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RESTRUCTURING AT SATURN

Union rule change sets back workers

Spring Hill, Tenn., employees who forfeited GM seniority want rights restored

August 12, 2007

BY KATIE MERX
 FREE PRESS BUSINESS WRITER

SPRING HILL, Tenn. -- When Steve Stidham moved to Saturn's own assembly plant in Spring Hill, Tenn., in 1996, he willingly signed away 19 years of General Motors Corp. seniority rights for the promise of a steady job at what GM billed as a new kind of car company -- one built to take on the likes of Toyota with a fuel-efficient lineup, no-haggle pricing, outstanding customer service and a factory free of many traditional union work rules.

Giving up those rights was a non-issue at the time, he and others at the plant told the Free Press, because all new Saturn workers gave up their GM starting dates to get in the door. And in those early days at the plant, getting in the door often meant escaping older, traditional GM plants as the company closed them or reduced the assigned workforces. Stidham moved from Dayton, Ohio.

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But it became an issue with a local agreement approved in 2004, when the UAW and GM agreed to fold the Saturn brand back into the general corporate manufacturing operation.

That means GM will build more than Saturns at the Tennessee plant, but also that some of the old rules are now in effect there, too. Now workers like Stidham are worried that they will lose out to other members who don't have to surrender seniority from other plants.

The matter is at top of their minds, because up to 300 Delphi Corp. workers are now eligible to transfer to Spring Hill -- and bring all of their so-called corporate seniority with them.

"Any Delphi people coming into Saturn can bring seniority back to 1985," Stidham said, referring to the Spring Hill plant as "Saturn." "If they've got close to 30 years and transfer here, they can step over the top of anybody down here."

The seniority issue doesn't affect worker pensions or the amount of vacation time they receive, but it does affect in-plant bids for shift preference, job selection and when they can take vacations. Those issues are all determined by the seniority date recognized at the plant.

The matter highlights some of the unintended consequences of the patchwork of contracts the UAW negotiates, particularly as employers struggle through steep losses, restructurings and even bankruptcies. The UAW is currently in talks with the Detroit automakers on new national contracts, in which the union will weigh the needs of retirees and future workers with those of current workers, who must ratify the agreement.

This Saturn issue, which springs from Delphi's bankruptcy, is another example of constituents with conflicting needs.

In the recent UAW-negotiated deal with GM and its former supplier division, the union protected the jobs of up to 300 Delphi workers in Athens, Ala., by negotiating for them to be allowed to transfer about 80 miles north to the Spring Hill plant as jobs are available after the Delphi plant closes, which could happen as soon as late next year.

PHOTOS

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(JOHN RUSSELL/Associated Press)

Saturn employees Steve Stidham, left, Mike Moppin and Jerry Rutherford gave up their GM seniority when they went to work at the Saturn plant in Spring Hill, Tenn. It wasn't an issue at the time, but now that Saturn has been folded into GM's overall operations, they could lose some of their rights to newer workers.

ADDITIONAL INFORMATION

Evolving Saturn

Saturn started as an island within GM, but has since come to operate pretty much as other GM brands do.

Product Separate from the rest of the GM power structure, the little brand didn't have enough -- or good enough -- cars to compete. Now its models are similar to other GM vehicles, and the lineup is strong: the Sky roadster (like the Pontiac Solstice), the Aura (like the upcoming Chevrolet Malibu), the Outlook crossover (like the GMC Acadia) and soon a new Astra.

Plants

Gone is some of the idealism of the original plant culture, in which workers rotated jobs and vacations weren't doled out based on seniority. But the Spring Hill, Tenn., plant has been promised work, which it would not have had otherwise.

Customer service

That hasn't changed. Saturn celebrates its customers like few businesses do -- singing to them, throwing parties and generally treating them like luxury car buyers.

"The international union took care of us here in Athens," said Greg DeMike, chairman of UAW Local 2195 in Athens. "They got us a soft landing on this."

Under the deal that allows Delphi to proceed with a plan to become a private company led by Appaloosa Management LP, senior union members who stay with Delphi at lower wages get up to \$105,000 in buy-downs. Others can retire or go to a GM plant, if there is one that needs to make hires.

DeMike and other members of Local 2195 said they are proud of the work the UAW did to protect their jobs and hope workers in Spring Hill will welcome them.

Jerry Rutherford, 50, another Spring Hill veteran who already is outranked at his plant by people who have worked for GM less time than he has, said he doesn't begrudge Delphi workers from Alabama who will be able to move to Spring Hill and has no animosity toward them. But he would like the union to restore the seniority so everyone is on the same footing.

"The union needs to fix this," said Rutherford, who started at GM in 1979 and moved to Spring Hill from Buick City in Flint. "The local allowed it ... and I feel like International turned their back to me."

Unlevel playing field

GM and the UAW have a rule that allows most GM workers who transfer to another plant to bring their seniority with them as far back as Jan. 7, 1985. But the Spring Hill workers who gave up the rights that determine such things as job selection and when they can take vacations can only carry their Saturn start dates with them.

More than 1,000 Spring Hill members who gave up GM seniority to join Saturn when the idea was that everyone would start fresh at Saturn say they believe the union should restore the same rules for them that affect other GM workers, basically honoring all of their years working for GM and divisions now incorporated into GM's manufacturing operations.

When those union members moved to the plant, everyone rotated to every shift and no one was permanently assigned a job, workers said. Most of the things traditionally determined by seniority in a plant were no longer going to be determined by seniority under Saturn, they said, so fighting to keep GM seniority seemed unnecessary.

"Signing away seniority wasn't a big deal because seniority wasn't an issue," said Kenny Vaughn, 47, who has worked at GM since 1981 and transferred to Saturn in 1992 from Lansing. But, he argued, now that it's no longer the case, the union should restore equal footing.

