

# The Organising Situation at Siemens in Maryland, USA

20<sup>th</sup> September 2012
Unite the Union -Siemens Combine Meeting
Unite House-London



#### The United Steelworkers (USW)

- 850,000 working men and women in the U.S.,
   Canada, and the Caribbean
- All sectors, from steel, energy, glass, paper, and rubber to education & health care
- Employers including U.S. Steel, International Paper, and Siemens.

Workers Uniting partner





## Siemens AG-Global

- \$120 billion (£74 billion)
- 360,000 employees
- 190 countries worldwide
- 285 manufacturing locations



# Siemens Corporation in the USA

- \$20 billion (£12.3 billion) in sales (15% of worldwide company's revenues) in Fiscal Year 2011
- 100+ manufacturing facilities
- Approximately 60,000 employees in all 50 states (17% of global employees)
- Of those only 5,132 (8.6%) of USA employees are union represented by the USW, IAM, IBEW, IBT, UAW and CWA
- 477 workers at 6 facilities are United Steelworkers members.
- "Union-free" investment strategy



## North East, Maryland



- 140 km northeast of Washington, D.C.
- Population: 2,700
- Annual Median Income: Approx. \$30,000 (£18,500)



### **Siemens in North East**

- 42 employees (non-supervisory)
- Wages range from \$9 (£5) to over \$20 (£12) an hour
- Specializes in manufacturing and reconditioning rolls and related products for steel continuous casters, hot strip, cold and finishing mills





Photos from: http://www.sea.siemens.com/us/internet-dms/Internet/MetalsComm/General/Docs/SII\_North%20East%20Facility%20Cap abilities%202009.pdf



# **Worker Complaints**

- Health & Safety Concerns Poor Ventilation
- Regular Forced Mandatory Overtime
- Disparity Of Wages (Raises Based On Favoritism)
- Worker Complaints/Issues Were Not
  - Acknowledged
- Abusive Supervisors





- Union card collection in June/July 2012 resulted in strong majority worker support.
- Siemens told USW local representative that it intended to fight the organising drive.
- USW requested Siemens voluntarily recognize the workers' union July 30 based on majority sign-up. Siemens never responded.
- Union busters begin anti-union campaign on July 25
- Similar to prior Siemens' anti-union campaigns at other facilities in the U.S. including Illinois (2009)
  - and North Carolina (2003).

UNITED STEELWORKERS



### International Framework Agreement (IFA)

- Signed July 25 by Siemens AG, Central Works Council of Siemens AG, IG Metall and IndustriALL Global Union
- Section 2.4: "Freedom of association and the right to collective bargaining"
- "The right of employees to form labour unions...and conduct collective negotiations is acknowledged."







#### **Siemens IFA**

#### 2.4 Freedom of association and the right to collective bargaining

The right of employees to form labour unions, join existing labour unions and conduct collective negotiations, is acknowledged. Members of employee organizations or unions will be neither advantaged nor disadvantaged on account of their membership (see principles of ILO Conventions 87 and 98). A constructive approach will be taken to cooperation with employees, employee representatives and unions on the basis of local law. Even in contentious disputes, the continuing objective will be to maintain effective constructive cooperation and to seek solutions with the aim of balancing our commercial interests and the interest of our employees.

If the level of protection granted to employees in a country in which Siemens operates fails essentially to reflect these principles, Siemens will nevertheless apply these higher standards to its employees.

Employee representatives must be protected against any form of prejudicial treatment.



