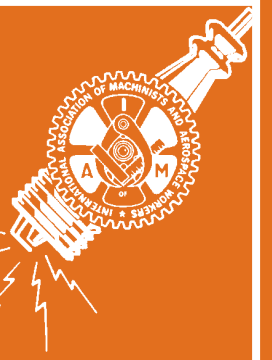


# The IAM District 190 Sparkplug



VOL. 8 NO. 2

February/March 2006

Serving the Active and Retired Members of IAM District Lodge 190

*The right to form a union is a basic human right*

## In Concord and across globe, union members take to streets on Human Rights Day

Throughout the week leading up to International Human Rights Day, December 10, U.S. workers took part in rallies, teach-ins and other events as part of a worldwide effort to support workers' freedom to form unions. In the U.S., thousands of activists in more than 100 cities called on lawmakers to restore the freedom of workers to form unions.

Locally, District Lodge 190 worked with the Contra Costa Labor Council to bring attention to the plight of workers at Lithia Dodge of Concord, who, by mid-December, had been on strike for 80 days. The Human Rights Day rally drew support from unionists from across the Bay Area and from several local politicians.

"Supporting labor is very important to me," said State Senator Liz Figueroa who joined the picket line. "My dad was a machinist. My mom has health problems. She always tells me if it hadn't been for my dad and his benefits, our lives would have been very different. So I know, from a very personal level, that these kinds of abuses on labor are outrageous."

"We've been on strike 12 hours per day, seven days a week," says striking Lithia Dodge mechanic Mike Evenson. "We're not doing it just for ourselves. We're doing it for the other members of our Local and for future techs. We took a stand here."

The 25 technicians, parts people, detailers and lot attendants at Lithia Dodge of Concord voted to strike on September 22 and have been picketing ever since. "The company's last



The Lithia Dodge strikers after 80 days on the picket line.

offer included taking away the pension and providing no improvements in medical coverage and lousy wages," explained Area Director Mark Hollibush. "Lithia is a corporation with deep pockets. But we know that if we accept this bad contract, that will impact all of our contracts in the future."

### What the strikers say

Lithia Dodge workers certainly agreed. "I'm 21. I'm young," says Joe Zadrozny. "But I can see how important having a pension and benefits will be 20 years down the road. This is a fight for myself and my future as well as for the guys who are here now and who will be here for years to come."

Shawn Keary agrees. "Without a union, they can mess us over any way they want to. Nobody will fight if I don't."

This is all new to Marquice Jones. "This is my first union experience and my first strike. I can gain information and share it with my family.

If I don't tell them, they won't know."

Aaron Reif believes that Lithia treats its customers as badly as it treats its employees. "I feel sorry for the employees at their other 92 dealerships. This is Lithia's only union shop, and look how they've treated us."

After months of walking the picket line, several of the techs have had to take new jobs so they could pay the bills. But at presstime, nine employ-

ees are still walking the line daily. "It would have been easy to quit and get another job, but that would be easy for the company—it's what they want," says Mike Evenson.

Shawna Clark agrees. "When I said I was going to be out here, I meant it. I'm a new mother and I lost my spot in daycare, so I can't even look for another job."

Hollibush and Business Rep Rick Rodgers want to express their sincere thanks to all of the unions who have been helping the Lithia Dodge strikers including UFCW, SEIU, California School Employees Association, Teamsters, Steelworkers, Bricklayers, and UA. Special thanks go to SEIU for donating bicycles for the holidays to all picketing families with kids, and to UFCW, the Contra Costa Central Labor Council, individual members and Henderson Roofing for their monetary contributions to help the strikers.

The picket is continuing daily, from 7 a.m.-7 p.m. and everyone is welcome to join in.



Top left: State Senator Liz Figueroa and striker Joe Zadrozny; Top Right: Antioch Toyota tech Vijay Sen and his two kids show solidarity; Bottom: Keeping the picket line moving.

### New study reveals employers tamper with workers' right to form unions

Findings from a report released by **American Rights at Work** just before the December 10 events revealed that most employers tread on workers' rights to a free choice before a union representation vote. Among employers faced with organizing campaigns:

- ✓ 30% fire pro-union workers.
- ✓ 49% threaten to close a worksite when workers try to form a union.
- ✓ 51% coerce workers into opposing unions with bribery or favoritism.
- ✓ 82% hire unionbusting consultants to fight organizing drives.
- ✓ 91% force employees to attend one-on-one anti-union meetings with supervisors.

## WORKING FOR THE UNION

### What it takes to be a union rep

In December, the *Modesto Bee* decided to look into what skills are needed to be a union negotiator. Gilbert Gonzalez, Business Rep for Local 1528 was one of the three featured negotiators interviewed. "I've talked to the media before, but this was one of the first times they really got the story right," Gonzalez said about the article.

Following are excerpts from the article by Claudia D. Newcorn.

When union contracts come up for renewal, members have issues, or arbitration is needed, union negotiators provide a vital service, acting as the "voice" of their labor unions at the negotiating table.

Serving as a union negotiator is usually only part of a person's job duties, and comes to the forefront when contracts between the union and an employer are up for review and renewal. Negotiators often interface with an employer's management team, including human resources personnel and labor relations specialists. Depending on the

issue, a negotiation can be resolved in a day or take several weeks.

There is no formal degree, certificate, or required course of study for negotiation, mediation and arbitration. Instead, skills are usually acquired through "table experience"—learning the processes hands-on by observing experienced negotiators. The job can involve some travel, and during contract negotiation, can run into long hours.

As business representative of Machinists Local 1528, Gilbert Gonzalez negotiates contracts and handles arbitrations and day-to-day problems that surface with members. The opportunity arose six years ago.

"I had been a machine operator for 11 years and was a union shop steward—the person who serves as a liaison between his shop and the union's business representative," Gonzalez says. "Now I'm in contact with a lot more of the membership, dealing with issues such as health insurance and pensions and the wide variety of questions that arise."

