

# INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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**SEAN M. O'BRIEN**

General President

25 Louisiana Avenue, NW  
Washington, DC 20001



**FRED ZUCKERMAN**

General Secretary-Treasurer

202-624-6800  
[www.teamster.org](http://www.teamster.org)

## MEMORANDUM

**To:** Yellow Corp. Local Unions (including YRC Freight, Holland, New Penn and Reddaway)

**From:** John A. Murphy, National Freight Director and Co-Chair, TNFINC

**Date:** September 5, 2025

**Re:** Yellow Corporation Bankruptcy Update

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### **TO ALL LOCAL UNIONS HAVING MEMBERS EMPLOYED OR FORMERLY EMPLOYED BY YELLOW CORPORATION AFFILIATES**

This Memorandum is an important update to the Yellow Bankruptcy proceedings. Included below is a summary of the Yellow Bankruptcy Proceedings to date and information about what to expect moving forward. Please review this memo carefully.

#### **I. YELLOW CORPORATION BANKRUPTCY SUMMARY**

Yellow Corporation and its operating companies ("Yellow") filed for bankruptcy in the District of Delaware Bankruptcy Court on August 6, 2023. The International Union and TNFINC (the "Union") entered an appearance in the case on behalf of Local Teamster Unions whose members hold claims against Yellow's operating companies—YRC Inc., USF Holland, LLC, New Penn Motor Express, LLC, and USF Reddaway, Inc. Claims filed by the Union include contract claims for vacation pay, sick pay, and other paid time, as well as grievance pay. The Union also filed WARN Act claims against Yellow on behalf of the entire bargaining unit.

#### **II. WARN UPDATE**

Some members have inquired to Locals about checks relating to a "WARN settlement" received by some members. It is likely that those members receiving checks are one of the 396 individual Teamsters members who chose to retain private counsel to pursue WARN Act and some wage related claims against Yellow.

Throughout the WARN litigation against Yellow, three distinct groups of litigants participated in WARN litigation against Yellow. Those groups are 1) a certified class of non-union

former Yellow employees called the Moore Class<sup>1</sup> 2) the Teamsters representing nearly all Union members and former Yellow employees 3) a group of non-union and union members represented by private counsel called the Coughlen Group<sup>2</sup>. The certified class of non-union former Yellow employees and the group of non-union and union members represented by private counsel settled their WARN claims in January, 2025. The Court approved the settlements, a portion of which would go to the attorneys. Those settlement payments have recently been released to the Moore Class and Coughlen Group. The Union encourages members to review their own records as to whether they signed a retainer agreement with a private attorney in 2023. If you are a member who has received a communication or a check from a private attorney regarding a WARN settlement, you should reach out to that attorney with questions as to why you are receiving such communications. The vast majority of Union members are not included in the above described settlement groups.

The Union was unable to reach a settlement with Yellow, and its WARN suit is currently before the District Court of Delaware. The Union believes Yellow's actions at its shutdown, and its failure to give employees 60-days' notice, makes it liable to employees for 60-days of damages. The Union will continue to pursue its case for members. The Union does not currently have a timeline as to when its WARN litigation may resolve, but the Union will continue to work diligently to bring the matter to a close and hold Yellow accountable to members.

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<sup>1</sup> Information on the Moore class, adversary case no. 23-50457, can be found at <https://dm.epiq11.com/case/yellowcorporation/advproc>

<sup>2</sup> Information on the Coughlen Group, adversary case no. 23-50761, can be found at <https://dm.epiq11.com/case/yellowcorporation/advproc>.