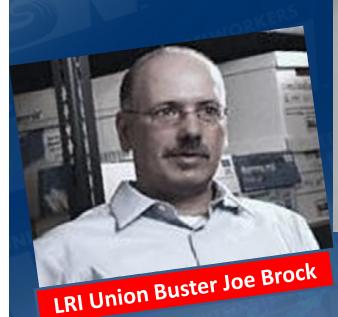
# Siemens' Anti-Union Campaign

- Company is spending \$\$\$ Thousands paying 2 union busters: Ken Cannon and Joe Brock, plus Siemens HR union buster.
- Required (captive audience)Anti-union meetings
- Worker interrogations
- Spying on Union Activities
- Anti-Union Mailings
- Workplace becomes war zone





## **Siemens' Union Busters**





**Siemens Human Resources VP Mike Troy** 





Guaranteed Winner- YOU DON'T WIN, YOU DON'T PAY! If you don't win your campaign using the proven combination of LRI **Employee Information Videos, On-Site Consultation, LRI Support Tools,** Institute, Inc. and Union-Specific Research, you pay nothing. Guaranteed!



### **Union Buster Ken Cannon**



Retired from Xerox after 38 years. In 2006 started Cannon Labor Relations Consulting, LLC. The mission of Cannon Labor Relations Consulting, LLC is to support management in thier efforts to remain union free. I am a regestered direct persuader with the Department of Labor. Cannon Labor Relations Consulting has represented Siemens, LDA, Curtiss Wright, Trinity Industries, McConway & Torley, and Standard Forge Products just to name a few to ensure they remain union free. My win/loss record todate is 159 wins and 0 losses. My services includes onsite support to develop a campaign strategy, develop all material to be used in the campaign, train management not to violate employee rights, meet with employees, and run managements side of the election process. You will find my fees are the most competitive in this industry. I also do a guest lecture series at SMU Cox Graduate School of Business on Labor Relations and Labor Law as well as SMU Cox Executive MBA program. I have been invited to be a guest speakers at many large conventions to talk on the subject of current labor relations issues in the United States Private Sector.

Http://www.plaxo.com/directory/profile/90196951691/25c32277/Ken/Cannon

# SIEMEN

...job security comes from...productive operations Unhindered by restrictive union Work rules or inflexible There are a very require that we relationship wit

processes...We appreciate dealing customers and inflexible produced of the customers and inflexible produced of Also, we appreciate thir through an outside third open and employee Party... We believe the presence of understa relations a Union Would interfere with these

Siemens does not believe a union is in the best interest of our employees here in North East...unions haven't delivered on their promises and union employers can have difficulty being competitive in today's global nere in North East. The reason

economy. an uneir promises and unionized employers can in today's global economy. We believe our futures are ved by working together toward a common goal, without interference from an outside third party concerned about its own interests. We believe we can accomplish more and we can compete better in securing ours for the North East facility if we work together, one-on-one and in teams without unions.



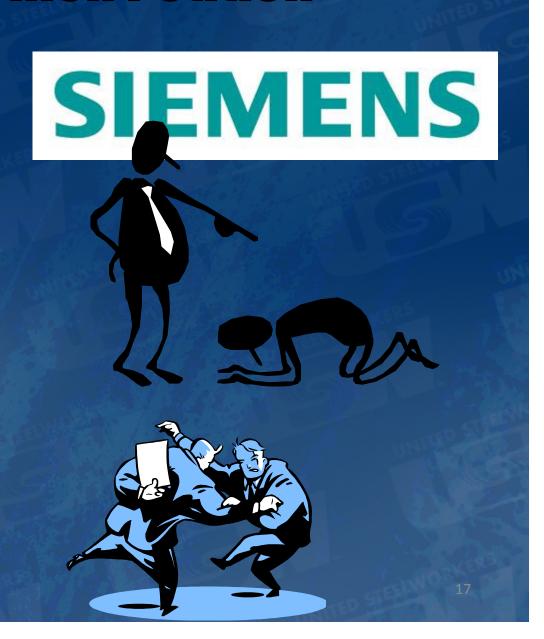
# Siemens Unfair Labor Practices

- Threatening Workers with Job Loss if they was a company.
- Illegally Removing Union Literature (Committed Areas
- Surveillance of Union Apples such assessing
- Telling employ will change bargaining much be futile will change
- · Tuestening were the loss of benefits
- Telling emresy tes the company would lose customers if they make the
- Chasing to let pro-union workers speak during antiunion meetings
- Throwing off-duty Siemens workers off North East property



#### **Anti-Union Petition**

- Workers were
   directed to go into a
   managers office to
   sign the petition
- Workers tell coworkers they felt pressure from management to sign
- "Polling" of workers by management is illegal





We would like to thank all of those who have signed the petition against the union.

vote. They will increase their mailings, appearances outside the facility and even home visits.