A person involved in negotiations needs good people skills, as well as a strong ability to communicate both in writing and orally. He or she needs patience, an ability to listen and an open-minded attitude to discuss various options. Union negotiators must also be able to cope with conflicting

points of view, function under pressure, demonstrate discretion, integrity, fair-mindedness and possess a persuasive, congenial personality.

In addition to on-the-job training—observing skilled negotiators at the bargaining table—Gonzalez adds that training is often provided by the international union on bargaining and conflict resolution. Attorneys provide updates regarding changes in the law.

"Anybody can do this," Gonzalez adds. "The longer you do this job, the better you become. Communication skills are essential because you're working with not only employers, but the members that you represent."

The three union reps recommend that people interested in union negotiations get involved in their local unions, becoming stewards or officers. Unions usually prefer to hire from within because these people are familiar with the issues and situations of the profession, as well as with the union itself.

### Business rep opening in San Jose

Local 1101 Area Director Glenn Gandolfo plans to retire on October 26. Anybody interested in serving as a business representative—working for District 190 and assigned to Local 1101—should send a resume and cover letter to the address below by April 30. There is no official application. Gandolfo and Business Rep Jim Schwantz will do the initial pre-screening, and will send their top candidates to Directing Business Rep Jim Beno for final screening and hiring.

Local 1101: 3777 Stevens Creek Blvd., Suite 320, Santa Clara, CA 95051

### Local 1546 honors stewards, community supporters and trustee

On December 10, Local 1546 members gathered at the Willow Park Country Club in Castro Valley to honor their own, and to pay tribute to those in the community who have supported union efforts.

"We usually try to pick the one shop steward who stands out above the crowd," said Area Director Don Crosatto. "But this time, it was an impossible choice, so we chose three stewards from two different shops to receive the Al James Memorial Steward of the Year plaque.

From Central Chevrolet and Central Collision Center in Fremont, Local 1546 honored Robbie Pintos and Darren Rees for their able participation in very difficult negotiations with the East Bay Motor Car Dealers Association.

"They consistently turned out large numbers of people to the picket lines held throughout the fall, despite the fact that their boss is chairing the employers' bargaining committee and has lobbied hard to cut back wages and benefits. These



(Left photo) Local 1546's three stewards of the year are Darren Rees (L) and Robbie Pintos (R) with Area Director Don Crosatto readying the next awards (C); and MC Alvarez (right photo).

two kept their crew united and focused on keeping the employers from gutting the contract and on supporting the bargaining committee," Crosatto said.

The third winning steward was MC Alvarez, from PMMC at the Port of Oakland. "Throughout the union's long legal battle to keep these members in the IAM, even though they were forced to transfer to the ILWU against their will, MC has been instrumental in keeping the crew together and getting them to continue to pay their IAM dues."

Crosatto adds that the investigation into PMMC's activities is the longest in the NLRB's history, but it should be concluded soon.

The union community award was given to Berkeley Honda's labor-community coalition for the tremendous support they've given the Berkeley Honda strikers. The coalition members have donated countless hours handing out flyers, organizing rallies and keeping attention on

the strike and boycott. "They have gotten numerous community and environmental groups to adopt a day on the picket line. We couldn't have kept up the pressure without them."

Finally, the union gave a special award to Paul Wong, a trustee for more than 30 years, and executive board member for close to 40 years. Before he retired, Wong worked at Cochran and Celli Chevrolet and "he's been an absolute fixture at Local 1546."



Local 1546 Secretary-Treasurer Bob Miller gives plaque to long-time trustee Paul Wong.



The Berkeley Honda labor-community coalition has been instrumental in keeping the strike and boycott alive. (L to R): Area Director Don Crosatto, Harry Brill, Judy Shelton, Teamster Local 78 striker David Allen, Jennifer Kidder, David Chom, Carol Brill and Jim O'Hara.

The IAM District 190  
**Sparkplug**

**WICA**  
WESTERN LABOR COMMUNICATIONS ASSOCIATION  
**ILCA**  
INTERNATIONAL LABOR COMMUNICATIONS ASSOCIATION

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Debra Chaplan, Managing Editor

# THE PENSION ISSUE

## Employers may exaggerate pension problems to escape responsibility

On January 24, Jim Doten, former owner of what is now Berkeley Honda, wrote a commentary for the *Berkeley Daily Planet* about problems he's faced with the union pension plan. In complaining about a bill he received to cover the unfunded pension liability of his former employees, Doten made a number of claims to support the current owner's decision to pull out of the Automotive Industries (AI) pension plan. At the same time, he took the opportunity to slam the union.

As this paper goes to press, Local 1546 Area Director Don Crosatto submitted a rebuttal for the same publication. We believe all IAM members deserve an explanation about the pension issue because Doten's complaints reflect what business reps are hearing in contract negotiations across the District.

### Plan is jointly managed by union and employers

First, Doten refers to the "Union and its pension plan." Crosatto reminds Doten that it has been illegal since 1947 for a union to solely manage or run a pension plan. The AI pension plan is governed by a 10-member Board of Trustees, five picked by the participant unions and five picked by employers.

The Employer Association to which Doten belonged for 30 years has a seat on the board and the president of that group serves as co-chair of the pension fund. All Board decisions require a majority from both sides of the table. Every increase or decrease in benefit levels in the last decade has passed with the unanimous support of the five employer trustees. Doten may be unhappy with the Board's decisions, but he can't complain about lack of representation.

Crosatto says that he really can't complain about lack of information either. All Trustees have their addresses and phone numbers published and are readily available to discuss the fund's status with any employer or participant who chooses to call.

### Plan was mandated to increase benefits

Doten argues that foolish and imprudent trustees jacked up the benefits by 20% in 2001 when the stock market had already peaked and most people could see a recession coming. He says this led to the Pension Plan's unfunded liability. That's a great story, but not even close to the truth.

The most recent increase in benefits was actually passed in June, 1998 (with an effective date of January 1, 1999). At that time, the trustees increased benefits by a whopping 0.1%—from 4.9% per month to 5% per month of service.



This was the last of four increases that took place between 1992 and 1999 that collectively added up to about 20%.

