasters and threats to the nation's security—the Teamsters have been busier than ever establishing programs for members wherever a need exists. At any given time, Teamsters can be found taking the lead in community improvement projects, educational programs and political activities defending the rights of workers.

“Being involved with our communities isn’t an occasional effort for Teamsters,” said Jim Hoffa, Teamsters General President. “It’s a way of life—and always will be.”

In 2000, with a renewed sense of purpose growing among members, local unions began re-energizing their community service programs. Community service programs not only respond to needs of residents of the community, they

also help change perceptions about unions. Locals 639 and 730 in Washington, D.C. got involved with a youth boxing program to help provide kids with worthy, character building activities. But members soon discovered there were side benefits as well.

“When community residents see unions working for their kids, they are more likely to take our side when there is a dispute with a corporation,” said Nat Lewis, a 26-year member of Local 730 who helped start the program. “Everybody wins in a situation like that.”

Charitable Giving

On a national level, Teamsters have proven to be staunch supporters of major charities associated with diabetes, cancer research, muscular dystrophy and numerous children's hospitals. The union has also set up two of their own programs with a national focus—The Teamsters Disaster Relief Fund and the James R. Hoffa Memorial Scholarship Fund.

The James R. Hoffa Memorial Scholarship Fund was created in 1999 to assist children and grandchildren of members in paying for their college education. Over the last five years, thousands of dollars have been awarded to recipients in each of the union's five geographic regions. This year, 100 scholarships will be awarded—31 \$10,000 scholarships to be dispersed over four years and 69 one-time \$1,000 grants.

“My father believed that education should be available to everyone,” Hoffa said. “By building this fund and sustaining it, we will put his belief into action and continue sending Teamster sons, daughters and grandchildren to college.”

The Teamsters Disaster Relief Fund was set up to help members living in officially designated federal disaster areas. A concerted effort to raise members' awareness of the fund in recent years has led to increased donations. That increase has been particularly important this year as multiple hurricanes struck Florida and other states in the southeastern region of the country.

National Solidarity

The Teamsters sense of community spirit was put to the ultimate test in September 2001 after the terrorist attacks in New York and Washington, D.C.



More than 1,000 Teamsters from New York, New Jersey and across the country contributed to the rescue and relief efforts in the wake of the terrorist attacks. Thousands more donated blood and gave money to the Teamster relief fund.

In New York, Teamsters from Locals 282, 831, 560, 237, 707 and 807 volunteered their time and energy in the days immediately following the terrorist attacks, working 12-hour shifts to remove debris from the disaster site, load and deliver supplies to workers, assist in rescue efforts and even form bucket brigades. They didn't question assigned tasks, nor did the hundreds of other Teamster volunteers arriving at the disaster site—they just did what needed to be done.

"I've never been prouder of the union than during that terrible time," said Gary LaBarbera, President of Local 282. "It was Teamsters who came in behind and next to our police officers and firefighters."



"Whatever the situation, whatever the need, Teamsters respond to calls for help immediately," Hoffa said. "They respond not to gain attention, praise or rewards, they respond because it is the right thing to do."

Investing In The Future

An increasing number of Teamsters are taking an active role in educating the workers of the future through participation in school-to-work programs. The programs educate students on the role labor unions play in the modern economy as well as the community through work-study programs, mock collective bargaining sessions and adopt-a-school programs. The programs also give union members a chance to dispel some wrong ideas about unions in general and the Teamsters in particular.

Over the last few years Teamsters have also been involved in countless community projects including raising tens of thousands of dollars for local charities, sponsoring athletic teams, building houses for the homeless, transporting elderly residents to the polls on election days and even supporting a member's quest to participate in the Olympics.



January 2000

Youth boxing program developed by Washington, D.C. locals.

September 2000

Teamsters become actively involved in School-to-Work education program.

March 2001

Teamsters showcase the new comprehensive Teamster Training School in Nevada. Students learn various driving and material transport skills.

April 2001 Wisconsin member initiates hot lunch program for kids that catches on in other communities.

September 2001

Teamsters across the country respond to the call for help after the 9/11 attacks.

January 2002 Teamsters develop national training plan to expand the work done at six separate Teamster driving and skills training schools around the country.

June 2002 Teamsters answer the call for military service.

January 2003

Teamsters at Local 25 initiate program of teaching English as a second language to members and surrounding community.

May 2003

Teamsters showcase James R. Hoffa Scholarship Fund at Unity Conference. Donations to the fund have increased each year, allowing more students to receive help.

September 2003

Teamsters promote labor education through distribution of Teamster 100th Anniversary history books to schools throughout North America.