Unless the Union withdraws, we will have our secret vote September 6th. These last few weeks will be difficult but it is necessary for us to stand our ground.



# Siemens' August 29 letter denies any wrongdoing...

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ens

"Siemens is acting both within the letter and the spirit of the IFA."

Walter Huber

Corporate Vice President

Corporate Human Resources

Mike Panigel

Senior Vice President & CHRO,

**Americas** 



Mike Panigel
Senior Vice President & CHRO,
Americas



## **Election Results-6 September**

- 15 workers voted for the United Steelworkers
- 24 voted for no union
- 2 workers did not vote







# Terriffic Support from Allies

- UNITE the Union
- IG Metall
- Siemens Central Workers Council
- IndustriALL
- Other Unions
- **USW-Siemens Local Unions**



# Labour Start







# Sahrain DHL Trade Union Hussain Abbas Guloco

Belgium Mr. Hugo Loquet Belize BSTU Teachers' Union Mona Robinson Botswana BHCWU Moranodi Esi Brazil CSPConlutas Wilma Olmo Correa

Belgique FOTB Josef Sperka

Afghanistan AMWU Dave Vroland

Afghanistan ETU Matthew Hughes

Algeria Comite de femme Snapap Nadia

Algeria Syndicat Snapap Malaoui Rachid

Armenia Confederation of Trade Unions of Armenia

Africa FSPWSA Darison Chaala

Australia ACTU Jackie Kimptor

Australia AIMPE G. Dunne

Australia ALAEA Paul

Australia AEU Alexandra Whitfield

Ishamas Elahuman Financial Services Limited

Lieda Demae Evens

Afohanistan David Prosten

Bullerarias - Flürgera förmullanum Bulgaria TU "Metalicy" Vasil Yanachlo Cambodia BWG Sother Siv

7494 union activists Quantimula Confederación De Unidad Sindical De Chapternala, Cusa Jose Julian Elizondo Gue

Guyana Worling Peoples' Alliance Deon Abi

Chemada Chemada Technical & Allied Workers' Union

Ghana Ghana Federation Of Labour Abraham Koomson

signed a letter to support

Europe PCS Ffred Clegg

Fiji Nuhetie Nitin Goundar

Finland AVT but Marible

Finland IHI Vaible Datkings

Finland JHL Finland Ernst Mecke

France SNPRHESPO Christian Romae

Finland JHL Hannu Laakso

France SNESkap Alain Bihr

Germany ATIK Seyman Ugu

Germany Chris McMahor

Germany Florian Reischau

Greece Bian Stathance

Onserne Olme Potini Papadop

Orenon Berkner Rozamaria

Ghana ICU Ghana Gilbert Awinongya

Gibraltar Unite The Union Christian Duo

Finland Jouni Siren

Europe PCS Duncan CallowEvans

Fiji Fiji Trades Union Congress Rohit Prakash

Finland Finnish Metalworkers' Union Jorma Antila

Finland Finnish Metalworkers' Union Markku Pietila

Europe Edward Sussex

Europe Eli Eriksen

workers in North East!