Between 1992 and 1998, the pension fund's assets had grown by \$944 million, an average of 15.45% per year. The Trustees had to increase benefits for two reasons.

First, the purpose of the plan is not to rat hole money, but rather to provide benefits for the participants. When a pension fund grows to a certain level, the Trustees have both a legal and a moral obligation to spend that growth on the people in the plan.

Second, the IRS will eliminate the tax exempt status of a plan and impose an excise tax on employers in that plan if it accumulates a certain level of assets without paying improved benefits.

This sensible regulation was designed to prevent employers from using pension plan contributions as a tax dodge. For several years, Doten himself received an average

\$100,000 per year tax deduction.

If the trustees had not made plan improvements in 1998, the IRS would have levied hundreds of thousands of dollars in penalties and fines against this employer.

### Yes Virginia, there is a deficit

The AI pension plan is succeeding in working itself out of the same hole that most pension funds in the nation found themselves in after the stock market took a severe downturn in 2001 and 2002. The AI plan is currently running a \$141 million deficit, because during these dismal years, the fund actually lost money. The worst of these years saw a loss of 6.68%, which happened to coincide with a steady increase in retirements.

On the other hand, the AI plan's deficit represents a 91% funding level. According to the Segal Company, which serves as the actuary for more than 100 large Taft-Hartley Pension Funds, the average fund is

at an 83% funding level, with some major plans as low as 62%.

During the last decade, the stock market's ups and downs went to the extremes. The AI plan experienced three of the best and four of the worst years in its history. The last few years have been up years, but only marginally. Even still, our plan experienced an average of 9.3% growth per year.

Doten claims that the pension fund deficit "was equal to the gross domestic product of Argentina." A quick Google search shows Argentina's GDP to be \$91 billion, or 650 times as much as the AI liability.

### Penalty for employers who withdraw

Is it unfair that employers who withdraw from the plan get assessed a large penalty, even after they have paid their monthly bill? Perhaps. But that does not happen because unions want to punish employers who sell their businesses.

In fact, in 1980, Congress passed a law that required pension funds to assess withdrawing employers if there is a deficit in the pension plan. It did so to prevent a "run on the bank" mentality when pensions had a few bad years.

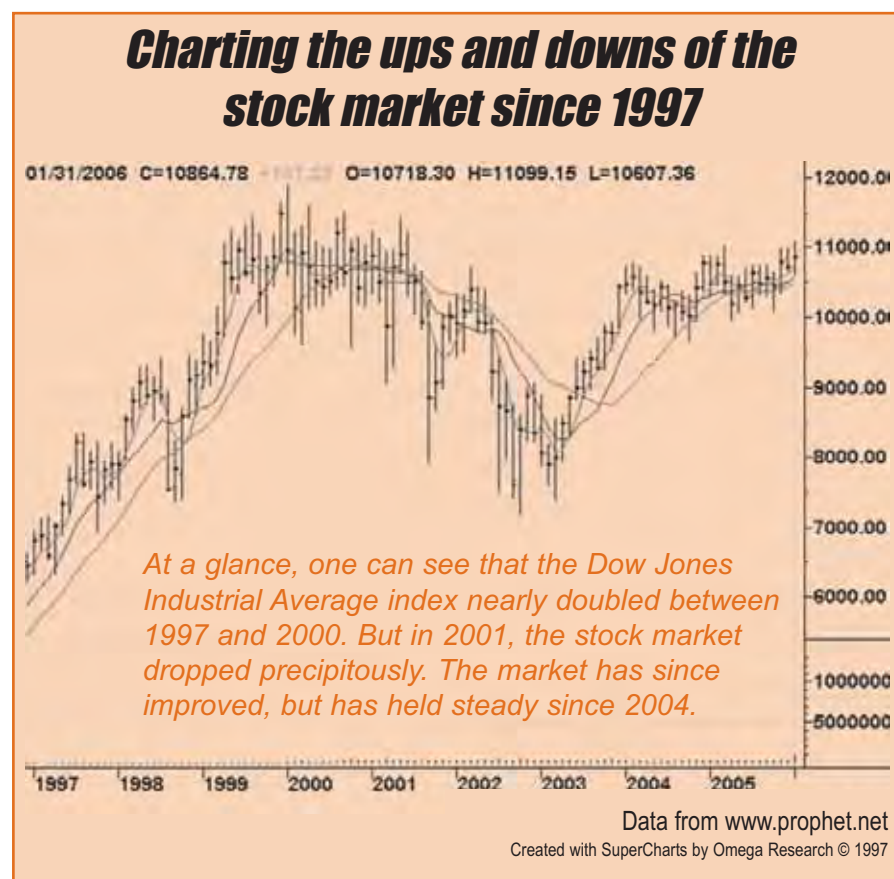
Congress was concerned that a mass exodus of employers from a fund during a down investment cycle could lead to the collapse of many pension plans. When that happens, either the taxpayers have to pick up the pieces—United Airlines is a good example—or thousands of seniors are left destitute.

Because of this law, Multi-Employer pension plans almost never go under. The most recent report from the Pension Benefit Guarantee Corporation (PBGC) demonstrates this point. Approximately 30 million Americans are covered by Single-Employer Pension Plans. Because the steel and airline industries have been allowed to dump their plans on the PBGC, the Single-Employer insurance account has a deficit of \$23 billion, which could triple in the next few years.

Multi-Employer plans (such as AI) cover about 10 million people. The PBGC deficit for these plans is a mere \$240 million, or 1% of the Single-Employer deficit.

It's unfortunate that Doten decided to retire when he did—had he retained his ownership and continued to pay in to the plan, he never would have received a bill for the liability.

However, the fund is well-managed, highly diversified, and in better condition than most other pension plans in the nation.



**Local 1414**

**New members at SFO**

Globe Ground at SFO just picked up a new and significant account: Delta Airlines, and that means more jobs for more IAM Local 1414 members. "We started with close to 70 members at Globe Ground and this contract will add up to 120 new members to our ranks," says Business Rep Pedro Mendez.

