

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

SEAN M. O'BRIEN

General President

25 Louisiana Avenue, NW
Washington, DC 20001



FRED ZUCKERMAN

General Secretary-Treasurer

202-624-6800
www.teamster.org

MEMORANDUM

TO: Yellow (YRC Freight, Holland, New Penn, and Reddaway) Local Unions

FROM: John A. Murphy, Teamsters National Freight Director

DATE: December 12, 2022

RE: **Yellow Proposed Change of Operations in the Central, East, and Southern Regions**

Today, the Teamsters National Freight Industry Negotiating Committee received official notification from Yellow that the Company is withdrawing its proposed changes of operations in cases MR-CO-03-11/2022 and MR-UE-02-11/2022. The Company advised, however, that it intends to significantly modify the previously proposed changes and **will refile them in the very near future**. A copy of the letter from the Company in this regard is attached. As set forth in the letter, it appears the Company intends to again propose the merger of several YRC Freight, Holland and New Penn operations, including various seniority lists, dispatch rules etc.

As soon as the Company refiles its new proposed Changes of Operations, each Local Union should carefully review and assess the impact on the members. In this regard, each Local Union should, request information from the Company and discuss with the Company issues such as the applicable work rules, guarantees, effects on earnings, runs, bidding, seniority, protections against contractors and overall staffing. Each Local Union should actively engage with the Company in this regard. Nothing is written in stone at this time and the Local Unions are free to fully discuss all concerns with the Company.

If you have questions or need assistance, please reach out to your Teamster Regional Freight Coordinator and/or the National Freight Division. We will do everything we can to assist in order to protect the members to the fullest extent possible as well as secure improvements for them wherever possible.

As of the present time, there is no date for any Change of Operations hearing. If you are unable to resolve your issues with the Company, please send a memo to the Freight Division detailing the issues in dispute.

JAM/ae
Attachment

cc: Danny Avelyn, Assistant Director
Tony Jones, Assistant Director
Regional Freight Coordinators

TEAMSTERS NATIONAL FREIGHT INDUSTRY NEGOTIATING COMMITTEE

Yellow Letterhead

December __, 2022

By Email

Mr. John Murphy
Freight Director
International Brotherhood of Teamsters
25 Louisiana Ave. N.W.
Washington, DC 20001

Re: Changes of Operations MR-CO-03-11/2022 and MR-UE-02-11/2022

Dear Mr. Murphy,

This will confirm our recent discussions regarding the referenced Changes of Operations (collectively, the "Pending Changes"). As we have advised from the outset of our discussions regarding the Company's transformation to a super-regional carrier operating as One Yellow – a transformation that is absolutely critical to the Company's ability to meet its immediate competitive challenges and secure long-term viability and success – the Company is committed to listening to the IBT's thoughts and concerns in order to design and implement the Changes of Operation that will best enable us, collectively, to meet these important objectives.

To that end, following the mailing of the Pending Changes on October 19, 2022, the Company's Trucker Relations representatives met with ninety-nine of the Local Unions affected by the Pending Changes and responded to hundreds of questions posed by the Local Unions. Based on the feedback the Company received in those discussions, as well as ongoing dialogue with you and the rest of the Freight Division leadership, the Company has concluded that multiple modifications to the Pending Changes are necessary to address concerns expressed by the IBT and maximize our collective prospects of success. As we have committed from the start, we have listened to the Local Unions and IBT leadership and we are proposing to modify the Pending Changes based on that feedback.

Accordingly, the Company is withdrawing MR-CO-03-11/2022 and MR-UE-02-11/2022, and we will be requesting assignment of a new number. We will provide a Revised Change that

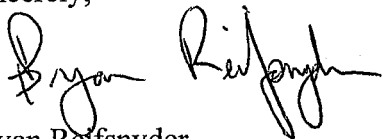
includes the modifications we intend to propose as soon as possible, but in brief, the Revised Change will include the following:

1. Expand the Holland Designated Terminal agreement to include all Velocity Distribution Centers involved in the Revised Change. This will significantly reduce the number of Utility Employees ("UE") originally contemplated by the Pending Changes. This is not to say we will not use UE drivers in some locations, but utilizing the proven Holland Designated Terminal structure will minimize the need for road drivers to bid into UE positions.
2. Adopt the Hoffa dispatch rules and procedures for all facilities involved in the Revised Change.
3. Where feasible, expand opportunities for drivers to follow the work and thereby reduce the number of pool bids that will be necessary.
4. Merge seniority lists where there are multiple locations under the jurisdiction of the same Local Union.

In addition, as we have discussed, time is of the essence. The softening LTL market is already putting tremendous pressure on the Company's business – as you know, volumes have already decreased dramatically. Given the pressure exerted by market conditions, and given that the Revised Change is the product of extensive discussions with the Local Unions and Freight Division leadership, we also will be seeking to streamline and expedite the process of scheduling the Revised Change for hearing and, if approved, implementation. The Company's Trucker Relations team will meet with each Local Union to review the Revised Change as quickly as possible, with a view to scheduling a hearing date in early 2023, with implementation to follow as quickly thereafter as possible, if approved.

We appreciate the IBT's candid input and engagement as we work to accomplish the One Yellow transformation that is so critical to our collective success. We look forward to continuing to work with the Local Unions and IBT leadership to accomplish this important objective.

Sincerely,



Bryan Reifsnnyder

Senior Vice President - Trucker Relations