STATEMENT OF GLENN M. TAUBMAN, STAFF ATTORNEY,
NATIONAL RIGHT TO WORK LEGAL DEFENSE FOUNDATION, INC.,
TO THE
UNITED STATES HOUSE OF REPRESENTATIVES'
COMMITTEE ON EDUCATION AND THE WORKFORCE,
EMPLOYER-EMPLOYEE RELATIONS SUBCOMMITTEE
HEARING: APRIL 22, 2004

Chairman Johnson and Distinguished Members:

Thank you for the opportunity to comment on the issues raised in these important hearings.

My name is Glenn Matthew Taubman. I am a Staff Attorney with the National Right to Work Legal Defense Foundation, in Springfield, Virginia. Since the Foundation was founded in 1968, it has provided free legal aid to workers who choose to stand apart from a labor union, to exercise the "right to refrain" that Congress granted them under § 7 of the National Labor Relations Act, 29 U.S.C. § 157, and that, more fundamentally, is guaranteed by the First Amendment freedom of association.

I have worked as a Foundation staff attorney for almost twenty years. In that time, I have provided free legal representation to thousands of individual employees nationwide, seeking through litigation to vindicate their fundamental constitutional and civil rights against compulsory unionism abuses perpetrated by both unions and employers. In addition to representing public sector employees in a wide variety of federal civil rights cases dealing with the abuses of compulsory unionism,[1] I have spent a

[1] *Tierney v. City of Toledo*, 116 LRRM 3475 (N.D. Ohio 1984), *aff'd.*, 785 F.2d 310 (6th Cir. 1986), *vacated and remanded*, 106 S. Ct. 1628 (1986), *reversed on reconsideration*,
(continued...)

large part of my professional life litigating cases under the National Labor Relations Act.[2] In recent years, I have been representing individual employees facing a new challenge to their right to refrain from compulsory unionism: so-called "neutrality and card check" programs hatched by unions to help force union "representation" on unwilling employees. I am counsel or co-counsel in numerous currently pending cases challenging some form of "neutrality and card check" scheme.[3]

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[1] (...continued)
824 F. 2d 1497 (6th Cir. 1987), *further proceedings*, 917 F.2d 927 (1990); *Lowary v. Lexington Local Board of Education*, 124 LRRM 2516 (N.D. Oh. 1986), *reversed*, 854 F.2d 131 (6th Cir. 1988); *further proceedings*, 704 F. Supp. 1430 (N.D. Ohio 1987), *further proceedings*, 704 F. Supp. 1456 (N. D. Ohio 1988), *further proceedings*, 704 F. Supp. 1476 (N. D. Ohio 1988), *affirmed in part and reversed and remanded in part*, 903 F.2d 422 (6th Cir. 1990); *Jordan v, City of Bucyrus*, 739 F. Supp. 1124 (N.D. Ohio 1990), *further proceedings*, 754 F. Supp. 554 (N.D. Ohio 1991).

[2] *E.g.*, *UFCW Local 951 v. Mulder*, 812 F. Supp. 754 (W.D. Mich. 1993), *aff'd*, 31 F.3d 365 (6th Cir. 1994); *NLRB v. Office and Professional Employees Intern. Union, Local 2, AFL-CIO*, 292 NLRB No. 22 (1988), *enforced*, 902 F.2d 1164 (4th Cir. 1990); *California Saw and Knife Works*, 320 NLRB 224 (1995); *Schreier v. Beverly California Corp.*, 892 F. Supp. 225 (D. Minn. 1995); *Bloom v. NLRB*, 153 F.3d 844 (8th Cir. 1998), *vacated*, 209 F.3d 1060 (2000); *Production Workers of Chicago (Mavo Leasing)*, 161 F.3d 1047 (7th Cir. 1998); *Penrod v. NLRB*, 203 F.3d 41 (D.C. Cir 2000).

[3] *UAW and Freightliner/Daimler-Chrysler*, Case Nos. 11-CA-20070-1, 11-CA-20071-1, 11-CB-3386-1, 11-CB-3387-1; *UAW and Dana Corp. (Elizabethtown, KY)*, Case Nos. 9-CA-40444-1 and 9-CB-10981-1, Case Nos. 9-CA-40521-1 and 9-CB-10996-1; *UAW and Dana Corp. (Bristol, Va)*, Case Nos. 11-CB-3397, 11-CB-3398, 11-CB-3399, 11-CA-20134, 11-CA-20135, 11-CA-20136 (Region 11, Winston-Salem); *Heartland Industrial Partners and United Steelworkers of America (USWA)*, Case No. 8-CE-84-1 (Region 8, Cleveland Oh.); *Patterson v. Heartland Industrial Partners, et. al*, No. 5:03 CV 1596 (U.S. District Court, N.D. Ohio); *UAW and Dana Corp. (St. Johns, MI)*, Case Nos. 7-CA-46965-1 and 7-CB-14083-1, 7-CA-47078-1 and 7-CB-14119, and 7-CA-47079-1 and 7-CB-14120; *UAW and Dana Corp. (Upper Sandusky, OH)*, Case No. 8-RD-1976; *Metaldyne Precision Forming/UAW (St. Marys, PA).*, Case Nos. 6-RD-1518 and 6-RD-1519; *United Steelworkers of America and Cequent Towing Products (Goshen, IN).*, NLRB Case No. 25-RD-1447.

WHAT IS "NEUTRALITY AND CARD CHECK?"

Frustrated that workers are not voluntarily choosing to join or be represented by unions, labor union officials have turned to organizing employers and imposing unionization on employees from the top down. The National Labor Relations Board reports that unions win less than 50% of secret ballot elections, and that figure does not even include the many occasions where unions withdraw election petitions and walk away because they lack employee support. Of necessity, union officials do not want to publicize these election losses, preferring to act secretly. A case in point recently occurred at the Magna Donnelly plant in Lowell, Michigan. There, the United Auto Workers union (UAW) secured an agreement for strict employer neutrality, but with the stipulation that there be a secret-ballot election. Even with strict employer neutrality, the UAW lost badly, with one employee publicly commenting to the local newspapers, "Unions are not needed in America anymore."[4] Unions obviously would rather operate in secrecy.

So what exactly is a "neutrality agreement?" It is an enforceable contract between a union and an employer – usually kept secret from the very employees it targets[5] – under

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[4] *'Neutral' Union Bid Fails First Local Test*, Grand Rapids Press, September 27, 2003, p. A-1.