The deal came as a result of Delta declaring bankruptcy and starting to subcontract a lot of its previously in-house work. "At least in this case, the subcontracting is being done by a union company," Mendez added.

**New contract with new South City Ford**

South City Ford had been under contract with Local 1414 for nearly 25 years, but when the owner decided to retire and give his dealership back to Ford, it was not clear what would happen.

Persistence pays off. First the new owner, George Love, agreed to recognize the union. Then, after nearly five months of negotiating, Business Reps Pedro Mendez and Don Barbe were able to come out with a three-and-a-half year contract that the 10 members there ratified unanimously on January 10.

"The relationship between this owner and the union is great," says Pedro Mendez. "We actually included a clause in the agreement stating that employees can wear their union logo patch on their uniforms."

Mendez advises that South City Ford is now hiring qualified technicians and service advisors.

**Local 1173**

**Thanks Frank**

Local 1173 is proud to recognize Frank Fernandez who is retiring after 31 years as a union member. Fernandez served as shop steward at Toyota Walnut Creek for 28 years and took part in the negotiating team for the New Car Dealers Association talks. "I thank the union for enabling me to retire at 54 years old." Fernandez adds that Toyota Walnut



Creek was a great company to work for; the dealership gave him a 10-day Mexico cruise as a retirement gift.

**Please do not patronize Diablo Ford**

Local 1173 requests that all IAM members and their family and friends not patronize Diablo Ford in

**Local**

**The long stall in Living**

bargaining with the IAM. The delay may finally be coming to an end.

After a thorough investigation, the National Labor Relations Board has issued a formal complaint against Foster Farms for refusing to bargain. Agreeing with the union, the regional NLRB has ruled that the workers' affiliation with the IAM is legal. The next step is for the NLRB's Washington counsel to seek a 10(J) injunction from the federal district court that compels the company to bargain with the IAM. "We hear that the 10(J) will come down the next few weeks," says Directing Business Rep Jim Ben. "That's the best thing for us, because it'll force th

In September, the members of the League of Independent Workers, who work at Foster Farms' Livingston plant, voted overwhelmingly to merge with the IAM. By November, they were dubbed IAM Local Lodge 2005. Even before negotiating a contract with the company, more than 1,000 members have voluntarily started paying their IAM dues.

With monthly meetings bringing together no less than 500 members and often as many as 1,500 members, hopes were high that the independent union's bargaining impasses would quickly be ended. But instead of respecting the wishes of its employees, the company has done all in its power to stall and avoid

Pittsburg. The union has filed numerous unfair labor practice charges against the dealership because the employer engaged in "surface bargaining," meaning that they occasionally took up space at the bargaining table but never entered into serious negotiations.

"This is a very anti-union shop," says Area Director Mark Hollibush. "They don't deserve our business."

**Local 1528**

**Closing out at NI Industries**

At the height of the Vietnam War, NI Industries had 3,500 IAM members at its Riverbank facility. Now, the ammunition plant is down to 36, and has been slated to close by 2011.

"We're headed into negotiations now," says Local 1528 Business Rep Gilbert Gonzalez. "Our goal is to put a good severance package in place so our members are taken care of when the facility closes."

**Talks to start at Silgan**

Gonzalez reports that the Silgan Stockton contract is coming due on February 24. "This will impact 125 employees at the plant. We had a strike three years ago which is weighing heavily on everyone's mind, because nobody wants to strike again."

**Local 1484**

**Everything's due at once**

"Eight of Local 1484's 11 contracts that expire this year come up in a three-month window," says Local 1484 Business Rep Kevin Kucera. "It'll be a chal-

lenging year."

The employees at MTC and SSA are in the process of electing negotiating committee members. "We're preparing and involving our membership," Kucera adds. Some of the employers have indicated a willingness to go to the table early, which should ease the time crunch.

As proposal committee meetings get underway, it's clear that at the top of the list is maintaining union health and welfare benefits without any out of pocket costs, as well as keeping wages and pension contributions high.

**Local 1101**

**Dealerships finally see the light**

Just as the last issue of *The Sparkplug* was going to press with articles about the nine-day strikes at Normandin Chrysler-Jeep and Swanson Ford, settlements were reached and contracts were ratified.

The four-year agreement includes 50¢/hour wage raises in years two, three and four, and an increase of \$75/month in health and welfare contributions in year one. "By moving from the Santa Clara plan to the Teamsters health plan, we were able to maintain comparable benefits while reducing costs," explains Area Director Glenn Gandolfo. Under the old plan, starting in February, they would have been paying \$335/month, but with the new health plan, they only pay \$45, with an additional dental option of \$40. After the first year, any health and welfare increase will be split 50/50. The members accepted a pension freeze, but no reduction or takeaways.

**SHOP TALK: What's the relationship between union rights and human rights**



**Fernando Dominguez**  
Mazzei Pontiac-GMC-Cadillac  
Local 1173

"It's all about the future. We're all looking for prosperity. If nobody has a say or any rights in how we live, then the middle class will fade away."



**Robert Vanoni**  
Mazzei Pontiac-GMC-Cadillac  
Local 1173

"Big corporations want you to be under their control. They want to control every part of your life and expect you to be a serf. We don't want to be rich—we just want to get ahead."



**Mike Evenson**  
Lithia Dodge  
Local 1173

"Human rights give you the right to have a union. That's why most third world countries don't have unions—they don't have rights."



**Shawna Clark**  
Lithia Dodge  
Local 1173

"I see this as similar to animal rights. When you cage up an animal and make him work for nothing, the only option is for the animal to work with his friends to break out of the cage. That's what we're doing—trying to break out of the cage."



**Steve Antioch**  
Local 1173

"My dad was a part of a union and is a part of an amendment—free speech and the Living in America to do that."

# THE LOCALS



## Local 2005

### Union may soon be over

Company back to the bargaining table. If they don't come back, then they'll be in contempt of court. All along, the company was challenging us on a legality. It looks like they've officially lost the challenge."

While this process has taken longer than anyone anticipated, the bargaining unit has remained focused and together. "There are no cracks in the armor," says Local 2005 President Ralph Meraz. "I want to know if people are feeling frustrated so we can deal with that. But they're solid. I don't see anybody backing off at all."

