

# TEAMSTERS NEWS

International Brotherhood of Teamsters  
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**For Immediate Release  
August 7, 2009**

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## **TEAMSTER FREIGHT MEMBERS RATIFY YRCW JOB SECURITY PLAN**

### *Hoffa Says Time For Banks To Step Up*

(Washington, D.C.) – Teamster members who work at the freight companies of YRC Worldwide Inc. (YRCW)—Yellow, Roadway and Holland—have approved a Job Security Plan that provides economic relief for YRCW as it works to get through the worst economic crisis since the Great Depression. The modifications were ratified by a 58.5 percent to 41.5 percent margin, with 64 percent of members casting ballots. Ballots were mailed to union members on July 17 and counted today.

“Once again Teamster members at YRCW have shown great courage by making extraordinary sacrifices to help this company survive,” said Jim Hoffa, Teamsters General President.

The Job Security Plan provides YRCW with over \$1.2 billion of cost savings over the remaining 44 month term of the agreement and greatly enhances YRCW’s financial position. While the wage reduction and pension terminations are effective immediately, they will not remain in effect unless: 1) YRCW and its bank group amend their loan agreements in order to provide the company with sufficient liquidity and flexibility to complete its restructuring and take advantage of the upturn in freight demand anticipated in 2010; and 2) affiliated Teamster Pension Funds approve the “deferral/termination” arrangement.

“Now YRCW, banks and other stakeholders have to step up and do their part to ensure the company’s long-term survival,” Hoffa said. “Do the banks want the fate of 35,000 YRCW workers, hundreds of thousands of retirees, and hundreds of thousands of other workers to be their responsibility if they do not significantly rework YRCW’s loan facilities?”

The plan calls for a reduction in gross wages of 15 percent from the full National Master Freight Agreement rates effective Aug. 1, 2009. This includes the 10 percent wage reduction previously ratified by the membership in January 2009.

Additionally, the plan will allow the company to terminate pension fund contributions effective

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from July 1, 2009 through December 31, 2010. During this time, employees will not earn additional pension accruals or credits. At the same time, they will not lose accrued benefits or credits previously earned during this period.

The plan also provides for the issuance of options for YRCW stock to Teamster members that would lead to employee ownership of an additional 20 percent of the company's outstanding stock over and above the 15 percent that was negotiated at the end of last year.

"As the economy is just now showing signs of improvement our primary goal is to make sure YRCW's other stakeholders, primarily the bank lending group led by JP Morgan, SunTrust, The Royal Bank of Scotland, Wells Fargo (Wachovia), Bank of America, Bank of Tokyo--Mitsubishi and US Bank, provide YRCW with the necessary liquidity to withstand this recession and ensure YRCW's long term financial stability," said Tyson Johnson, Director of the Teamsters National Freight Division. "I commend our YRCW Freight Teamsters for doing everything that has been asked – over \$2 billion in wage and pension relief since January. We've done our part to preserve members' jobs and their benefits, now the other stakeholders have to step up to the plate."

The vast majority of YRCW Teamsters, who made up 90 percent of the total vote, work under the National Agreement. A handful of separate "white paper" agreements, representing 10 percent of the total number of voters, rejected the plan. As with past contract ratification rejections, those issues will be dealt with on a local by local basis. For up-to-date results, go to [www.teamster.org](http://www.teamster.org).

The International Brotherhood of Teamsters was founded in 1903 and represents more than 1.4 million hardworking men and women throughout the United States, Canada and Puerto Rico.