March 2004

Teamster women mentor future leaders through workshops and programs at 2004 Women's Conference.



September 2004

Teamster Disaster Relief Fund assists victims of multiple hurricanes.



REPORT 83 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: December 9, 2004

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Eighty-third Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss the status of pending charges about which we have previously informed you.

II. STATUS OF PREVIOUS IRB CHARGES

A. SCOTT DOYLE - Local 456, Elmsford, New York

We have previously informed you that Local 456 Member Scott Doyle failed to cooperate with the IRB by refusing to answer approximately thirty questions during his in-person sworn examination. Charges were filed, an Article XIX panel was appointed to hold a hearing, and a hearing was held on October 27, 2004. The IBT awaits the hearing panel's final recommendations.

B. JOSEPH L. BERNSTEIN - Local 781, Des Plaines, Illinois

In the last issue of the *Teamster* magazine we informed you that on October 14, 2004, the IRB issued an Investigative Report to General President Hoffa concerning Local 781 President and Joint Council 25 Vice President Joseph L. Bernstein. The Report recommended that Mr. Bernstein be charged with bringing reproach upon the IBT and violating his membership oath when, subsequent to William T. Hogan, Jr.'s permanent bar from the IBT, he had knowing and purposeful contact with him. On October 20, 2004, the IBT filed the charges against Mr. Bernstein. The IBT appointed a hearing panel and scheduled a hearing for January 6, 2005.

C. JOSEPH VITTA - Local 812, Scarsdale, New York

We have previously informed you that Local 812 Recording Secretary Joseph Vitta allegedly discussed ongoing contract negotiations with Anthony Rumore, a prohibited person at the time. Further, Mr. Vitta during his September 26, 2003, sworn examination, allegedly testified falsely about his contacts with Mr. Rumore during his suspension by stating that no union business as ever discussed. Charges were filed by Joint Council 16 against Mr. Vitta.

On November 19, 2004, Joint Council 16 agreed to Mr. Vitta's Agreement to resolve the charges against him and forwarded the Agreement to the IRB. On December 9, 2004, the IRB requested of counsel to Joint Council 16 that the parties amend the Agreement to include usual language relating to Mr. Vitta not attending or participating in activities and affairs of Local 812 and other IBT entities, and not taking or accepting any remuneration to replace benefits lost pursuant to the Agreement.

D. CHUCK CRAWLEY, DENNIS BANKHEAD AND MARIE ESPINOSA - Local 988, Houston Texas

We have previously informed you that in its September 9, 2004 decision, the IRB found Mr. Crawley guilty of embezzlements involving the telephone installation at the union hall and the purchases of t-shirts and stickers. Mr. Crawley was permanently barred from holding membership in or any position with the IBT or any IBT-affiliated entity and may not hereafter obtain employment, consulting or other work, directly or indirectly, with the IBT or any IBT-affiliated entity. On charges of embezzlements by Mr. Crawley, Mr. Bankhead and Ms. Espinosa involving barbecue pits, aiding and abetting Ms. Espinosa to embezzle money from the union, and by the payment of legal fees for Ms. Espinosa, the charges were not proved.

On September 9, 2004, the IRB decision was forwarded to Judge Preska who by Order of October 4, 2004, gave respondents and the Chief Investigator time to reply to the Court. By December 2, 2004, all replies were submitted to the Court.

III. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 65 calls reporting alleged improprieties. As

in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

To assure that all calls are treated confidentially, the system recording hotline calls is located in a cipher-locked IRB room on a dedicated line and accessed by IRB staff only. It is not manned by an investigator; however, the recorded information if complete is forwarded directly to the Investigations Office.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, DC, dial 202-434-8085.

IV. CONCLUSION

As always, our task is to ensure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above, you may use the IRB facsimile number 202-434-8084, or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

Independent Review Board
444 North Capitol Street, NW, Suite 528
Washington, DC 20001

IN MEMORIAM

Jose Gilberto Soto

1954-2004

On Friday, November 5, 2004, Teamster Representative Jose Gilberto Soto was shot in the back and killed in front of his mother's house while visiting Usulután, El Salvador. The three men who murdered Soto one day shy of his 50th birthday did not rob him and immediately fled the scene.

Soto was a trusted and respected Teamster leader from the Port of New York/New Jersey who was a vocal leader in the effort to organize port drivers—the most exploited truck drivers in the United States. He was visiting El Salvador on behalf of the Teamsters and developing ties with unions and activists who have been trying to organize port drivers working for Maersk Sealand's trucking subsidiary, Bridge International Transport.

Talented and Energetic

Soto was born in El Salvador, immigrated to America in 1975 and settled in New Jersey where he worked numerous jobs to make ends meet.