Meraz says the Local hosted a two-day open house so people from all three shifts could attend. "It

was a beautiful event with a great spread of food. We did our best to make our members comfortable and let them know that the union will be there for them."

Local 2005's next monthly meeting is on February 12. "We expect 500-800 people between the two sessions. We've never had less than that. People are interested and we keep them informed," Meraz added.

"Sometimes people get discouraged when the process takes longer than expected. But the spirits of the bargaining unit people are high," says Beno. "They realize it might take longer than anyone thought initially, but in the end, they believe they'll get a good contract."

"These guys went on strike over the total economic package, but health and welfare was the main sticking point. We're glad we could find a reasonable solution," Gandolfo added.

### More South Bay dealers settle

At this point, most of the South Bay dealers have settled their contracts based on the same formula as Formandin and Swanson. These include Capital Buick, Carl Chevrolet, Joe Kerley Lincoln-Mercury, and Jose British Motors, Moore Buick and Sunnyvale W. At presstime, the only dealers' group member that has not yet settled is Hopkins Honda.

Gandolfo reports that things are not looking good for the Stevens Creek Buick talks, which was not part of the South Bay dealers group. "They want to do away with pensions completely. It's a nasty situation."

## Local 1584

### Rexam is at it again

Getting anything out of Rexam seems to require a lawsuit. First, when Rexam closed its San Leandro facility in December 2003, the union sued the company for denying long-time employees their hard-earned pensions and won a \$610,000 settlement. Now the union is taking on the company again.

"Rexam is trying to use the new prescription drug benefit (Medicaid Part D) to eliminate its coverage of retiree prescription drugs," says Administrative Assistant Herman Howell. "They're doing this nationwide. However, our agreements in San Leandro and Modesto call for the company to provide 'lifetime

benefits,' which means they can't do that to our retirees."

The IAM filed a class action lawsuit in district court in California before the December 31 deadline, but the argument is now over which District Court should hear the case—California or Minnesota. "The company is trying to get the case heard in Minnesota because they're known to give more favorable rulings to the employers," Howell explained.

Unions feared that when the new Medicare plan was put into place, companies would try to use it to get out of their retiree medical responsibilities. Already an estimated 12% of companies are doing this to get out of having to provide retiree medical coverage.

## Local 1596

### North Bay contracts due

Local 1596 settled three big contracts in January, reports Area Director Tom Brandon.

"At Donal Machine in Petaluma and MGM Brakes in Cloverdale, our members ratified three-year contracts that reflect the area standard in machine and manufacturing. Both companies will pay 2% wage increases each year and we got some minor improvements in the health and welfare," Brandon said.

The members at Veolia Water ratified their three-year contract on January 18. Each year, they'll get 5% wage increases and the pension contribution will be upped by 10¢/hour. The union is going before the city council to encourage them to award this union company the contract to continue to manage Petaluma's water treatment plant.

## Local 2182

### Omega steps up to the plate

The 12 IAM members at Omega Tank and Truck, with locations in West Sacramento and Chico, just completed their first new three-year agreement. "This company had bought out Petroleum Tank Lines two years ago, so we had a two-year agreement just to get them off the ground," says Business Rep Skip Hatch. "It's great to see that their business is improving and the company is starting to grow."

The agreement calls for a wage freeze in year one, with a wage and pension re-opener by December 31 of this year. The contract adds two new classifications, utility and shipping/receiving, the California Machinist 401K plan, improved life insurance, orthodontic and disability plans, and some other improvements in contract language.

### Agreement with Earthgrains all over

Coordinated bargaining with Earthgrains involved members of five locals and three business reps. In the end, Don Barbe, Pat Woodward and Mark Martin were able to reach an equitable settlement with no takeaways for the employees who are members of Locals 2182, 801, 1546, 1414, and 1101. The company will increase its contribution to the health and welfare plan by \$250.

### Eking out a deal at Stan Morri Ford

When Area Director Mark Martin and the members at Stan Morri Ford first sat down with their employer in July, 2005, they knew they were in for a long process. The company originally proposed 42 separate changes, effectively gutting the contract. Their proposals included deleting seniority, eliminating overtime, changing from hourly to flat rate, eliminating union security and dues check off, eliminating the union pension plan and creating different levels of journeyman pay.

"After at least 18 bargaining sessions over six months, the union was successful in preserving what we've fought so hard for over the years, and getting the employer to back off of the takeaways," says Martin. "The economics are a little thin but we managed to get the company to pay the total cost of health and welfare in year one, we retained the IAM National Pension Plan, and got wage increases including retro back to when the contract expired September 1, 2005."

Martin thanks shop steward Frank Crowder and the IAM members at Morri. "Without their help, I don't think we would have been successful."



rom  
Center  
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smith—being  
in my family  
is the first  
of free  
to organize.  
as me the right



Joe Zadrozny  
Lithia Dodge  
Local 1173

"We support the company—they should support us. You shouldn't have to fight for what you deserve. We're here fighting for ourselves and for the rights of others and for our future."



Wolf Sexauer  
Cole European  
Local 1173

"There should be a right to put people back to work at a decent wage. Everyone needs a pension and health care. It leads to job security, if we get the movement strong enough."



Aaron Reif  
Lithia Dodge  
Local 1173

"Lithia doesn't treat it's employees like we're human; more like a slave or a dog—they kick you."



Marquice Jones  
Lithia Dodge  
Local 1173

"Union and human rights go hand in hand—making workplaces and society better for others. We need to keep getting information and education out about both issues."

# THE SACRAMENTO SCENE

## 2006 primary election candidates

*It seems like every year we say the same thing—and it's been true for four years running—that this is a very important election year. We will be electing the Governor, all of the statewide Constitutional Officers, a U.S. Senator, all of our congressmembers and state assembly members and half of our state senators (those from odd-numbered districts).*

*While a number of Democrats and Republicans have begun raising money for a statewide campaign or talked of their plans to run, anything could change before the filing deadline. The California Labor Federation will be making its endorsements on March 8.*

*At presstime, the campaign lineup looks like this:*

### Governor

Republican **Arnold Schwarzenegger** is running for re-election and state Treasurer **Phil Angelides** and state Controller **Steve Westly** are the Democrats looking to challenge him.

