



# TEAMSTER *News*

25 LOUISIANA AVENUE NW | WASHINGTON, DC 20001 | TEAMSTER.ORG | SEAN M. O'BRIEN, GENERAL PRESIDENT

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## **UPS VIOLATES TEAMSTERS NATIONAL CONTRACT WITH PLAN FOR BUYOUTS**

### ***UPS Proposal Ignores Obligations to Create Jobs, Leaves Workers on Hook for Health Care***

(WASHINGTON) – United Parcel Service (UPS) is expected to unveil an illegal plan later this month to buyout full-time employees represented by the Teamsters, a corporate scheme that will directly violate the union's national contract protecting 340,000 delivery workers.

The multibillion-dollar company's Driver Voluntary Severance Plan (DVSP), which UPS has not yet publicly disclosed, would offer cash to drivers to initiate early retirement or quit their job. The DVSP, likely to be announced to workers in the coming weeks, would leave most drivers without quality health insurance if they retire under the program and would undermine UPS's own legal commitment to create 22,500 more jobs under its current Teamsters contract.

"UPS is trying to weasel its way out of creating good union jobs here in America by dangling insulting buyouts in front of Teamsters drivers. It is an illegal violation of our national contract," said Teamsters General President Sean M. O'Brien. "UPS is obligated to establish tens of thousands of new full-time jobs under the agreement. But CEO Carol Tomé and UPS's corporate managers are hoping that if they offer paltry severance packages to enough workers, no one will notice the company is setting the union's contract on fire. UPS Teamsters work too damn hard to be treated with such disrespect."

Proposed cash offers would be far less than what rank-and-file Teamsters now earn and could continue to make over the life of the current agreement. Teamsters contracts have long ensured that UPS drivers employed 30 years or more receive employer-paid health care throughout retirement, a strong union benefit that would not be guaranteed to all workers under UPS's severance plan.

The historic five-year agreement that UPS Teamsters ratified in August 2023 guaranteed the company would fill at least 22,500 permanent full-time jobs with existing part-time workers and create at least 7,500 additional full-time jobs during the final three years of the contract.

Last week, the Teamsters Union formally requested data from UPS on the status of open positions, as well as the rate of delivery of package cars and vans equipped with air conditioning. Article 18 of the Teamsters contract requires UPS to provide no less than 28,000 air-conditioned vehicles to drivers by 2028. The union gave the company until July 1 to respond to the information request, but UPS has not provided any data and instead requested additional time to respond.

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The company's expected announcement of the DVSP would arrive as UPS is failing to live up to its commitments to provide heat relief to some of America's most essential workers. The Teamsters are also seriously evaluating whether UPS has recently begun diverting some delivery work to nonunion affiliates.

"Our members cannot be bought off and we will not allow them to be sold out. The Teamsters are prepared to fight UPS on every front with every available resource to shut down this illegal buyout program," O'Brien said. "UPS needs to live up to the existing contract. They must honor their commitments, just as Teamsters do every day, reliably delivering packages to hundreds of millions of Americans. Profits are not more important than people, not at UPS or any other employer."

In 2020, UPS offered similar buyouts at the corporate level in an effort to further maximize profits by trimming payroll costs for middle managers.

"Rank-and-file UPS Teamsters are strongly encouraged to remember that we have the protections of our contract at the end of the day. We have the ability to fight back. We cannot and will not be kicked around," said Teamsters General Secretary-Treasurer Fred Zuckerman. "All drivers should reject this illegal and insulting buyout when UPS makes it public. UPS has forced buyouts on its own management in the past. They can't force anything on us. Carol Tomé can screw over her own team. But she's not gonna push around the Teamsters."

Founded in 1903, the International Brotherhood of Teamsters represents 1.3 million hardworking people in the U.S., Canada, and Puerto Rico. Visit [Teamster.org](https://teamster.org) for more information. Follow us on X [@Teamsters](https://twitter.com/Teamsters) and on Facebook at [Facebook.com/teamsters](https://facebook.com/teamsters).

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