[5] Attached as Exhibit 1 is the Declaration of Clarice Atherholt, the petitioner in *UAW and Dana Corp. (Upper Sandusky, OH),* Case No. 8-RD-1976. Ms. Atherholt describes her inability to even see the secret agreement that her employer, Dana Corporation, entered into with the UAW. Attached as Exhibit 2 is the "confidential" agreement between Heartland Industrial Partners and the United Steelworkers Union (USWA) at issue in *Patterson v. Heartland Industrial Partners, et. al,* No. 5:03 CV 1596 (U.S. District Court, N.D. Ohio).

which the employer agrees to support a union's attempt to organize its workforce. Although these agreements come in several different forms, common provisions include:

- **Gag Rule:** While most neutrality agreements purport merely to require an employer to remain "neutral," in reality they impose a gag order on speech not favorable to the union. A company, including its managers and supervisors, is prohibited from saying anything negative about the union or unionization during an organizing drive. Employees are only permitted to hear one side of the story: the version the union officials want employees to hear. In a recent speech to the ABA, NLRB Chairman Battista criticized the growing use of neutrality agreements and stated that the "purpose of using neutrality agreements is not to expedite [employee free choice], but to silence one of the parties." Daily Labor Reporter, Five Members Discuss Decisionmaking, Wide Variety of Issues at ABA Meeting, August 15, 2003, Page B-1.

For example, the UAW's model "neutrality clause" states that an employer may not "communicate in a negative, derogatory or demeaning nature about the other party (including the other party's motives, integrity, character or performance), or about labor unions generally."[6] In practice this requires employers to refrain from providing even truthful information in response to direct employee questions. In contrast to this employer silence, the UAW's model neutrality agreement *requires* the signatory employer to affirmatively "advise its employees in writing and orally that it is not opposed to the UAW being selected as their bargaining agent." Such limits on free speech, and

[6] *See* http://www.nrtw.org/d/uawna.pdf

requirements of forced pro-union speech, are purposefully designed to squelch debate and keep employees in the dark about the union that covets them.

- **No Secret Ballot Election:** Most neutrality agreements include a "card check" agreement. Under such an agreement, employees are not permitted to vote on union representation in a secret ballot election monitored by the National Labor Relations Board. Instead, the employer pledges to recognize the union automatically if it can produce a certain number of signed union authorization cards. Experience shows that employees are often coerced or misled into signing these authorization cards. For example, employees report being falsely told that these union authorization cards are merely health insurance enrollment forms, non-binding "statements of interest," requests for an election, or even tax forms.[7]

Indeed, the United States Supreme Court has recognized this as well: "We would be closing our eyes to obvious difficulties, of course, if we did not recognize that there have been abuses, primarily arising out of misrepresentations by union organizers as to whether the effect of signing a card was to designate the union to represent the employee

[7] Attached as Exhibit 3 is a sworn Declaration of Faith Jetter in Support of her Motion to Intervene or, Alternatively, to File a Brief Amicus Curiae in the case of *Sage Hospitality Resources, LLC v. HERE Local 57*, Case No. 03-4168, U.S. Court of Appeals (3d Cir.). In her Declaration, Ms. Jetter describes her own harassment at the hands of the union, and in addition states: "I also saw the union representatives try to coerce another employee to sign a card, even though they never explained to the employee what this card meant, or told her that the union could be able to be automatically recognized as the representative of the employees without a secret ballot election. It was clear to me that this employee had no idea what this card meant when the union tried to get her signature."

for collective bargaining purposes or merely to authorize it to seek an election to determine that issue."[8]

Moreover, when an employee signs (or refuses to sign) a union authorization card, he or she is not likely to be alone. Indeed, it is likely that this decision is made in the presence of one or more union organizers pressuring the employee to sign a card. This solicitation could occur during or immediately after a union mass meeting or a company-paid captive audience speech, or it could occur in the employee's own home during an unsolicited union "home visit." In all cases the employee's decision is not secret, as in an election, since the union clearly has a list of who has signed a card and who has not. Thus, a choice against signing a union authorization card does not end the decision-making process for an employee in the maw of "card check drive," but often represents only the beginning of harassment and intimidation for that employee.

In sharp contrast, each employee participating in an NLRB-conducted election makes his or her choice one time, in private. There is no one with the employee at the time of decision. The ultimate choice of the employee is secret from both the union and the employer. Once the employee has made the decision "yea or nay" by casting a ballot, the process is at an end. Thus, only with an Orwellian world-view can unions claim that "we save industrial democracy and employee free choice by doing away with the secret ballot election."

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[8] *NLRB v. Gissel Packing Co.*, 395 U.S. 575, 604 (1969).

- **Access to Premises:** Neutrality agreements commonly give the union permission to come on company property during work hours for the purpose of collecting union authorization cards. This differs from the guidelines set by the NLRB and the courts, under which an employer has no obligation to, and may actually be prohibited from, providing the union with such sweeping access to its employees.

- **Access to Personal Information:** Neutrality agreements frequently require that the company provide personal information about employees to the union, including where employees and their families live. Armed with a company-provided list of the names and addresses of each employee, union officials can conduct "home visits" to pressure employees to sign union authorization cards.

Employee Faith Jetter attested to what happened after her employer provided the HERE union with her personal information:

> I was called at home and also contacted in person by HERE union representatives and urged to sign a union authorization card. These union representatives already had my name and home address and telephone number. I was asked if the union representatives could come to my home and make a presentation about the union. I allowed them to come, as I was willing to listen.
>
> Two union representatives came to my home and made a presentation about the union. They tried to pressure me into signing the union authorization card, and even offered to take me to out dinner. I refused to sign this card as I had not yet made a decision at that time.
>
> Shortly thereafter, the union representatives called again at my home, and also visited my home again to try to get me to sign the union authorization card. I finally told them that my decision was that I did not want to be represented by this union, and that I would not sign the card.
>
> Despite the fact that I had told the union representatives of my decision to refrain from signing the card, I felt like there was continuing pressure on me to sign. These union representatives and others were sometimes in and around the hotel, and would speak to me or approach me when I did not want to speak with

them. I also heard from other employees that the union representatives were making inquiries about me, such as asking questions about my work performance. I found this to be an invasion of my personal privacy. Once when I was on medical leave and went into the hospital, I found that when I returned to work the union representatives knew about my hospitalization and my illness. I felt like their knowledge about me and my illness was also an invasion of my personal privacy.[9]

- **Captive Audience Speeches:** Employees may be forced to attend company-paid "captive audience" speeches pursuant to neutrality agreements. In these mandatory forums, the union and management work together to pressure employees to sign up for the union. Sometimes it is announced that the union and company have already formed a "strategic partnership," making union representation seem a foregone conclusion. In one facility owned by Johnson Controls Inc., it was strongly implied that if workers did not support the union's organizing effort, they risked losing potential job opportunities. Can it be said that employees freely signed cards after such coercion?

HOW DO UNIONS SECURE NEUTRALITY AGREEMENTS?

