

GENERAL TEAMSTERS AND ALLIED WORKERS

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LOCAL 992

Affiliated With INTERNATIONAL BROTHERHOOD OF TEAMSTERS and JOINT COUNCIL 62

August 12, 2013

To All Bargaining Unit Employees of Cinetic Landis Grinding

Members of Teamsters Local Union No. 992

RE: Union Response to Undated and Unsigned Notice on Company LETTERHEAD POSTED ON COMPANY BOARD

As most of you are aware, recently someone posted an **undated and unsigned notice** on Company letterhead on the Company board by the time clocks in connection to the recent grievance that was filed in relationship to filling the vacancies that have been created by the recent retirements.

As Secretary-Treasurer of Teamsters Local No. 992 I have chosen to respond to the anonymous author of this notice who chose not to provide his name or to date and sign the notice that was written because I know it is important to clear up this misleading information designed to distract bargaining unit employees.

The Company initially approached the Union on or about the first part of April, 2013 and stated that it believed it was overstaffed for the level of business at its Hagerstown, MD facility. The Company representative asserted at that time that in an effort to avoid implementing automatic layoffs at the facility Cinetic Landis had decided to offer **all** Cinetic Landis employees an opportunity to participate in an enriched voluntary retirement program, which the Company referred to as the **SPECIAL OPEN WINDOW RETIREMENT INCENTIVE OFFERING**.

The Company made it clear that the retirement program was a voluntary program and participation in the retirement offering was a matter of personal choice.

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The first draft of the retirement incentive offering was provided to the Union for its perusal on Tuesday, April 30, 2013. The Company indicated in its e-mail to the Union on that date that the draft documents of the retirement incentive offering were not yet finalized. The Company further indicated at that time it was going to offer this retirement incentive offer to the employees on Friday, May 3, 2013.

On May 1, 2013 the Union received the final documents of the retirement incentive offering from the Company that described the offering. Some modifications to the original document were made to the retirement incentive offer by the Company for clarity but nothing was changed in relation to eligibility and benefits for this particular retirement incentive offer to those employees found eligible for it by the Company.

The Company asserted there were approximately twenty-one (21) employees eligible for the retirement incentive offer, 12 nonunion employees and 9 Union employees. The only management employee included in the Non-Union number was one (1) manufacturing supervisor.

Furthermore, the retirement incentive offer provided enhanced retirement benefits only to those employees who elected to participate in the retirement offering on or before May 17, 2013.

Additionally, to be eligible for the retirement incentive offering employees had to meet certain criteria outlined in the retirement incentive offering. Also, the retirement incentive offering provided for a level of benefits in correlation to the retirement incentive offering. **In the end there were only six (6) bargaining unit employees who chose to accept the Company's retirement incentive offer. Those bargaining unit employees retired effective May 31, 2013.**

Let me be clear, the Union had no issue with the retirement incentive offer or the documents associated with the retirement incentive offer being made to the

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employees because the incentive offer did not violate the terms and conditions of the collective bargaining agreement.

However, I want to be crystal clear the Company never ever asserted to the Union at any time that the Company would not be filling the vacated positions of the employees who would be accepting the voluntary retirement incentive offer, as is provided for in the Collective Bargaining Agreement.

Further, it is important to recognize that the Company retirement incentive offer and all the paper work provided to the Union by the Company in connection with the retirement incentive offer support the Union's position with respect to the grievance that has been filed in response to the Company's failure to fill the vacated positions of those bargaining unit employees who retired under the retirement offering.

The grievance that was filed requests the Company to post the job vacancies that have been created as the result of the voluntary retirements generated by the retirement incentive offer.

Moreover, the Company needs to comply with the terms and conditions of the contract in allowing bargaining unit members to exercise their seniority rights to fill the vacant jobs that were created as the result of the retirement of those bargaining unit employees who voluntary accepted the retirement incentive offer made by the Company.

We have employees who have already stated that they will step up to the plate and testify at an arbitration hearing that the Company has other bargaining unit employees doing the work of those bargaining unit employees who retired under the retirement incentive offer.

