



The Organising Situation at Siemens in Maryland, USA

20th 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%20Capabilities%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





Organising Campaign Begins

- 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).



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



LRI Union Buster Joe Brock



Siemens Human Resources VP Mike Troy



Union Buster Ken Cannon



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, 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 todote 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](http://www.plaxo.com/directory/profile/90196951691/25c32277/Ken/Cannon)

SIEMENS

There are a very
require that we
relationship with
customers and
inflexible prod

Also, we ap
outside thir
open and
employee
understa
relations

Sincer



Joe Didwall

...job security comes
from...productive operations
unhindered by restrictive union
work rules or inflexible
processes...we appreciate dealing
directly with our employees, not
through an outside third
party...We believe the presence of
a union would interfere with these
relationships.

July 24, 2012

Mr. [REDACTED]

SIEMENS

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 economy.

Siemens does not believe a union is in the best interest of our employees here in North East. The reason is that unions haven't delivered on their promises and unionized employers can have difficulty being competitive in today's global economy. We believe our futures are served 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 unionize
- Illegally Removing Union Literature from Permitted Areas
- Surveillance of Union Activities such as leafleting
- Telling employees that unionizing and collective bargaining would be futile because management will change
- Threatening workers with loss of benefits
- Telling employees the company would lose customers if they unionize
- Refusing to let pro-union workers speak during anti-union meetings
- Throwing off-duty Siemens workers off North East property

14 Unfair Labor Practice Charges Filed Against Siemens

Anti-Union Petition

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

SIEMENS





We would like to thank all of those who have signed
petition against the union. Very
sent to both the N
LIC

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

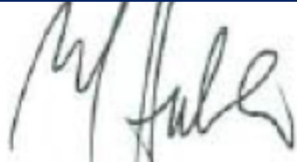
will use this list to pressure you to change your
vote. They will increase their mailings, appearances outside
the facility and even home visits.

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.

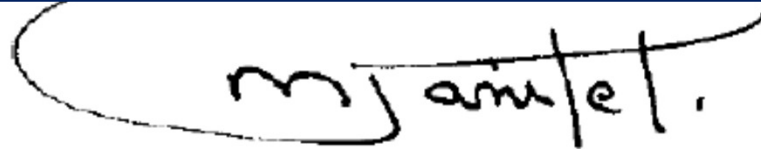
Vote NO. We can control our future.

Siemens' August 29 letter denies any wrongdoing...

"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

untan
addresses you.

Regards,



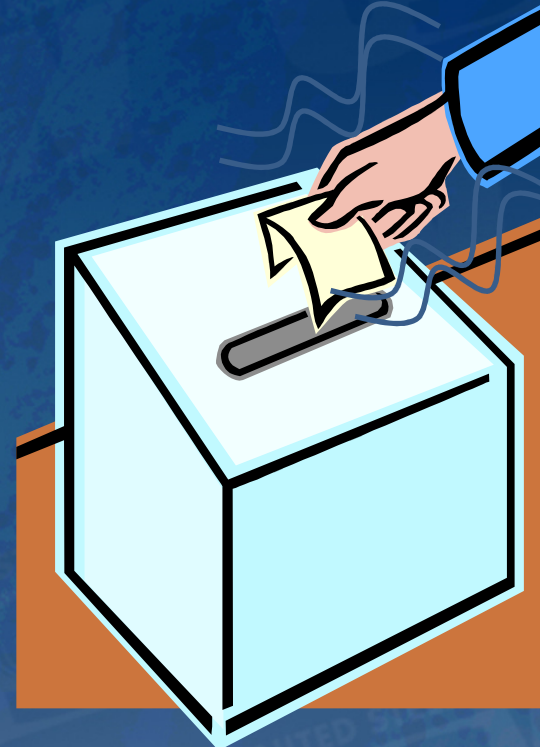
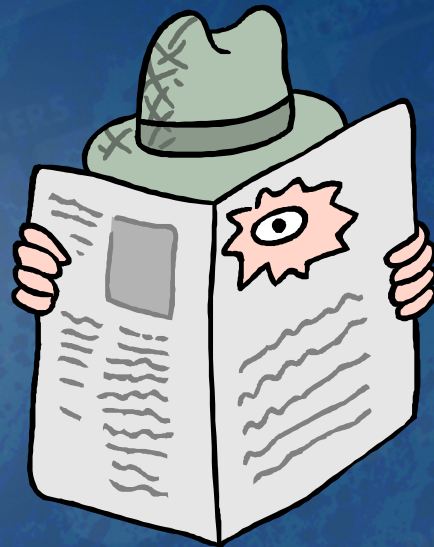
Walter Huber
Corporate Vice President
Corporate Human Resources



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



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.

Jürgen Kerner
IG Metall Executive Committee Member
Member of the Siemens Supervisory Board



Frankfurt, 31st of August 2012



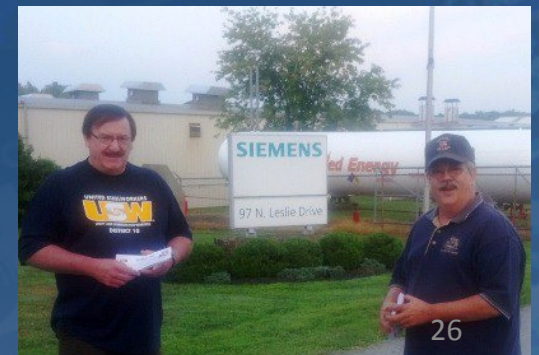
Organizing process in U.S. The National Labor Relations Board (NLRB) is a Broken System

- 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

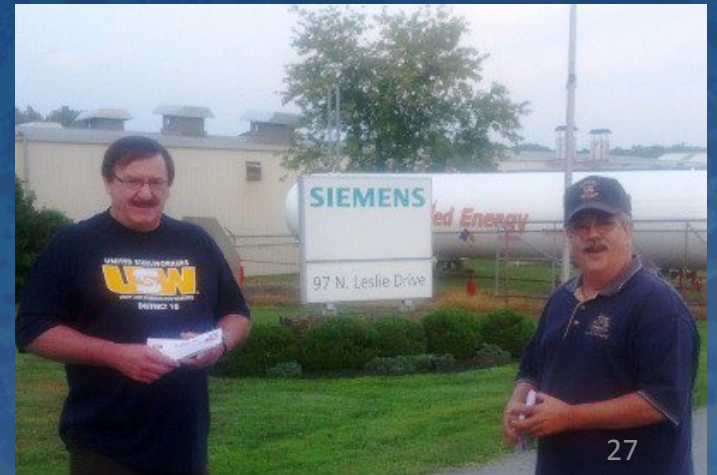
- USW filed “Objections” to the election process 9 September. Aim to overturn NLRB election.
- Opportunity to hit “Reset” Button.
- The USW continues to work with workers.
- Continue international pressure on Siemens
- Take up issue at next European Works Council meeting.





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