

## Court Expedites Review Of ABF Suit Against YRC

ABF Freight System's appeal of a decision that rejected its lawsuit against YRC Worldwide Inc. and the Teamsters union over a contract issue will be argued during the week of April 11 in the U.S. Court of Appeals for the Eighth Circuit.

The Appeals Court was asked by ABF to review a Dec. 16 decision by U.S. District Judge Susan Wright, who rejected the carrier's arguments that YRC and

Teamsters violated a national contract. YRC requested the expedited review.

Separately, law firm Robbins Geller Rudman & Dowd filed a lawsuit against YRC in U.S. District Court on Feb. 8, seeking class-action status and alleging violations of federal securities law between April 2008 and November 2009.

(See court, p. 16)



## Court

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The lawsuit claims YRC failed to disclose adverse information about the company, which affected the stock price. YRC's public relations agency didn't provide a comment by press time.



Meanwhile, ABF filed its appeal on Jan. 18, again stating its view that concessionary arrangements that allowed Teamsters members employed by YRC to receive lower pay and reduced pension benefits was a violation of the National Master Freight Agreement.

"For the YRC defendants . . . prevailing in this appeal is not enough," the request for an expedited appeal stated. "They need to prevail quickly. The YRC defendants and their parent company, YRC Worldwide, are in financial distress, and the amendments to the YRC defendants' labor agreements are a key element of YRC Worldwide's effort to secure new capital."

Last year, the Teamsters union and YRC signed a third agreement that allowed YRC to reduce its costs through a 15% pay cut that extends until 2015.

YRC also was allowed to contribute 25% of its standard pension contribution starting in June after enjoying more than a year of a pension holiday.

Meanwhile, Teamsters at ABF rejected an identical percentage pay cut, and the Fort Smith, Ark.-based company was required to make full pension contributions.

ABF Freight is a subsidiary of Arkansas Best Corp., which ranks No. 16 on the TRANSPORT TOPICS 100 list of the largest for-hire carriers in the United States and Canada.

YRC ranks No. 4 on the for-hire TT 100 list. — *Transport Topics*