### U.S. Senator

Democrat **Dianne Feinstein** is looking for a third full term in the Senate. **Richard Mountjoy Sr.**, a retired State Senator, is the lone Republican who has expressed interest.

### Lieutenant Governor

Insurance Commissioner **John Garamendi** and State Sens. **Jackie Speier** of Hillsborough and **Liz Figueroa** of Fremont plan to run for the Democratic nomination. State Sen. **Tom McClintock** of Thousand Oaks (Ventura County) is the major announced Republican candidate.

### Attorney General

On the Democratic side, it's Oakland Mayor **Jerry Brown** vs. Los Angeles City Attorney **Rocky Delgadillo**. For the Republicans, Fresno State Sen. **Chuck Poochigian** is in the race, with **Pierre-Richard Prosper**, an ambassador and war crimes prosecutor under the Bush administration, a possible entry.

### Secretary of State

Republican Secretary of State **Bruce McPherson**, a former Santa Cruz State Senator appointed to the job last year by Schwarzenegger, is running. Termed-out State Sens. **Debra Bowen** of Marina del Rey (Los Angeles County) and **Debra Ortiz** of Sacramento are the Democrats in the race.

### Controller

Sen. Joe Dunn of Garden Grove (Orange County), Assemblyman Dario Frommer of Los Feliz (Los Angeles County) and **John Chiang** of Los Angeles are looking for the Democratic nomination. State Sen. **Abel Maldonado** of Santa Maria (Santa Barbara County) and **Tony Strickland**, a former Thousand Oaks (Ventura County) assemblyman, are the GOP candidates.

### Treasurer

For the Democrats, Attorney General **Bill Lockyer**, State Sen. **Kevin Murray** of Los Angeles and

**Mark Saldino**, the Los Angeles County Treasurer, are vying for the nomination. Republican hopefuls are Assemblyman **Keith Richman** of Northridge (Los Angeles County) and **Claude Parrish** of Long Beach, a state Board of Equalization member.

### Insurance Commissioner

Democratic Lt. Gov. **Cruz Bustamante** is in the race, along with Republicans **Phil Kurzner**, **Steve Poizner** and **Gary Mendoza**, the 2002 GOP candidate for the post.

### Superintendent of Public Instruction

Democrat **Jack O'Connell** is seeking re-election. Assemblyman **Tim Leslie** of Tahoe City and **Michael Agbaba** are two Republican possibilities.

*Source: The San Francisco Chronicle compiled this list from the secretary of state, political parties, candidate campaigns.*



**ASSOCIATED  
THIRD PARTY  
ADMINISTRATORS**

ATPA is the administrator for the Automotive Industries Health & Welfare and Pension Trust Funds.

**Contact us at 510-836-2484**

### Attention Local 1173 Members

#### Proposed by-laws change

Two proposals have been submitted for a change in Local 1173's by-laws. The first vote on the by-laws will be held at the February 16 Regular Shop Steward's meeting. A vote on the second bylaws change will take place at the March 16 Regular Shop Stewards' Meeting. Both of these meetings are open to all members to attend.



Send the mailing label on this newspaper to your Local Union office.

See Calendar on Page 8 for your local union's address.

## SHOP TALK: What's the relationship between union rights and human rights?



**Jose Costte**  
Diablo Lincoln-Mercury  
Local 1173

"Before you're organized the employer can get rid of you. Employers manipulate the law. Unions look after people. If they don't do it, who will? The dealers lie about their profits so they can eliminate jobs and then get rid of the union."



**Rick McElwain**  
Concord Mitsubishi  
Local 1173

"Every human has a right to make a fair wage and have health care to take care of their family. And also, to be treated fairly while on the job performing their duties."



**Vijay Sen**  
Antioch Toyota  
Local 1173

"Workers should be treated fairly. Slavery is long gone. We should be treated like trained technicians, as part of the community. We deserve our rights. We don't want more than we deserve—fair rights and benefits."



**James Smith**  
Antioch Dodge-Chrysler-Jeep  
Local 1173

"It's a basic human right to be able to get a decent salary and benefits to take care of a family. And also to have a retirement to look forward to."



**Shawn Keary**  
Lithia Dodge  
Local 1173

"We are fighting for human rights out here. The union supports the working class, and I'm out here to support the rights of my fellow workers. Who else will fight for us?"

# LABOR NEWS

## The union rat stays

Since June, members of Local 1546 have been on strike at Berkeley Honda. This action came as a result of the sale of the long-time union dealership, Doten Honda, to a new owner who was more interested in busting the unions than providing good service to their customers.

The union members have not been alone in their strike action. Along with a strong corps of community supporters, they have been accompanied by the union rat. And that 12-foot tall inflatable beast has generated some controversy.

The gray rat with red eyes is a union rat, so it goes home at 6:00 p.m. and returns to the corner of Shattuck and Parker at 6:00 a.m. "It's been quite effective," says IAM striker Garry Horrocks. "We're getting tremendous support from the community here in Berkeley."

According to KGO-TV however, Berkeley Honda General Manager Steve Haworth says the rat is infringing on his right to run a safe and profitable business. "It's a pretty scary looking creature out there."

But union members counter that they have a right to protest the employer's changing their pension plan and cutting their wages, and they have a permit to do so.

Berkeley city attorneys say the permit to place an object on the sidewalk was intended for tables to distribute free speech literature. But permit officials have broadened it to include objects. The inflatable rat is the largest free speech object to receive a permit.

Back in September, the union got a 14-day temporary permit for the rat, but the city is allowing the rat to stay.

"Let's face it," says Berkeley Mayor Tom Bates. "Berkeley is a very pro-union town." In fact, the city council voted unanimously to encourage citizens to boycott



Community members and the rat continue picket duty at Berkeley Honda after members of Local 1546 went on strike in June, 2005. The 12-foot rat has become a source of controversy—at least from the point of view of the dealership's new anti-union management.