Employers are often pressured into neutrality agreements by union picketing, threats, or comprehensive "corporate campaigns." Some employers are pressured into neutrality agreements by other companies who are acting at the behest of union officials. A neutrality agreement itself may require an employer to impose the neutrality agreement

[9] See Exhibit 3 attached hereto.

on other companies with whom it affiliates.[10] But do employees who are targets of these agreements approve? Are they ever asked? Many do not even know that such a deal covering their unionization exists. As employee Faith Jetter noted in her sworn Declaration (Exhibit 3), "I heard that the Hotel and the HERE union signed an agreement covering the union's attempt to organize the employees of the Hotel. I also learned that this agreement required my employer to give the HERE union a list of employees' names and addresses, and access to the employees inside of the Hotel. No one asked me if I approved of this, and I do not. I am opposed to the Hotel giving the HERE union a list of with my name and personal information, and allowing them access to me in the workplace."

Even more ominous, there is a growing trend in which state and local politicians pass laws mandating that employers who wish to do business with the state or locality must sign neutrality agreements. In one notorious case, the San Francisco Airport Authority mandated that any concessionaires who wished to lease space at the airport had to first sign a neutrality agreement. That governmental interference in private labor relations was held to be federally preempted, and was enjoined.[11] Unfortunately, many

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[10] See Exhibit 2, the "confidential" agreement between Heartland Industrial Partners and the United Steelworkers Union (USWA). This agreement contains a "virus clause," in which any "covered business enterprise" must force its affiliates to also sign "neutrality and card check agreements."

[11] *Aeroground, Inc. v. City & County of San Francisco*, 170 F. Supp. 2d 950 (N.D. Cal. 2001) (municipal ordinance which regulated private-sector labor relations and mandated the waiver of rights and interests protected by the NLRA is unconstitutional as preempted); *see also Chamber of Commerce v. Lockyer*, 225 F. Supp. 2d 1199 (C.D. Cal. 2002) (similar (continued...)

state and local politicians are still attempting to require neutrality agreements as a condition of contracting with the government or of obtaining grants, even though most, if not all, such requirements are federally preempted.

The bottom line is this: employees' rights of free choice are sacrificed and lost under so-called "neutrality agreements." Instead of being able to freely choose for themselves whether they desire union representation through a secret ballot election, management and union officials work together to impose unionization on workers from the top down.

AN EXAMPLE OF WORKER ABUSE UNDER"NEUTRALITY AGREEMENTS"

There are many pending legal cases challenging neutrality agreements and card checks as abuses of workers' rights, some of which are cited in footnote 3 above. One that particularly highlights these abuses is *Dana Corp. and UAW*, Case Nos. 7-CA-46965-1 and 7-CB-14083-1and 7-CA-47078-1 and 7-CB-14119.

In this case, the UAW has been trying to unionize the Dana Corporation plant in St. Johns, Michigan ("Dana St. Johns") for several years, without success. In August, 2003, the UAW reached a "partnership" agreement with Dana that covers the employees of Dana St. Johns (and others), even though the UAW does not represent any of the targeted employees. The terms of this "partnership" agreement have been kept secret.

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[11] (...continued)
state statute preempted); *Metropolitan Milwaukee Ass'n of Commerce v. Milwaukee County*, 325 F.3d 879 (7th Cir. 2003) (employer association has standing to challenge county ordinance requiring employers to enter into "labor peace agreements").

This "partnership" agreement is undisputably a "labor contract" enforceable under § 301 of the NLRA, 29 U.S.C. § 185. *See UAW v. Dana Corp.,* 278 F.3d 548 (6th Cir. 2002). The provisions of this enforceable contract: 1) establish a "card check" and dispense with NLRB-supervised secret ballot elections, 2) establish joint UAW-Dana captive audience speeches; 3) gag all supervisors from even truthfully answering employees' questions; 4) give union organizers wide access to employees in the plant; and 5) give union organizers personal information about the employees including home addresses – all with the joint goal of prodding these employees into accepting the UAW as their representative. In practice, the UAW has also used this "partnership" to limit employees' ability to revoke their authorization cards, by informing them that in order to do so, one or more union officials must personally come to their homes!

The UAW and Dana entered into their "partnership" agreement out of fear that the union would continue to fail in its quest to unionize the employees at Dana St. Johns and elsewhere. This "partnership agreement" is a classic example of a "bargaining to organize" scheme, wherein union officials commit to act in a manner favorable to management interests in exchange for employer assistance with gaining and maintaining control over employees.[12] Despite public fanfare about the existence of this "partnership," the specific terms of the agreement are secret from the very employees it targets, and whose interests it compromises.

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[12] Even the union oriented press has reported that the UAW trades employee wages and benefits for "neutrality," see "UAW Trades Pay Cuts for Neutrality" at http//www.labornotes.org/archives/2003/07/c.html and http//www.labornotes.org/archives/2003/10/b.html

As noted, the employees of Dana St. Johns have long rejected the UAW as their collective bargaining agent. It is for this reason that in the fall of 2003, a **majority** of the Dana St. Johns employees signed a petition which stated unequivocally:

PETITION AGAINST UAW "REPRESENTATION"

The undersigned employees of Dana Corporation-St. Johns, MI., do **NOT** want to be "represented" by the UAW union, do **NOT** want to join the UAW union, and do **NOT** wish to support the UAW union in any manner.

To the extent that any of the undersigned employees have ever previously signed a UAW membership card or UAW "authorization card", the undersigned hereby **REVOKES** that card. More specifically, that Dana Corporation, the UAW union, and all third parties or arbitrators take **NOTICE** that any such card signed by an undersigned employee prior to the signing of this petition is **NULL AND VOID**.

The undersigned employees of Dana Corporation **DO NOT** wish to be subjected in any way to the "partnership agreement" sign by corporate Dana officials and corporate UAW officials, and request that Dana Corporation and the UAW union **CEASE** giving any affect to the "partnership agreement" at this Dana plant in St. Johns, MI.

The undersigned employees of Dana Corporation hereby request that Dana Corporation **NOT** disclose or otherwise reveal to the UAW union, or its agents, any personal information about them; including, but not limited to: their name, social security number, home address, telephone number, job title, or work history.

The undersigned employees of Dana Corporation hereby request that Dana Corporation expressly recognize that the UAW union does **NOT** represent a majority of the employees at this facility, at which we work, for an irrevocable period of one-year.

This petition states in part that the undersigned employees recognize the destructive and self-serving behavior of the UAW, and its documented role in union violence, union corruption, and plant closures caused by featherbedding and other uneconomic union work rules.

Finally, I **DO NOT** want any UAW officials, organizers, or agents calling or visiting me at my home. I hereby deny access to my property to any UAW official, organizer, or agent.

Respectfully Submitted,

Dana Corporation, St. Johns employees

[Signatures]

Copies of this petition – signed by a majority of employees – were delivered to both Dana management officials and UAW officers. However, the petition was not acted upon by Dana or the UAW. Although the petition recites that the signatures are irrevocable for one year, Dana and the UAW nevertheless conducted their captive audience speeches, Dana gave out lists of employees' names and home addresses, gagged its supervisors and the UAW conducted home visits. In response to employee inquiries about revoking previously signed authorization cards, UAW officials told employees that the *only* way to revoke their cards was for union organizers to personally visit them at their homes. In short, these employees have not been respected in their congressionally-granted "right to refrain." To the contrary, they have been subject to a concerted campaign to force them to sign union cards, whether they wish to or not.