Cosetia: Jelica Roland indonesia PSPMI KSPI II

Cuba Solidarity of Cuban Workers Siro del Castillo

Conne EPORT transis Foxumen Czech Republic Magdalena Rausova

Denmark C. Asuray Denmark Coindustri René Johansen

Denmark Concensious Consumers Inc. Rosa Borg Denmark Dansk Metal, Aalborg Jan O Gregersen

Denmark Dm Helle Rasmussen Dominica Dominica Public Service Union Chris Cadette

Dominican Republic Alice Pedersen East Timor SJTTL Almerio J VilaNova

El Salvador Centro de Estudios y Apoyo Laboral Centro de Estudios y Apoyo Laboral

España FSSA Gregorio Ruiz Torres España Pedr. O. Miralles Estonia TU of the University of Tartu Eduard Tamm EUA Gaby Seabra

Europa FECCOO Luis Europe Omb Geof Luton Indonesia Pikka Buruh Iran Parmels Iraq FWCUI Alram Nadir Iraq Kurdistan Usited Worker Ireland DamienFlinter Ireland Joe Greene Ireland Margaret Houlihan

Ireland Paul Kirby Ireland Alan McNamara Ireland ASTI Nartin McMullar Ireland BATU Garry Whelan

Nepal GEFONTNepal Umesh Upadhyaya Nepal UNIMENepal Raj Kumar Thapa Netherlands AEVA/KABO FNV Kees Thiem

Netherlands ABVA/KABO J Sieber Netherlands ABVA/KABO Willem van der Veer Netherlands ABVAKABO FNV Bert den Heijer

New Zealand CANZS Singh New Zealand Catherine Bindon New Zealand Chris Sullivan New Zealand Debra Galbraith New Zealand EPMU / Buller Miners Dave Reece

Nigeria FIWON Comrade Ibrahim Olayinka Nigeria Nigerian Union of Govt Employees Ogaba Benedict Unogwu

Norge NTL Lill Fanny Saether Norge Skolenes Landsforbund LO Arne Margido Bye UK Unite James Sorah North America CWA Daniel poulos

North America CWA Retiree Ruth Duty North America UAW Blasko Trpcevski Norway Fagforbundet Mr Harald sehm

Norway Asmund Ukkelberg Norway Amic Ivar Jordre

Narway Beste Sporlay Norway Bjame Rohde

Pakistan, Ittehad Labour Un-

Panama SIELAS/ITF Rogelio Cuvillie Peru Bernardo Alayza Mujica Peru Freelance Rosemary Underhay Philippines APL Josua Mata Philippines APL Nice S. Coronacion Philippines Barrios, Inc Danny P Remoroza

Poland Pianerks

Poland SGiE NSZZ 'Solidamo' Kazimierz Grajcarek

Poland OPZZ Grzegorz Staczyk

Turkey Bülent Tekin Turkey Canan Özcan

UK Amnesty, member Graham Askew

UK Andrew Platt

UK Anglican Church Rev David Austin

UK Unite James Mcwilliams UK Unite Jamie Pritchard

UK Unite Jane Broome UK Unite Jane Byrne

UK Unite Jane Murray UK Unite Janet Williams

UK Unite Inv Krames

UK Unite Jerry Jackers

UK. Unite fün Sheridan Me UK. Unite John Domiella.

USA AAUPAFF Anna Viansonina

USA AGNEA Cymbria Mace

USA Alan Haggard

USA Albert Sterman USA Albert Tabban

USA AARP Carolyn Maxwell USA AAUP Dr Michael Stocker

USA AAUP Jerry Sawyer USA AAUP Philip Lichtenberg

USA AAUP Wayne Lewis USA AAUPART Ann Virgonolo USA ACE Dawn Kosec

ATU Paul Witeraft



Peter Löscher:
President and Chief Executive Officer
Siemens AG
Peter.loescher@siemens.com
24 August 2012



....Senior management should call a meeting of all North East employees with USW representatives present, provide them with a copy of the IFA, and inform them that the company will take a neutral position, cease all anti-union activities, take no reprisals against employees on the basis of their union advocacy, and afford the USW reasonable access to the plant to communicate with employees and on that basis open proper discussions with the USW to resolve the matter.

Yours sincerely,

Tony Burke

**Assistant General Secretary** 



# **IG Metall Support**

IG Metall will continue the efforts to take influence on the Siemens management in Germany to stop the manipulative activities of the management in the US so that the workers can freely and without coercion exercise their rights to get organized in a union of their choice.

