

BUSINESS & FINANCE

Union, Car Carriers in Secret Negotiations As 3-Year Contract Nears Expiration Date

By Rip Watson
Senior Reporter

The Teamsters and unionized car-hauling carriers are coming down to the wire in negotiations on a new contract to replace the current three-year pact that expires May 31.

Negotiations are shrouded in secrecy, as neither the union nor carrier officials will discuss the issues, pace or substance of negotiations.

The sole public statement about the talks was issued back in early February by the union, which said "Teamster car-haul members' contract priorities are job security and protecting pension and health benefits, accord-

ing to the recently completed contract surveys."

In that statement, Fred Zuckerman, director of the Teamsters Carhaul Division, said, "We appreciate the members who filled out and returned the surveys. Our members' feedback helped us put together strong contract proposals."

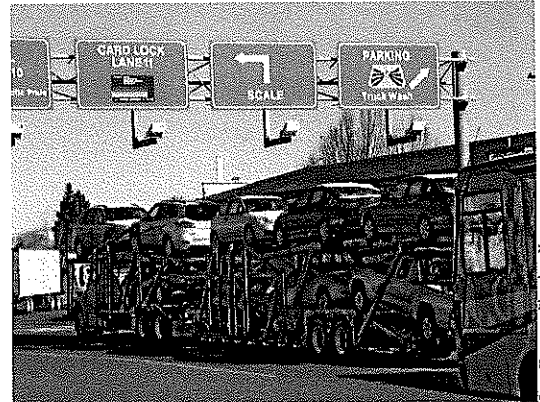
The current agreement kept wages unchanged for two years and added a cost-of-living adjustment and a raise of 40 cents an hour, or about 2%, in the final 12 months of the deal.

The current contract, which began on June 1, 2008, was signed in October 2008, after an initial pact that was negotiated by union leaders was rejected by the rank-and-file.

This round of talks is proceeding in a commercial market that has become stronger for automakers, particularly those based in the U.S. General Motors Co. is vying with Toyota Motor Corp. for the title of world's largest automaker as sales of cars and light trucks have continued to climb. Industry sales have remained above 13 million for three straight months.

The current auto market is strengthening even as gasoline prices inch closer to the \$4.114 per gallon record that was set in the summer of 2008 during the car-haul talks then.

The contract negotiation environment this time is different from 2008, when auto sales had



A car carrier pulls into the Jubitz Truck Stop off Interstate 5 in North Portland, Ore.

been on the decline for 10 straight months prior to ratification of the agreement, and the United States was sliding quickly into a recession. During the recession, car and light-truck sales fell below 10 million annually.

An estimated 8,100 Teamsters work in the union's car-haul division, competing against nonunion carriers as well as railroads that also carry new vehicles from plants to distribution facilities near auto dealers, according to the union's website.

At present, Jack Cooper Transport apparently is the largest union carrier, having boosted its revenue more than 50% after taking over contracts with GM and Chrysler from Allied Systems Holdings (4-18, p. 6).

Cooper and union hauler Cassens Transport gained business after Allied's contract dispute with GM and Chrysler. Jack Cooper, Allied and Cassens are the three largest union car haulers, based on TRANSPORT TOPICS list of new vehicle carriers. Management is again repre-

sented by the National Automobile Transporters Labor Division, said Robert Farrell, who heads American Trucking Associations' Automobile Carriers Conference.

Farrell declined to discuss the contract and the negotiations with T.T. Greg May, CEO of Jack Cooper and head of the carriers' negotiating group, referred reporters' questions to negotiator Robert Long, a Columbus, Ohio, attorney who did not return multiple calls and e-mails requesting comment.

Teamsters spokesman Galen Munroe said the union had no comment.

There have been no public signs so far that the current talks will repeat the events during the last round of talks.

In addition to the rejection of the first tentative agreement, the 2008 talks were marred by the shutdown of Performance Transportation Services, which was the second-largest car hauler. The Michigan-based carrier closed down after a five-day strike and a decision by investors to pull their funding.

CARB COMPLIANCE

DON'T GAMBLE. MAKE THE SURE BET.

As the leading producer of CARB verified diesel particulate filters for retrofitting in-use diesel engines, Cleaire has years of experience with over 11,000 units in operation. Whether your duty cycle is cold, hot or both, Cleaire DPFs offer more solutions and options than anyone. More importantly, every Cleaire system is backed by the most extensive and capable network of authorized dealers in the business. Don't play the slots, go with the sure bet! To learn more and locate a dealer visit cleaire.com

www.cleaire.com
(800) 308-2111

MADE IN CALIFORNIA

ADVANCED EMISSION COVERS

Marmon Highway Technologies Alters Brake, Wheel End Lines

Manufacturer Marmon Highway Technologies is reorganizing to increase its production brake and wheel end components and systems for heavy-duty tractors and trailers, the Cullman, Ala., company said May 2.

MHT is a part of Warren Buffett's Berkshire Hathaway Inc. investment company. The MHT statement said certain lines within its Webb Wheel Products and TSE Brakes operating companies

will be the foundation of the new Brake and Wheel Ends group.

J.T. Weis will serve as president of the new group, the statement said. MHT said it will try to expand the brake and wheel end group by acquisitions, entering into joint ventures and organic growth.

BWE will sell to original equipment manufacturers and aftermarket distributors.

— Transport Topics

TA Launches Phone App For Android Users

TravelCenters of America, the second-largest U.S. truck-stop chain, said it launched a version of its TruckSmart mobile software for Google Inc.'s Android operating system.

TruckSmart is phone-based software that tracks fuel prices, available parking and other amenities at 228 TA loca-

tions. The software also includes the locations of and turn directions to truck stops.

The TruckSmart app first appeared in March on Apple Inc.'s iPhone handset. Further updates for the app are planned for both operating systems, TA said.

— Transport Topics