CONCLUSION: None of the abusive situations outlined herein, which are just the tip of the iceberg, would be happening if the National Labor Relations Act prohibited secret ballot elections, and outlawed union "recognition" via coercive "card checks." I trust these hearings will shed further light on the abuses inherent in "neutrality and card check" processes.

NATIONAL LABOR RELATIONS BOARD
REGION 8

Clarice K. Atherholt,
(Petitioner)

Dana Corp.,
(Employer) Case No. 8-RD-1976

and

International Union, United Automobile Aerospace
and Agricultural Implement Workers of
America, AFL-CIO ("UAW")
(Union)

DECLARATION OF CLARICE K. ATHERHOLT IN SUPPORT OF HER DECERTIFICATION PETITION

I, Clarice K. Atherholt, pursuant to Section 1746 of the Judicial Code, 28 U.S.C. § 1746, declare as follows:

1. My name is Clarice K. Atherholt. I have first hand knowledge of all of the facts set forth herein, and if called to testify could do so competently. I live at 302 S. Fifth Street, Upper Sandusky, OH. 43351. I am employed by Dana Corporation ("Dana") at its facility in Upper Sandusky, OH. ("Dana Upper Sandusky").

2. I am the Petitioner in this case, and circulated on non-work time the showing of interest against the UAW union that accompanied the filing of the Petition. I am part of a bargaining unit of approximately 180 employees at Dana Upper Sandusky.

3. Several months ago Dana and the UAW announced that they had become parties to some sort of "neutrality agreement." Although the employees at Dana Upper Sandusky (among others) are the targets of the agreement, the agreement was initially kept secret from us, although some of the union's organizers had their own copies. Only after I and many other employees complained, and only after the UAW was recognized by Dana at Upper Sandusky, was I told that I could go to Human Resources and read a copy of this agreement, but could not make any copies and could not take a copy away in

EXHIBIT 1

order to consult with an independent legal advisor. (Attached as Exhibits 1 and 2 are true and correct copies of letters exchanged between me and Dana related to this subject). As a result of the secrecy, employees at Dana Upper Sandusky know very little of what is contained in the "neutrality agreements" the UAW signed with Dana.

4. Our local management was not allowed to inform any of us about the specific details of the neutrality agreement. We were told that employees would not be permitted to vote in a secret ballot election and that the union organizers would have access to employees' personal information (like home addresses), and access to employees in the plant. Also, we were strongly encouraged "for our own benefit" to attend one of several "captive audience" speeches while on paid company time. At these meetings, officials from Dana Corporation in Toledo and UAW officials from Detroit told us that the UAW and Dana had entered into a "partnership," and that this partnership would be beneficial to us in getting new business from the Big Three into the plant. The implication was that our plant would lose work opportunities or jobs if we did not sign cards and bring in the UAW. I was an outspoken critic of the UAW at this time, and I tried to attend several of the scheduled meetings. The UAW apparently told Dana Human Resources that they did not want me to attend all of these meetings, that my presence was a threat and a distraction, and that the UAW would turn out more supporters if I attended other sessions. I attended two sessions in total, one on my own time and one while on paid company time.

5. Apparently pursuant to the neutrality agreement, UAW organizers came into our plant and stayed there until the "voluntary recognition" was achieved. But the UAW's "card check" drive was nothing like a secret ballot election. UAW organizers did everything they could to make people sign union cards. The UAW put constant pressure on some employees to sign cards by having union organizers bother them while on break time at work, and visit them at home. I believe that the UAW organizers also misled many employees as to the purpose and the finality of the cards. Overall, many employees signed the cards just to get the UAW organizers off their back, not because they really wanted the UAW to represent them.

6. On or about December 4, 2003, Dana suddenly announced that the UAW was our union representative. There was no vote. Many of my co-workers and I were very upset that this union could be thrust upon us without a chance to vote in a secret ballot election. I don't understand how Dana and the UAW can sign away my rights to an election and bring in a union without giving employees the right to vote.

7. I am not aware, as of the date of this Declaration, of Dana and the UAW engaging in any negotiations or bargaining sessions for a collective bargaining agreement since the

UAW was recognized on or about December 4, 2003. I understand that the UAW is just now beginning to form a temporary bargaining committee, but nothing else has happened as of this time in terms of negotiating.

8. I strongly believe that it is wrong that Dana management declared that the UAW was our representative without a secret ballot vote. Judging by the fact that over 35% of employees in the bargaining unit signed a decertification petition within just a few days after I began circulating it, I am not alone.

9. I fail to see how the UAW union can properly be considered our representative without a secret ballot vote. If the UAW really believes that it has the support of over 50% of employees, then it has nothing to fear by giving employees a chance to vote. If employees vote and the union wins, then by all means it is our representatives as stated and we move forward. But if the UAW loses, then it and Dana must concede to the fact and the UAW must leave, as per our request.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 13, 2004

Clarice K. Atherholt

Mr. Dave Warders
1480 Ford St.
Maumee, Oh. 43537-1718

302 S. Fifth Street
Upper Sandusky, Oh. 43351
November 20, 2003

Mr. Bob King
8000 E. Jefferson St.
Detroit, Mi. 48214

Dear Mr. Warders & Mr. King,

Have you ever been on "my" side of a neutrality agreement? If not, you should try it. I don't think you would like it.

The UAW has been campaigning in my area for nearly 6 months now. We sat through a captive audience speech and now we are blessed with having UAW organizers at break and lunch times. And still you don't have enough cards signed to be representative of employees. Now, you bring in other organizers(or whatever you call them) from the Lima, Ohio plant. What gives?

I should think that by now the UAW would get the hint. Just because of a few disgruntled employees doesn't mean our whole plant should be subjected to what some are considering harassment. The anti-union people do not appreciate being disturbed during "their" time.

When I applied for my job(at then Continental Hose), I went there specifically because there was NO union. And like many of us continue to enjoy working in a non-union environment. Admittedly, we are not a perfect plant, there are some problems, but none that joining a union will solve.

Mr. Warders, you made an excellent point about quality Friday and that actually turned a couple people to be AGAINST the union. THANK YOU for that.

Mr. King, I'm not sure that you gained any momentum from your comments.

I believe that you both were in agreement that the neutrality agreement was not to have been shown by the UAW reps and that you would be discussing that this week. I am requesting that you BOTH please send me a copy so that I can read it myself. I am asking both, that way I will hopefully be assured of getting at least one.

Thank you for your time.

Clarice K. Atherholt

Exhibit 1

DANA INDUSTRIAL RELATIONS

CHRIS BUETER
MANAGER, INDUSTRIAL RELATIONS

December 9, 2003

Ms. Clarice K. Atherholt
302 S. Fifth Street
Upper Sandusky, Ohio 43351

Ms. Atherholt:

Your letter addressed to both Dave Warders and Bob King and dated November 20, 2003 has been forwarded to my attention for response by Mr. Warders.