This is work the Company asserts isn't there. ***Think about it for a minute: if the work no longer exists as the Company is contending then why does the Company***

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have other bargaining unit employees still doing the work of those bargaining unit employees who retired under the Company's retirement incentive offer.

If this issue is not addressed now as the Union asserts it must be, it is the position of the Union that the Company will try and phase out these vacated job positions by having other bargaining unit employees fill these vacancies on an as needed basis as they are currently doing into the indefinite future.

The Union is comfortable with the fact that it is here to enforce the contract, and it is going to do just that here where the facts know to the Union support this grievance.

Also, it has been brought to the Union's attention that at least one Company representative has been walking the shop floor and speaking to bargaining unit employees about the grievance that was filed over the above-mentioned issue.

Let me make one other thing clear, the Union is evaluating whether a charge should be filed with the National Labor Relation Board, (NLRB) as the result of the Company's direct dealing efforts with bargaining unit employees on the shop floor over the grievance that has been filed in connection to this contractual issue. In closing, the Company did have one thing correct in their unsigned notice and that is **the Union works for you.**

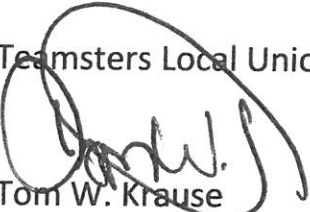
Please do not hesitate to contact your Shop Stewards or the Local Union office in connection to this matter with any questions.

Finally, as you can see, I signed my letter because I want you to have **all** the facts not just some of them. **Think about this;** what does it mean that a person writes and posts a notice directed to the employees but does not identify himself as the author or sign his name. Would you really want to rely on what is in such a supposed "Notice"?

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Fraternally,

Teamsters Local Union No. 992



Tom W. Krause
Secretary-Treasurer

Cc: David Kelly, Esquire



- NOTICE -

To our Employees:

Earlier this year we recognized that we would soon be over-staffed based on our projected business needs. Most employers facing the situation we had, where business and revenue will be down in the near future, respond with plans to reduce costs to make up for some of the lost revenue. With the most significant costs of employers typically being employees, that means lay-offs, cuts in hours, and cuts in wages and benefits.

We value our employees and appreciate your hard work. When we faced our reduction of work and revenue, the first option we had was to respond like other employers - with lay-offs and cuts. We knew that lay-offs would lead to the loss of many good employees, including employees hired in recent years who are the most junior in their jobs. We decided to look for alternatives, ultimately concluding that the best way to reduce staff, while rewarding employees for their years of service and avoiding involuntary job losses, would be to offer buy outs to our more senior employees, who would then have the choice to either take the buy outs and retire from the Company on their own terms, or, if they preferred, to decline the buy outs and stay with the Company.

After we decided that offering the buy outs was the best option for our employees, we contacted the Union to explain our plan to use the voluntary buy out offers to reduce employees and positions, and our hope that this would avoid lay offs. After we explained all of the details, the Union agreed that achieving the reductions through voluntary buy outs, rather than through lay offs and other cuts, was a great idea.

Many of our senior employees decided to accept the buy outs, while others chose to continue to work for the Company. We were, however, pleased that enough employees accepted the buy outs that we didn't need to lay off any employees. Although we paid out hundreds of thousands of dollars to those who accepted the buy outs, we believed we had achieved a real "win win" for the Company, all of our employees, and the Union.

After we went to so much effort and expense to avoid involuntary lay offs for our Union employees, you can imagine our surprise and disappointment when the Union, which was told of and agreed to our plans well in advance, actually filed a grievance claiming that we had to fill the positions of the employees who had accepted the voluntary buy outs! The grievance not only doesn't make any sense to us - how could anyone think we need to fill positions of employees we just bought out because we didn't need them - but the Union knew the details before we ever did the buy outs, and agreed on the approach in advance. By making us now have to spend time and money defending a plan it approved, and through which we spent hundreds of thousands of dollars so that we could protect our employees and avoid lay offs, the Union is also sending us the message that we can't work together, and that we should have just gone ahead with involuntary lay offs, instead of the costly voluntary buy outs.

Remember, the Union works for you. If you don't agree with its actions, or think it may not be acting in your best interests, you have the right to let it know.

Thank you for your attention.