Berkeley Honda.

Berkeley city attorneys say sandwich signs on the sidewalk are illegal because they're for commercial use. But free speech signs as big as this rat are not. The city of Berkeley never tried to prevent the union from receiving a permit.

The IAM recently won a decision in federal court to display its rat in Ohio.

The union affirms that wherever a future labor dispute pops up, the union will erect another 12-foot-rat on a public easement.

## Lunch Break Victory

In January, Governor Schwarzenegger retreated from regulations that would have severely weakened the right of California workers to a lunch break. This victory for all California workers was only possible thanks to the many union members who opposed the lunch break takeaway.

The regulation would have jeop-

ardized workplace health and safety by making it easier for employers to coerce workers out of their meal breaks. It would also have reduced the statute of limitations on meal break cases from three years to one year, giving a free pass to companies who deny lunch breaks to their employees.

In December, an Oakland jury awarded \$172 million to 116,000 Wal-Mart workers who were systematically denied lunch breaks. Wal-Mart had attempted to use the Administration's proposed regulations to avoid legal responsibility in the case.

"This announcement comes after a year-long battle in which unions and community allies challenged Schwarzenegger's proposed take-away in the media, on the streets, and in the courts," said California Labor Federation Secretary-Treasurer Art Pulaski. "Congratulations to everyone who helped defeat this attack on our lunch breaks!"

## Union membership levels off

Long-declining union membership leveled off last year at 12.5% of the workforce, the Labor Department said Friday in a report labor leaders called encouraging.

The department said 15.7 million workers were union members in 2005. Blacks were more likely than whites, Hispanics or Asian workers to be members of a union. Men were more likely than women to be in unions and those in the public sector were four times as likely as those in the private sector to be in unions.

Full-time workers who were union members had median weekly earnings of \$801, compared with a median weekly income of \$622 for workers who were not in unions.

Is it any surprise that companies pull out all the stops to keep their employees from unionizing, when they see that union workers, on average, make 22% more than their non-union counterparts?



# AUTOMOTIVE NEWS

## Auto repair assembly lines ... coming to a dealership near you?

After being inspired by a visit to a Honda assembly-line factory, a Pennsylvania service manager created an assembly line-style service operation at Bobby Rahal Honda in Mechanicsburg, PA. Now that the line has been in operation for more than a year, John Richards feels he's ironed out the bugs and is ready to sell the assembly line to dealerships across the nation.

The five-station line is 150 feet long and 22 feet wide. Each station performs specific repairs while as many as five vehicles move down the line.

The process begins when a car is loaded onto the line and the year and

model are entered into a computer. A screen at each of the five stations gives the seven line workers instructions. Appropriate parts are kept at each station.

With the line, a 30,000-mile service checkup can be done in about 28 minutes. That includes about 22 checks and repairs and a car wash. According to Richards, this is about three hours less than then standard check-up..

### Cutting labor costs

While startup costs are hefty—as

much as \$300,000—and the line costs up to \$1,000 per month to maintain, Richards says that the store is saving \$20,000 in labor costs.

This is because most of the thinking is done by computer software. Higher paid technicians can be replaced by people who are trained solely to work on the line. In the Pennsylvania store, service-line workers make \$7-\$10 an hour, while technicians make \$13-\$19 an hour.

By using the line to do routine service, higher-paid technicians are

free to focus on complex repairs and diagnostics.

Richards claims that injury claims have been reduced as well because all of the parts are at the stations and there is no heavy lifting.

Another line is opening up at Bobby Rahal's Toyota dealership in Mechanicsburg, and Richards says that another east coast dealership is looking into investing in the service line for its shops.

"This could be a big boon for dealerships in big cities, where space is at a premium," says Richards, who estimates that the line could replace the work done in 20 service stalls.

—Automotive News

*The line can be staffed by people who are trained to work on the line but aren't paid as much as technicians.*

For just a few dollars a day, IAM members are able to attain a degree of workplace protection that is virtually impossible in a non-union environment. Wages for IAM members are 25% higher than comparable non-union wages, and when benefits are included in the mix, the total compensation may be as much as 36% higher. From that perspective, IAM membership dues are an investment that definitely pays dividends.

**“Why is it that every time we get a raise, our dues go up?”**

This is a reasonable question that many members ask. One thing to know is that dues only go up once a year—in January. And the increase is based on wages in effect on August 31 of the previous year.

While the dues rate and expenses at every Local in District Lodge 190 are a little bit different, the following review of how Local 1546 members’ money is allocated should be fairly close to that of the other Locals.

In addition, the leadership in each local has discretion over some of the funds. For example, while some Locals have term life insurance policies, a few Locals did away with those policies to minimize the dues increase. Additionally, each local earns income from strike fund and other savings accounts—how much and what percentage of the Local’s expenses this covers vary widely.

# Where your dues money goes

Here is the pie chart for Local 1546, and how each dues dollar is spent. The expense categories are typical for all the locals, but the specific percentages may vary.

<b>District Lodge</b>	<b>35%</b>
This fee covers half of the salaries and benefits for all of the District officers, organizing staff and Business Reps who negotiate your contracts and serve the membership. It also covers arbitration, negotiations and other legal fees; production and mailing of the <b>Sparkplug</b> , and more.	
<b>Grand Lodge</b>	<b>25%</b>
This fee covers strike benefits; operating expenses that include salaries and benefits for headquarters and field office workers; data processing; the cost of operating and maintaining the IAM headquarters building, telephones, postage, a portion of business representatives salaries; field staff activity; expenses and salaries for the various departments including legal, research, organizing, legislative activity, communications; the <i>IAM Journal</i> and other educational materials; membership in the AFL-CIO and other labor organizations; and executive expenses.	
<b>Misc. Salaries</b>	<b>13%</b>
This covers the Local’s clerical staff’s wages.	