Some workers who entered the Spring Hill plant, which is now a general GM assembly plant in the process of being retooled for a new product, favor keeping things the way they are. Many of them enjoy the benefits of higher seniority because of the changed rules, and others simply argue that the older workers did what was best for the time and a better deal was made later. They understand the situation could be frustrating, but don't believe it requires a change.

GM committed to assigning a new product to Spring Hill as part of the negotiations to pull Saturn and its Spring Hill workforce back into the GM global manufacturing system. Earlier this year, GM North America President Troy Clarke told workers they will be building a new Chevrolet crossover SUV, based on the same architecture as the Buick Enclave, Saturn Outlook and GMC Acadia built in Lansing.

The only thing that didn't change when Spring Hill switched to GM from being purely a Saturn plant were the seniority rules, workers affected by the change said.

And shortly after ratification of the contract under which Saturn was folded back into GM, workers said, the local union held a vote to answer the seniority complaint by reinstating all Saturn workers' corporate seniority rights. The vote passed, about 1,700 votes to 1,500 votes, more than a dozen workers told the Free Press during a visit to Spring Hill. But the local union representatives said they could not reopen the contract, according to rank-and-file union members.

Local UAW officials in Spring Hill had said they would speak about the issue, but after national contract talks began they were no longer available to discuss the matter.

General Motors officials declined to comment for this report. The UAW International union declined to comment on the specific issue, but said situations like this are not unique.

Balancing act

Labor experts said the dispute underscores the challenges the UAW faces negotiating a national contract and individual local contracts for each of its plants.

"This isn't a new issue," said Michael Whitty, a professor and labor expert at the University of Detroit Mercy. "The union is trying to protect as many of its members as possible in the fairest way possible" as the U.S. auto industry shrinks.

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In the process, he said, things like the Spring Hill issue will occur, where member constituencies covered by varying specific agreements occasionally experience friction.

"I think the union has a defensible situation with all of the weights at play that it is working to balance," Whitty said.

David Cole, chairman of the Center for Automotive Research, agreed and said the union and GM are likely to work to solve the issue with some package of signing bonuses, buyouts or enticements for early retirement, as they have been doing for the past few years.

"You have to come up with something that is a special deal to create buy-in," Cole said. "But the union, first, has been focused on the bigger picture of getting a new product into that plant. A new product is a future ... then you figure out how to deal with the local issues."

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truth_be_known

Oh yea, what about all that huggy bear and stupid I say, I say crap. We sure got pumped inward with that Saturn Sunshine. Now it seems that GM would like to rip Saturn out of TN forever. We get to keep the lasting memory YOU HAVE NO SENIORITY. YOU SIGNED IT AWAY.

We also signed on to a 100 year car company. We gave up the gold and now you keep giving us the shaft. We should cram that right up the UNION'S wazoo since they keep driving home "no seniority". What kind of a UNION puts the screws to their senior brothers? (((UAW)))

Give me back my seniority or give me back the 100 year car company that guaranteed my job with a no lay off policy.

Seems fair to me.

Posted: Mon Aug 13, 2007 10:36 am

Charleston

Typical union politics. There will be winners and losers. Union Brotherhood disappears when a Brother can put an extra nickel in his pocket at another Brothers expense!

Posted: Mon Aug 13, 2007 10:24 am

timothyb435687

I remember that special day in 1992 when I went across the street to my local UAW President's office and asked him where I should go in the GM system? You see they announced that they were closing my plant and I had a family to support. I had 16 years and no other work experience. I was in trouble, so I went to the one person I could trust, the president of my local.

He told me to go to a place in Tennessee called Saturn. I told him I remember the recruiters coming before and I declined. He told me I would have to sign a paper giving up my seniority but it wasn't a problem, you see, as I was joining a "100 year car company"! I was worried, he said "don't worry about the paper, it's not worth anything and beside's Saturn is the future of GM, a 100 year car company, you'll be safe there". You see he and others were saying that same thing to everyone.

It was like that on the "Saturn Ride" all the way until 2003, our little "100 year car company", "I say, I say, I say all the way", "hip hip ho-rah". We all worked hard, very hard. "Never enough" they all kept saying. Tighter and tighter each year went the noose. Saturn's atmosphere went from the bright-positive thinking-happy "lets go team, everyone is the same" to a militarian "do your job or get thrown into the red zone (fired)" A complete mind damaging agenda for all of us guinea pigs and our families. We all had trusted our leaders to ensure we had a fair shake down there at Saturn. You see they were in on this adventure from the start and had a "big hand" in how it was shaped and how it finally got killed.

Now we are seen as stupid and lower than the rest of the UAW for listening to that 100 year, team concept, all workers are the same-and all for the product- "shpeel" and leaving our roots thousands of miles away!

People trust and listen to lie's as well as the truth....especially when they are in trouble and the advice is coming from a "trustworthy" source. Just like alter boys listened to and trusted their church pastors. We all had our lives turned upsidedown.

Posted: Mon Aug 13, 2007 9:55 am

truth_be_known

I also expect another exit package to come out of the agreement. Which will probably make room for those 300 people. Seniority is a very big issue if we end up with job openings.

Posted: Mon Aug 13, 2007 1:31 am

truth_be_known

The seniority issue is larger than life. This union brotherhood only goes as far as it affects my family. Here I am out of work when if the seniority was correct, I would be working. There is nothing fair about that. My family comes first. If the 300 come from Athens with corp date of 1985 they may push some of us out the door in the next layoff to come. And you can count on another lay off eventually.

Posted: Mon Aug 13, 2007 1:27 am

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