As you know, the matter of union representation in Upper Sandusky was resolved on Thursday December 4, 2003 when the employees of Upper Sandusky, by a majority of signed employee representation forms, selected the UAW as its bargaining representative in conformance with the Dana – UAW Partnership Agreement representation process that was explained to all of you in plant meetings on November 14, 2003.

Notwithstanding this plant decision, we have forwarded to Allison Miller under separate cover a single copy of the Dana – UAW Partnership Agreement. This single copy will remain in Human Resources where you may review it at your leisure at any time other than your scheduled work time. You must schedule in advance with Ms. Miller if you wish to review this document and you will not be afforded the opportunity to copy this document.

It is sincerely hoped that any questions you may have regarding this Agreement will be answered once you review this document in its entirety, however should you have further questions after your review, you should forward those questions to Allison Miller and she can address those matters for you. I hope that with this correspondence Dana has adequately addressed your request dated November 20, 2003.

Sincerely,

Chris Bueter
Manager, Labor Relations

c: Dave Warders
Bob King
Allison Miller
Dan Schueren
Mark Roseman

Exhibit 2

November 27, 2000

Mr. George Becker
International President
United Steelworkers of America
Five Gateway Center
Pittsburgh, PA 15222

Dear Mr. Becker:

The following will confirm our understanding regarding certain matters concerning the United Steelworkers of America ("USWA" or the "Union") and Heartland Industrial Partners ("Heartland").

1. Over the years, a number of Heartland's key principals, both directly and through companies with which they have been involved, have developed a constructive and harmonious relationship with the USWA, built on trust, integrity and mutual respect. Heartland places a high value on the continuation and improvement of that relationship.

2. To underscore Heartland's commitment in this matter, we agree that in the event Heartland, after the date of this letter, directly or indirectly becomes an investor in a Covered Business Enterprise ("CBE") (as defined below), Heartland will:

   A. Within 30 days of the consummation of the transaction that results in Heartland becoming an investor in said CBE (a "Transaction"), provide the USWA with a detailed description of the CBE including:

      (i) a list of each of the CBE's plants, and for each of those plants, the products, markets, number of employees eligible for union representation and the classifications, union status and affiliation (if any) of those employees; and

      (ii) the business and financial due diligence, plans and forecasts which Heartland in the ordinary course of business would provide to its limited partners.

      (iii) In addition, Heartland will, upon request, informally discuss with the Union, from time to time, its present plans (as such plan may exist) for the utilization, expansion, contraction, or other major changes in the role or size of the production facilities of the CBE.

39400 North Woodward Avenue, Suite 130
Bloomfield Hills, Michigan 48304
Telephone: 248.593.8814
Fax: 248.203.6882

320 Park Avenue, 33rd Floor
New York, New York 10022
Telephone: 212.981.5613
Fax: 212.981.3535

55 Railroad Avenue
Greenwich, Connecticut 06830
Telephone: 203.861.2622
Fax: 203.861.2722

www.heartlandpartners.

EXHIBIT 2

The Union shall keep all such information strictly confidential within its senior officials and elected leadership and/or organizing department. Finally, the Union explicitly recognizes that any plans discussed may be speculative, contingent, or subject to change at any time.

B. If, at any time after six months following a Transaction, the Union notifies Heartland in writing of its actual intent to organize any of the facilities of the CBE, then within ten (10) days of such notification, Heartland will cause the CBE to immediately execute an agreement (hereafter known as the "Framework for a Constructive Collective Bargaining Relationship" or "Framework Agreement") between said CBE and the USWA in form and substance identical to Exhibit I hereto, as well as this Side Letter, both of which shall also at that time be executed by the Union.

3. A Covered Business Enterprise or CBE shall be defined as any business enterprise in which Heartland, directly or indirectly: (i) owns more than 50 percent of the common stock; (ii) controls more than 50 percent of the voting power; or (iii) has the power, based on contracts, constituent documents or other means, to direct the management and policies of the enterprise; with only the following limited exceptions:

A. companies engaged principally in the pulp and paper, clothing and textile, oil refining or coal mining businesses; provided, however, that the Framework Agreement shall apply to the non-United States operations of entities principally engaged in either oil refining and/or coal mining and to Canadian domiciled companies principally engaged in coal mining and/or oil refining;

B. in the case of companies where a single Union affiliated with the AFL-CIO (other than the USWA) both: (i) represents more than 33 percent of all employees of that CBE eligible for unionization; and (ii) represents more than twice as many employees of the CBE as does the USWA (an "Other Union"), then the Neutrality provisions of the Framework Agreement will take effect at particular Covered Workplaces of the CBE, but only upon the earlier of:

(i) an unsuccessful attempt by the Other Union to organize the employees at said Covered Workplaces; and

(ii) three years from the date on which the Covered Workplace becomes part of a CBE.

4. Notwithstanding the provisions of # 3A above, the Framework Agreement will, in no respect apply to any facility located outside of the United States and its territories or Canada.

5. Notwithstanding the provisions of # 3B above, once a business enterprise has met the definition of a CBE, then the Framework Agreement shall thenceforth, without exception, be binding upon said enterprise.

6. Notwithstanding the Framework Agreement or any provision of this Side Letter, the Neutrality Agreement (Section I of the Framework Agreement) shall apply to all non-represented employees at a Covered Workplace with only the following limited exceptions: professional, managerial, sales, confidential, office clerical employees, security guards and supervisors. Office clerical employees are clerical employees who are not "plant clericals" and who report directly to a senior management employee and/or work within the Company's executive, legal, financial, human resources, accounting, sales, marketing, estimating, advertising, purchasing, computer and information services, planning, or similar departments.

7. Rules Regarding Existing Ventures.

A. If at the time of a Transaction a CBE has an existing Venture, then said Venture shall not be covered by the Framework Agreement provided, however, that in the event the CBE: (i) increases its ownership or influence in the existing Venture such that the Venture becomes an Affiliate; or (ii) the CBE makes a voluntary new investment in the existing Venture, then the Framework Agreement shall immediately apply to said Venture.

B. In the event the existing Venture materially changes or expands its operations in a manner that could reasonably be expected to impact negatively the employees at one or more of the CBE's organized operations, then the CBE shall make every effort to have the Venture adopt the Framework Agreement.

8. Limitations on Organizing Campaigns.

A. There shall be no more than one Organizing Campaign in any 12-month period.

B. If, over a five (5) year period, the Union conducts three (3) unsuccessful organizing campaigns at a particular Covered Workplace then, provided that the CBE was not found to have violated the Neutrality provisions of the Framework Agreement during the course of any of those campaigns, the Union will not seek to organize the employees at that Covered Workplace for at least three (3) years from the date of the conclusion of the third unsuccessful campaign.