<b>Building Expenses</b>	<b>11%</b>
This includes upkeep and repair, taxes, telephone and other utilities. (Some locals pay rent or mortgages.)	
<b>Officers Salaries/Expenses</b>	<b>5%</b>
<b>Committee Wages/Expenses</b>	<b>2%</b>
<b>Misc. Expenses</b>	<b>1%</b>
This category puts together contributions, asset purchases, meeting expenses, printing, and strike expenses.	
<b>Employee Benefits</b>	<b>3%</b>
This is the health and welfare and pension plans for the clerical staff and officers	
<b>Federal/State Taxes</b>	<b>2%</b>
<b>Conferences/Conventions</b>	<b>1%</b>
<b>Professional Fees</b>	<b>1%</b>
This covers the accountant and legal counsel.	
<b>Affiliations</b>	<b>.5%</b>
This includes dues to the California Labor Federation, the California Conference of Machinists and appropriate county Central Labor Councils.	
<b>Bank Debits/Dues Refunds</b>	<b>.5%</b>
This is for bounced check fees from member dues and other refunds.	



## UNION MEETINGS

### District Lodge 190

7717 Oakport Street  
Oakland, CA 94621  
510-632-3661

**Executive Board Meeting**  
Fourth Tuesday of each month at 6:30 p.m.  
February 28 • March 28 • April 25  
**General Delegates’ Meeting**  
Fourth Tuesday of each month at 7:30 p.m.  
February 28 • March 28 • April 25

### Local 80I

7717 Oakport Street,  
Oakland, CA 94621  
800-655-2182

**Membership Meeting**  
Third Thursday of the month at 4:00 p.m.  
February 16 • March 16 • April 20  
Meetings are held at the Carpenters’ Hall, in Reno.

### Local 110I

3777 Stevens Creek Blvd., Suite 320  
Santa Clara, CA 95051  
408-551-2280

All meetings are held at the above address. Check union office for room.

**Executive Board Meeting**  
Second Thursday of each month at 5:30 p.m.  
February 9 • March 9 • April 13  
**General Membership Meeting**  
Second Thursday of each month at 6:30 p.m.  
February 9 • March 9 • April 13  
**NOTE: New office hours:** Mon-Thur. 8 a.m.-5 p.m.  
Friday: 8 a.m.-4 p.m.  
For Reps: Call ahead for appointment/availability

### Local 1173

1900 Bates Ave., # H  
Concord, CA 94520  
925-687-6421

**Executive Board Meeting**  
Second Thursday of each month at 6:30 p.m.  
February 9 • March 9 • April 13  
**Membership/Shop Stewards’ Meeting**  
Third Thursday of each month at 6:30 p.m.  
February 16 • March 16 • April 20

### Local 1414

150 South Blvd.  
San Mateo, CA 94402  
650-341-2689

**Shop Stewards’ Meeting**  
First Thursday of each month at 6:00 p.m.  
February 2 • March 2 • April 6  
**Executive Board Meeting**  
Second Thursday of each month at 6:00 p.m.  
February 9 • March 9 • April 13  
**General Membership Meeting**  
Third Thursday of each month at 6:30 p.m.  
February 16 • March 16 • April 20  
**Retirees’ Club**  
First Wednesday of June, Sept., Dec., March at 11:00 a.m. All are welcome!  
March 1 • June 7 • September 6

### Local 1484

1261 Avalon Blvd.  
Wilmington, CA 90744  
310-835-6688

**Executive Board Meeting**  
Third Thursday of each month at 6:00 p.m.  
February 16 • March 16 • April 20  
**General Membership Meeting**  
First Tuesday of each month at 6:00 p.m.  
February 7 • March 7 • April 4  
**Retirees’ Club**  
Third Wednesday of each month at 1:00 p.m.  
February 15 • March 15 • April 19

### Local 1528

713 16th Street  
Modesto, CA 95354  
209-529-9210

**Executive Board Meeting**  
First Wednesday of each month at 5:30 p.m.  
February 1 • March 1 • April 5  
**General Membership Meeting**  
First Wednesday of each month at 7:00 p.m.  
February 1 • March 1 • April 5  
**Women’s Committee Meeting**  
Fourth Sunday of each month at 11:00 a.m.  
February 26 • March 26 • April 23

### Local 1546

10260 MacArthur Blvd.,  
Oakland, CA 94605  
510-638-6705

**General Membership Meeting**  
First Tuesday of each month at 7:00 p.m.  
February 7 • March 7 • April 4  
**Shop Stewards’ Meeting**  
First Tuesday of each month at 5:30 p.m.  
February 7 • March 7 • April 4  
**Executive Board Meeting**  
Thursday preceding membership meeting at 6:30 p.m.  
February 2 • March 2 • March 30  
**Retiree Club Pot Luck Luncheon**  
First Wednesday of each month at 12 noon  
February 1 • March 1 • April 5  
**Alcoholics Anonymous:** Every Saturday, 9 a.m.

### Local 1584

8130 Baldwin Street  
Oakland, CA 94621  
510-635-2064

**Membership Meeting**  
Third Thursday of each month at 7:00 p.m.  
February 16 • March 16 • April 20  
**Executive Board Meeting**  
Preceding Monday at 7:00 p.m.  
February 13 • March 13 • April 17  
**Retirees’ Club**  
First Tuesday of each month at 12:30 p.m.  
February 7 • March 7 • April 4

### Local 1596

4210 Petaluma Blvd. No.  
Petaluma, CA 94952  
707-795-0085

**Membership Meeting**  
Third Tuesday of each month at 7:00 p.m.  
February 21 • March 21 • April 18  
**Executive Board Meeting**  
Third Tuesday of each month at 6:30 p.m.  
February 21 • March 21 • April 18

### Local 2182

967 Venture Court,  
Sacramento, CA 95825  
800-458-9200

**Executive Board Meeting**  
Second Tuesday of each month at 6:00 p.m.  
February 14 • March 14 • April 11  
**General Membership Meeting**  
Second Tuesday of each month at 7:00 p.m.  
February 14 • March 14 • April 11  
**Retirees’ Club - VISTA CLUB**  
Third Wednesday of each month at 11:00 a.m.  
February 15 • March 15 • April 19