

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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MEMORANDUM

DATE: MARCH 25, 2009

TO: ALL MEMBERS SIGNATORY TO THE OAK HARBOR FREIGHT LINES LABOR AGREEMENT
LOCALS 81, 174, 231, 252, 324, 483, 589, 690, 760, 763, 839 & 962 and Joint Councils 28 & 37

FROM: J. ALLEN HOBART, VICE PRESIDENT WESTERN REGION
INTERNATIONAL BROTHERHOOD OF TEAMSTERS

RE: OAK HARBOR FREIGHT LINES MEDIATION UPDATE

Message:

Dear Brothers and Sisters:

We met with Oak Harbor's negotiating team again on Monday, March 23, 2009. The company still refuses to respond to two offers we presented last year that would save Oak Harbor money, provide its employees with high-quality healthcare and cover healthcare costs for retirees.

As you can see from the breakdown below that we presented to Oak Harbor on November 7, 2008, both the Washington Teamster Trust in the first column and the Central States Health Plan, labeled "Teamster Counter Offer on Health," would present significant cost saving to the company over Oak Harbor's proposed healthcare plan.

The company's unwillingness to take advantage of these offers is just another sign that the company continues to refuse to bargain in good faith.

We will meet with the company's negotiating team including John Payne and Bob Braun again on Wednesday, April 8, 2009 as part of our continuing attempt to negotiate a contract that will position Oak Harbor for success and respect the contributions of their employees.

OAK HARBOR HEALTH CARE COST COMPARISON-11/7/08 (Attachment)

	<u>Current under WTWT & RT</u>	<u>Oak Harbor' Co. Proposed Plan</u>	<u>Teamster Counter Offer on Health</u>
	<i>(Monthly Per Active Participant Cost by Benefit Category-assumes 2009 costs)</i>		
	Add 8% onto \$1095 rate for '09		
1 Medical/Drug	\$777.90	\$1,183.37	\$888.27
2 Dental	\$82.72	N/A	Included in #1
3 Vision	\$11.35	N/A	Included in #1
4 Time Loss A	\$18.00	N/A	Included in #1
5 9 month waiver	\$11.40	N/A	N/A
6 Life	\$4.41	N/A	Included in #1
7 Retiree Plan	\$74.85	Stipend Included in #1 above?	Early Retiree included in #1
-Medicare IBT Retiree Plan	N/A	N/A	\$30.00
(Based on 600 actives for 74 Medicare retirees)			
8 Total	\$980.63	\$1,183.37	\$918.27
9 Employee Contribution	N/A	\$74.53	N/A
10 Net Employer Cost	\$980.63	\$1,108.84	\$918.27
11 IBT Plan savings	\$62.36	\$190.57	

All cost estimates we provided by the IBT Benefits Department are subject to review by Central States Health Plan, IBT Retiree Health Plan professionals, United American Insurance Co., IBT Research Department and WTWT & RWT

Teamster Counter offer includes a quote from Central States Health fund and the IBT Retiree health plans (VEBA & UA)

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