IG Metall Executive Commmittee Member

Member of the Siemens Supervisory Board

Frankfurt, 31st of August 2012





# Organizing process in U.S. The National Labor Relations Board (NLRB) is a Broken System

- The National Labor Relations Act (NLRA) makes it illegal to discriminate against, coerce, or retaliate against employees trying to organize a union. But, it has no teeth.
- No jury trials or enforceable fines or other real penalties.
- In the Siemens case, the company will mostly likely only be required to post signs promising not to break the law again. Maybe another worker vote.
- We can't just depend on the law to change Siemens' behaviour.



# **Next Steps**

- USW filed "Objections" to the election process 9 September. Aim to overturn NLRB election.
- Opportunity to hit "Reset" Button.
- The USW continues to work with workers.
- Continue international pressure on Siemens
- Take up issue at next European Works Council

meeting.





# The Real Question is...

How do we get Siemens to actually change its behaviour on the ground?





#### **Other USW Organising Experiences With IFAs**

- SCA Tissue (Sweden-based paper company). Also includes negotiated "Code of Conduct" for U.S. facilities-SUCCESSES
- Rhodia Chemical (France), now part of Solvay (Belgium)-SUCCESS
- Norsk Hydro (Norway)-ONGOING DIFFICULTIES
- ThyssenKrupp (Germany)-ONGOING DIFFICULTIES



#### **Other USW Organising Experiences With IFAs**

- Must be commitment from top management at Group (headquarters) level to abide by letter and spirit of IFA.
- In U.S., local management is prone to violate the IFA, so there needs to be leverage generated above local management (and communication channels) to correct misconduct.



#### There is a better way: Major Elements of "Neutrality"

- Accounts for 50% of USW's new members organised in the U.S.
- Pure Neutrality means NO COMPANY INVOLVEMENT in workers' decision to form a union, except as permitted in the agreement.
- Union agrees not to disparage company or its representatives.
- Company posts notice stating it is not opposed to collective bargaining.
- Union receives employee list and reasonable access to non-work areas of the facility.



# Neutrality Agreements/Codes of Conduct

#### Steel Industry:

- ArcelorMittal (Luxembourg)
- US Steel
- AK Steel
- Severstal (Russia)
- Allegheny Technologies
- Republic Engineered Products
- Timken
- USS Posco (Korea/US)
- Cleveland Cliffs (Iron ore)
- Concord Steel
- TMK (Russia)—Koppel Steel
- Atchison Steel Casting and Machining
- Toledo Coke



# Neutrality Agreements/Codes of Conduct

- Other Industries:
  - ALCOA (Aluminum)
  - Kaiser Aluminum
  - Goodyear Tire and Rubber
  - Veyance Technologies-(Rubber)
  - SCA Tissue (Sweden-Paper)
  - Packaging Corporation of America (Paper)
  - Smurfit Stone Container (Paper/Packaging)
  - International Paper
  - Metaldyne (Transportation Vehicle Components Supplier)
  - Dana Corporation (Transportation Vehicle Components Supplier)
  - Pilkington (U.K.- Glass)
  - Gamesa (Spain-Wind Energy)
  - Stora Enso North America (Sweden-Paper)
  - New Page (formerly Stora Enso)
  - Trimas Corporation (Diversified Industrial Company)
  - Little River Casino Resort
  - United Industrial Electro-Mechanical Services



#### **How European Works Council Can Help**

- Influence Siemens' Supervisory Board (with 20 members with 10 employee representatives) and AG Management to properly communicate and apply the July 24, 2012 IFA.
- Help create a reporting system of IFA violations with timely follow up and accountability.
- Ultimately, Siemens would need to agree to a special Code of Conduct or Neutrality Agreement to cover the U.S. facilities.



#### **Keeping Updated on the Campaign...**

# www.usw.org/siemens

www.facebook.com/siemensworkersunited