9. The following will provide guidance and amplification as to the intentions and mutual understandings of the parties regarding Sections I.D., I.F., I.G. and Section II of the Framework Agreement.

A. The parties recognize that in determining the comparability of a newly-organized facility ("NOF") to an existing operation of the CBE ("EO") for the purpose of determining the appropriate level of wages and benefits for that NOF, that to the degree that the NOF has a substantially lower level of valued-added products and fixed investment per employee and the NOF's competitors provide their employees with a compensation package materially less costly than that provided at EOs, then the CBE may not be in a position to provide employees with a compensation package as costly as that provided at EOs.

B. The parties recognize that in determining the comparability of an NOF to an EO and to unionized competitors of the facility ("UCs") for the purpose of determining the appropriate level of wages and benefits for that NOF, that in cases where the NOF has substantially older and less efficient production equipment than EOs and UCs, that the immediate application of a substantial rise in wages and benefits to reach levels at EOs and UCs must be balanced by a reasonable consideration of:

- implementation of new work systems and modern operating practices;
- assuring the competitive viability of the NOF;
- a period of up to five years for wage increases to reach indicated wage and benefit levels;
- limitation of annual increases in hourly compensation to levels no greater than 2X the current rate of annual increases in average

hourly compensation in the United States as published by the Bureau of Labor Statistics.

C. The above considerations shall in no way limit, and in fact the parties explicitly acknowledge the appropriateness of placing in the first collective bargaining agreement strong protections of seniority and union security with "union security" defined broadly to include provisions such as those which: (i) recognize the value of a strong institutional presence of the Union in the plant; (ii) provide for an effective grievance procedure with binding arbitration; and (iii) require that new employees join the Union, maintain membership and pay dues through payroll deduction.

D. Hiring Preference.

1. The provisions of Sections I. D.1. and I. D.2. of the Framework Agreement will become effective upon the USWA becoming the collective bargaining agent representing 50 percent or more of the employees eligible for union representation at a CBE. At that point the Hiring Preference shall apply to hiring at all non-represented Covered Workplaces at the CBE.

2. After such threshold is met, this obligation shall continue, irrespective of any later addition to or reduction from the percentage of USWA-represented employees at the Covered Business Entity.

3. This Hiring Preference shall give preference to employees covered by a Labor Agreement with the USWA only against other applicants who are not then employed at the workplace at which the employee is seeking employment.

E. All arbitrators selected under Section I. G. of the "Framework Agreement" (i.e., for issues arising under the Framework Agreement and this Side Letter other than interest arbitration as part of collective bargaining) shall be selected as follows: Within ninety (90) days of the date of this agreement, the parties will mutually agree to a list of seven (7) arbitrators to serve on a "permanent panel." These arbitrators shall be members of the American Academy of Arbitrators, and shall have experience arbitrating claims within the industries in which Heartland is or expects to be involved. In the event that one of the members of the

panel becomes unable or unwilling to serve, the parties shall immediately replace him in a manner to be agreed by the parties.

F. In the event of a challenge by the Union or a CBE under the Arbitration provisions of Section I. G. regarding the conduct of the CBE or the Union, during the course of an organizing campaign, any count of cards or recognition of the results of the count shall be delayed until the Arbitrator has issued his decision, and his remedy, if any, implemented.

G. The parties will select an arbitrator from the permanent panel within two (2) business days of the receipt of a grievance by the CBE or the Union and any arbitration hearing required under Section G of the Agreement shall be held within five (5) business days of the selection of an Arbitrator. The Arbitrator shall render his decision within two (2) business days of the conclusion of the hearing.

H. Interest arbitration under I. F. (3) of the Framework Agreement will be conducted as follows:

(i) The parties will attempt to mutually agree upon an acceptable Arbitrator who is a member of the Academy of Arbitrators and has arbitral experience as an arbitrator in the industry in question. If such an agreement takes place, a hearing will take place where both parties will present their final offers along with any arguments in support thereof. The parties will also present all language agreed upon by the parties, which shall be accepted in total by the Arbitrator. The Arbitrator shall select one of the final proposals to resolve the remaining disputes. If the parties cannot agree on a single arbitrator, then arbitration shall be by the following system:

(ii) Each party will appoint an arbitrator of its own choosing. Following said appointment, the parties will select a third neutral arbitrator by the alternate strike off of names from the pool of approved arbitrators described at F. above, with the order of striking determined by a coin toss. The last arbitrator remaining on the list will be selected as the third (neutral) arbitrator. A hearing will take place in which both parties will present their final offers along with any arguments in support thereof. The parties will also present all language agreed upon by the parties, which shall be accepted in total by the arbitrators. The three

arbitrators, after due consideration and by majority vote, will select one of the two final proposals presented by the parties to resolve the remaining disputes between the parties.

l. The provisions of Section II of the Framework Agreement will become effective at a CBE upon the USWA becoming the collective bargaining agent representing 50 percent or more of the employees eligible for union representation at that Covered Business Entity or a distinct operational division thereof. After such a threshold is met, the CBE shall continue to be covered by Section II, irrespective of any later addition to or reduction from the percentage of USWA-represented employees at the CBE or division thereof.

10. Notwithstanding anything to the contrary herein, Section III of the Framework Agreement, Work Stoppages, will apply at any CBE where the USWA represents employees of that CBE.

11. In the event that Heartland becomes the owner of an interest in a business enterprise, but such enterprise does not qualify as a CBE as that term is defined in #3 above, then Heartland shall inform the USWA of its investment and use its reasonable best efforts to cause the enterprise to adopt the Framework Agreement and this Side Letter. Whether Heartland has used its reasonable best efforts in such a case shall be subject to the grievance and arbitration procedure described in the Framework Agreement at Section G and this Side Letter.

12. In the event the USWA merges with another union, and as a result of this merger(s), the USWA, immediately following the merger, provides less than 40 percent of the voting members of the executive committee or equivalent governing body of the new union (in the case of a three-way merger, the percentage referred to above shall be 25 percent), then this Side Letter and the Framework Agreement shall be null and void.

13. It is explicitly agreed that the provisions of this Side Letter definitively interpret and override any contrary or ambiguous provision of the Framework Agreement. It is further agreed and acknowledged that the execution of the Framework Agreement and Side Letter by Heartland and/or any Covered Business Entity is conditioned explicitly upon execution and the acceptance of the terms and conditions of this Side Letter by the Union.

14. In the event that any provision of this Agreement is determined to be illegal by a decision of a court of competent jurisdiction or by the National Labor

Relations Board, that court or Board is authorized to reform the illegal section(s) of the Agreement to the extent necessary to make it (them) legal but to reform it in a manner as closely as possible to reflect the intent of the parties evidenced herein.