However, it was at electrical fuse manufacturer

CEFCO that Soto first joined the Teamsters as a member of Local 11. Soto's talent and energy was immediately apparent and he rose quickly in the union, serving as a shop steward, business agent and eventually President of Local 11 in 1993.

In 2000, the Teamsters hired Soto as the Port Division Representative for the New York/New Jersey Ports and the New England region. Soto's background and heritage gave him a special connection to port drivers, as many were originally from Central American countries.

Won't Back Down

As much good as Soto was doing in America, he believed that port drivers everywhere deserved representation and free-

dom from the exploitation of huge steamship lines like Maersk. It was for this reason that he returned to his native El Salvador on October 30, 2004 with the hope of fostering union solidarity.

Soto will be missed—by his family, his union brothers and sisters and every worker he ever touched. He has left an indelible mark on the labor movement, and his legacy will live on

as an inspiration to those who follow him. Soto leaves behind his wife, three children, six siblings and his mother.

“Brother Soto's passion

for this cause was well known throughout the union, and it would dishonor his memory if we did not continue this fight,” said Jim Hoffa, Teamsters General President. “He recognized the need to organize port drivers who have been exploited by steamship lines for far too long. We will not back down from this fight. We will bring justice to these workers as a tribute to Gilberto Soto. He would not want it any other way.”

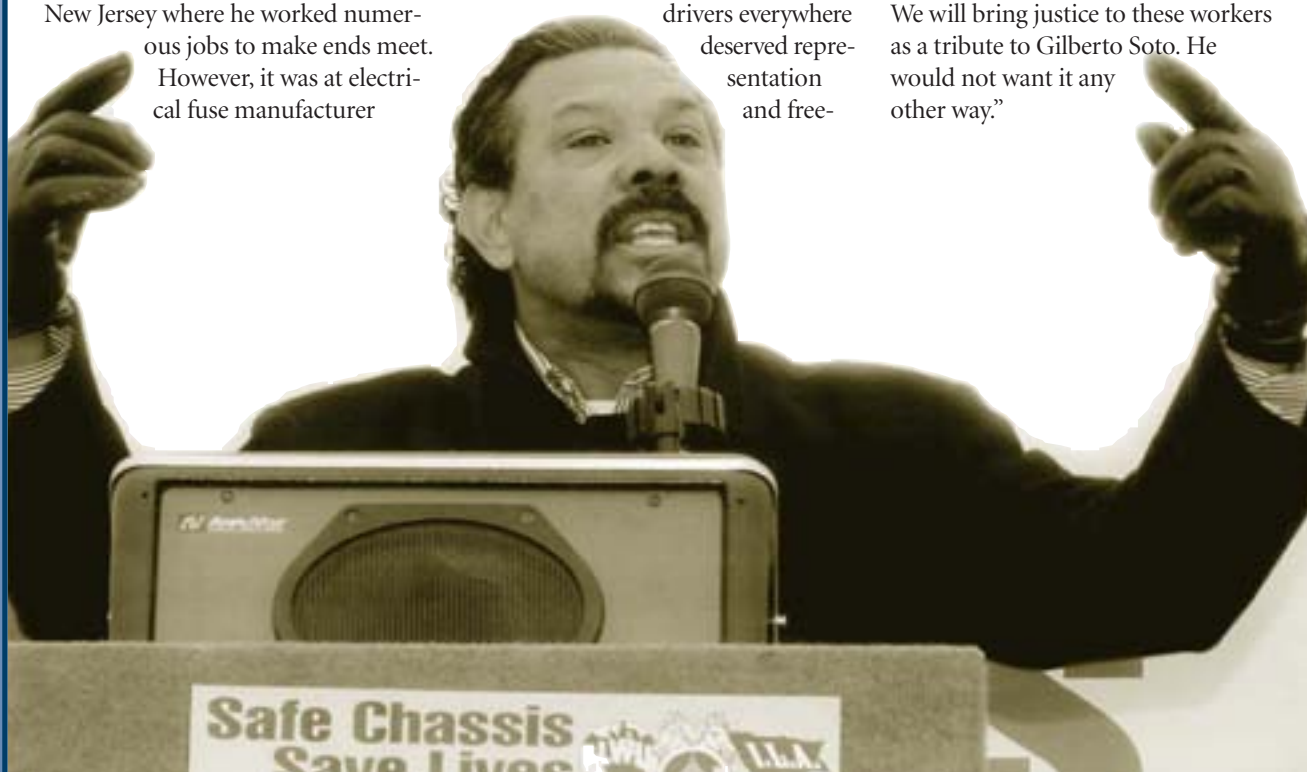


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