

UPS contract talks may stall

Peak-season mechanics' strike seems unlikely

By Bill Wolfe
bwolfe@courier-journal.com
The Courier-Journal

Talks between UPS and its aircraft mechanics' union, Teamsters Local 2727, could break down heading into the crucial peak-delivery holiday season, the head of the local said yesterday.

But any effort to strike would run into a long process overseen by the federal government.

Bob Combine, president of the 1,000-member local, said that after two years of talks, the two sides are still at odds on issues such as mandatory overtime and temporary out-of-town assignments.

But it was a proposal to shift maintenance to foreign vendors for planes that spend only part of their time overseas that has riled the Teamsters.

"That's our line in the sand," Combine said.

UPS said any suggestion that talks are stalling out is premature. The company noted that talks are scheduled for later this month, and that meetings are scheduled to continue through January.

"We continue to move as expeditiously as we can," UPS spokesman Mike Mangeot said.

The union didn't object when, in past years, foreign companies performed maintenance on UPS planes stationed overseas for long periods of time, Combine said.

Now larger planes fly overseas and back routinely, touching down

on U.S. soil at least once a week.

Most of UPS' recent growth has come from international routes and if those planes are serviced abroad, "we lose all that growth and lose all that work to these overseas vendors," Combine said.

Mangeot said the company has long done some maintenance overseas and needs the flexibility to have work done internationally.

He said the company will not discuss particulars of the negotiations in public, but it doesn't be-

See UPS, D2, col. 1

D2 | FRIDAY, OCTOBER 17, 2008 | THE COURIER-JOURNAL

UPS | Contract talks could break down

Continued from D1

lieve the contract disagreements pose a threat to holiday deliveries.

The contract is governed by the federal Railway Labor Act, which stipulates that a strike can't be called before the company or union asks for a release from the National Mediation Board overseeing the talks.

The board could grant a release, suspend talks, continue negotiations or call for a 30-day cooling-off period.

"That's a very lengthy process to go through. I don't think we're anywhere near there," Mangeot said, noting that negotiating sessions are scheduled through January.

Combine said the media-

tion protection would not necessarily last that long.

Mangeot also said the UPS mechanics enjoy "a wage-benefit package that is the envy of the industry." Top pay, earned by at least 80 percent of the mechanics, is \$43 an hour, for a salary of about \$90,000, he said. "We are negotiating for a contract that rewards employees while protecting our ability to compete."

The union's statements, coming shortly before peak season, might appear to give the mechanics leverage in the talks. In 1997, a Teamsters strike months before the Christmas shipping rush scared off business and some customers were slow to return, even after the

strike was settled.

Combine said the timing this year is coincidental. "We wish we had been done in January of this year," he said. "Really, the company dictates timing."

Mangeot said the slow pace of the negotiations is not unusual for contracts involving airlines.

According to UPS, the company employs 1,363 aircraft maintenance technicians. The union counts the total as 1,060 full-time and 62 part-time employees.

Combine said about 420 of the employees are based in Louisville, where UPS has its Worldport hub.

Reporter Bill Wolfe can be reached at (502) 582-4248.