15. This Side Letter and Framework Agreement will be treated as non-public by all parties except as otherwise required by the terms of either document, agreed to by mutual written consent of the parties, or by law. Neither of the parties nor their agents will issue any press release regarding this Side Letter or the Framework Agreement, or otherwise publish or publicize these agreements, except that if the Union is successful in organizing a Covered Workplace, it can publicize the organizing of such workplace and, to the extent it desires, the impact of the Neutrality provisions on said success.

16. This Side Letter and Framework Agreement are a total expression of the parties' intent and can be modified only in writing. Any prior writings, communications, statements, or proposals on the subjects covered by this Agreement are deemed merged herein.

Sincerely yours,

David A. Stockman
Heartland Industrial Partners

Confirmed:

George Becker
International President
United Steelworkers of America

Exhibit I

Framework for a Constructive Collective Bargaining Relationship

Agreement by and between

Heartland Industrial Partners

and the

United Steelworkers of America

I. NEUTRALITY

A. INTRODUCTION

Heartland Industrial Partners, for a Covered Business Enterprise of Heartland (as defined as a "CBE" under 2(A), 2(B) and 3, 4, 5, 6 and 7 in the Side Letter attached hereto) ("The Company') and the United Steelworkers of America ("USWA" or "the Union") place a high value on having a constructive and harmonious relationship built on trust, integrity and mutual respect.

B. NEUTRALITY

To underscore the Company's commitment in this matter, it agrees to adopt a position of neutrality in the event that the Union seeks to represent any non-represented employees of the Company.

Neutrality means that, except as explicitly provided herein, the Company will not in any way, directly or indirectly, involve itself in efforts by the Union to represent the Company's employees, or efforts by its employees to investigate or pursue unionization.

The Company's commitments to remain neutral as outlined above shall cease if the Company demonstrates to an Arbitrator under Section G herein that during the course of an Organizing Campaign (as defined in C below), the Union is intentionally or repeatedly (after having the matter called to the Union's attention) materially misrepresenting to the employees

the facts surrounding their employment or is conducting a campaign demeaning the integrity or character of the Company or its representatives.

C. ORGANIZING PROCEDURES

Prior to the Union distributing authorization cards to non-represented employees at a Covered Workplace (meaning any workplace which is: (i) controlled by the Company, as the Company is defined in Section E herein; and (ii) employs or intends to employ employees who are eligible to be represented by a labor organization in any unit(s) appropriate for bargaining), the Union shall provide the Company with written notification (the "Written Notification") that an organizing campaign (the "Organizing Campaign") will begin. The Written Notification will include a description of the proposed bargaining unit.

The Organizing Campaign shall begin immediately upon provision of Written Notification and continue until the earliest of: (i) the Union gaining recognition under C-5 and C-6 below; (ii) written notification by the Union that it wishes to discontinue the Organizing Campaign; or (iii) 90 days from provision of Written Notification to the Company.

There shall be no more than one Organizing Campaign in any 12-month period.

Upon Written Notification the following shall occur:

1. Notice Posting

The Company shall post a notice on all bulletin boards at all Covered Workplaces where employees eligible to be represented within the proposed bargaining unit work and where notices are customarily posted. This notice shall read as follows:

"NOTICE TO EMPLOYEES

We have been formally advised that the United Steelworkers of America is conducting an organizing campaign among certain of our employees. This is to advise you that:

1. The Company does not oppose collective bargaining or the unionization of our employees.

2. The choice of whether or not to be represented by a union is yours alone to make.

3. We will not interfere in any way with your exercise of that choice.

4. The Union will conduct its organizing effort over the next 90 days.

5. In their conduct of the organizing effort, the Union and its representatives are prohibited from misrepresenting the facts surrounding your employment. Nor may they demean the integrity or character of the Company or its representatives.

6. If the Union secures a simple majority of authorization cards, subject to verification, of the employees in [insert description of bargaining unit provided by the Union] the Company shall recognize the Union as the exclusive representative of such employees without a secret ballot election conducted by the National Labor Relations Board (NLRB).

7. The authorization cards must unambiguously state that the signing employees desire to designate the Union as their exclusive representative.

8. Employee signatures on the authorization cards will be verified by a third party neutral chosen by the Company and the Union."

The amended version of this notice as described above will be posted as soon as the Unit Determination procedure in C-3 below is completed.

In addition, following receipt of Written Notification, the Company may issue one written communication to its employees concerning the Campaign. Such communication shall be restricted to the issues covered in the Notice referred to in C-1 above or raised by other terms of this Neutrality Agreement.

The communication shall be fair and factual, shall not demean the Union as an organization nor its representatives as individuals and no

reference shall be made to any occurrence, fact or event relating to the Union or its representatives that reflects adversely upon the Union, its representatives or unionization.

The communication shall be provided to the Union at least two business days prior to its intended distribution. If the Union believes that the communication violates the strictures of this provision it shall so notify the Company. Thereupon the parties shall immediately bring the matter to an Arbitrator, which shall issue a bench decision resolving any dispute.

2. Employee Lists

Within five days following Written Notification, the Company shall provide the Union with a complete list of all of its employees in the proposed bargaining unit who are eligible for union representation. Such list shall include each employee's full name, home address, job title and work location. Upon the completion of the Unit Determination procedure as described in C-3 below, an amended list will be provided if the proposed unit is changed as a result of such Unit Determination procedure. Thereafter during the Organizing Campaign, the Company will provide the Union with updated lists monthly.

3. Determination of Appropriate Unit

As soon as practicable following Written Notification, the parties will meet to attempt to reach an agreement on the unit appropriate for bargaining. In the event that the parties are unable to agree on an appropriate unit, either party may refer the matter to the Dispute Resolution Procedure contained in Section G below. In resolving any dispute over the scope of the unit, an Arbitrator shall apply the principles used by the NLRB.

4. Access to Company Facilities

During the Organizing Campaign the Company, upon written request, shall grant reasonable access to its facilities to the Union for the purpose of distributing literature and meeting with unrepresented Company employees. Distribution of Union literature shall not compromise safety or production,

disrupt ingress or egress, or disrupt the normal business of the facility. Distribution of Union literature inside Company facilities and meetings with unrepresented Company employees inside Company facilities shall be limited to non-work areas during non-work time.

5. Card Check

If, at any time during an Organizing Campaign which follows the existence at a Covered Workplace of a substantial and representative complement of employees in any unit appropriate for collective bargaining, the Union demands recognition, the parties will request that a mutually acceptable neutral (or the American Arbitration Association if no agreement on a mutually acceptable neutral can be reached) conduct a card check within five days of the making of the request. The neutral shall compare the authorization cards submitted by the Union against original handwriting exemplars of the entire bargaining unit furnished by the Company and shall determine if a simple majority of eligible employees has signed cards. The list of eligible employees shall be jointly prepared by the Union and the Company.

6. Union Recognition

If at any time during an Organizing Campaign, the Union secures a simple majority of authorization cards of the employees in an appropriate bargaining unit, the Company shall recognize the Union as the exclusive representative of such employees without a secret ballot election conducted by the National Labor Relations Board. The authorization cards must unambiguously state that the signing employees desire to designate the Union as their exclusive representative for collective bargaining purposes. Each card must be signed and dated during the Organizing Campaign.

D. HIRING

1. The Company shall, at any Covered Workplace which it builds or acquires after [the effective date of this Neutrality Agreement], give preference in hiring to qualified employees of the Company then accruing continuous service in bargaining units covered by a Labor Agreement. In choosing between

qualified applicants from such bargaining units, the Company shall apply standards established by provisions of said Labor Agreement(s).

This Section D-1 shall only apply where the employer for the purposes of collective bargaining is or will be the Company, a Parent or an Affiliate (and not a Venture) provided, however, that in a case where a Venture will likely have an adverse impact on employment opportunities for then current bargaining unit employees covered by a Labor Agreement, then this Section D-1 shall apply to such Venture as well.

2. Before implementing this provision the Company and the Union will decide how this preference will be applied.

3. In determining whether to hire any applicant at a Covered Workplace (whether or not such applicant is an employee covered by a Labor Agreement), the Company shall refrain from using any selection procedure, which, directly or indirectly, evaluates applicants based on their attitudes or behavior toward unions or collective bargaining.

E. DEFINITIONS AND SCOPE OF THIS AGREEMENT

1. Rules with Respect to Affiliates, Parents and Ventures

For purposes of this Framework Agreement only, the Company includes (in addition to the Company) any entity which is either a Parent, Affiliate or a Venture of the Company.

For purposes of this Framework Agreement, a Parent is any entity which directly or indirectly owns or controls more than 50% of the voting power of the Company; an Affiliate is any entity in which the Company directly or indirectly: (a) owns more than 50% of the voting power or (b) has the power based on contracts or constituent documents to direct the management and policies of the entity; and a Venture is an entity in which the Company owns a material interest.

2. Rules with Respect to Existing Parents, Affiliates and Ventures

The Company agrees to cause all of its existing Parents, Affiliates and/or Ventures that are covered by the provisions of

Section E-1 above, to become a party/parties to this Framework Agreement and to achieve compliance with its provisions.

3. Rules with Respect to New Parents, Affiliates and Ventures

The Company agrees that it will not consummate a transaction, the result of which would result in the Company having or creating: (i) a Parent, (ii) an Affiliate or (iii) a Venture; without ensuring that the New Parent, New Affiliate and/or New Venture, if covered by the provisions of Section E-1 above, agrees to and becomes bound by this Framework Agreement.

F. BARGAINING IN NEWLY-ORGANIZED UNITS

Where the Union is recognized pursuant to the above procedures, the first collective bargaining agreement applicable to the new bargaining unit will be determined as follows:

1. The employer and the Union shall meet within 14 days following recognition to begin negotiations for a first collective bargaining agreement covering the new unit bearing in mind the wages, benefits, and working conditions in the most comparable operations of the Company (if any comparable operations exist), and those of unionized competitors to the facility in which the newly recognized unit is located.

2. If after 90 days following the commencement of negotiations the parties are unable to reach agreement for such a collective bargaining agreement, they shall submit those matters that remain in dispute to the Chairman of the Union Negotiating Committee and the Company's Vice President-Employee Relations who shall use their best efforts to assist the parties in reaching a collective bargaining agreement.

3. If after 90 days following such submission of outstanding matters, the parties remain unable to reach a collective bargaining agreement, the matter may be submitted to final offer interest arbitration in accordance with procedures to be developed by the parties.

4. If interest arbitration is invoked, it shall be a final offer package interest arbitration proceeding. The interest arbitrator shall have no authority to add to, detract from, or modify the final offers submitted by the parties, and the arbitrator shall not be authorized to engage in mediation of the dispute. The arbitrator's decision shall select one or the other of the final offer packages submitted by the parties on the unresolved issues presented to him in arbitration. The interest arbitrator shall select the final offer package found to be the more reasonable when considering (a) the negotiating guideline described in F-1 above, (b) any other matters agreed to by the parties and therefore not submitted to interest arbitration, and (c) the fact that the collective bargaining agreement will be a first contract between the parties. The decision shall be in writing and shall be rendered within thirty (30) days after the close of the interest arbitration hearing record.

5. Throughout the proceedings described above concerning the negotiation of a first collective bargaining agreement and any interest arbitration that may be engaged in relative thereto, the Union agrees that there shall be no strikes, slowdowns, sympathy strikes, work stoppages or concerted refusals to work in support of any of its bargaining demands. The Company, for its part, likewise agrees, not to resort to the lockout of employees to support its bargaining position.

G. DISPUTE RESOLUTION

Any alleged violation or dispute involving the terms of this Framework Agreement may be brought to a joint committee of one representative of each of the Company (or Heartland Industrial Partners) and the Union. If the alleged violation or dispute cannot be satisfactorily resolved by the parties, either party may submit such dispute to an Arbitrator. A hearing shall be held within ten (10) days following such submission and the Arbitrator shall issue a decision within five (5) days thereafter. Such decision shall be in writing but need only succinctly explain the basis for the findings. All decisions by the Arbitrator pursuant to this Framework Agreement shall be based on the terms of this Framework Agreement and the applicable provisions of the law. The Arbitrator's remedial authority shall include the power to issue an order requiring the Company to recognize the Union where, in all the circumstances, such an order would be appropriate.

The Arbitrator's award shall be final and binding on the parties and all employees covered by this Framework Agreement. Each party expressly waives the right to seek judicial review of said award; however, each party retains the right to seek judicial enforcement of said award.

II. BARGAINING STRUCTURE

The Company agrees that:

(i) all current and future USWA bargaining units shall be merged in a single bargaining unit; and

(ii) all current and future labor agreements between itself and the USWA shall be merged into one Master Agreement with a single expiration date and with differences between individual agreements dealt with through local supplements.

III. WORK STOPPAGES

The Company agrees that:

(i) in the event of a lawful work stoppage at any USWA represented unit, that it shall not permanently replace striking employees;

(ii) said obligation shall survive the expiration of the applicable labor agreement;

(iii) breaches of this agreement on Work Stoppages shall be subject to the grievance and arbitration provisions of the applicable labor agreement, notwithstanding any other provisions of said agreement; and

(iv) the Arbitrator provided for in (iii) above shall have the authority to fashion a suitable remedy, including but not limited to a cease and desist order.

November 27, 2000

UNITED STEELWORKERS OF AMERICA

George Becker
International President

HEARTLAND INDUSTRIAL PARTNERS

David A. Stockman
Senior Managing Director

IN THE
UNITED STATES COURT OF APPEALS
FOR THE THIRD CIRCUIT

SAGE HOSPITALITY RESOURCES, LLC, Appellant, *v.* H.E.R.E. LOCAL 57, Appellee.	CASE NO. 03-4168

DECLARATION OF FAITH JETTER IN SUPPORT OF MOTION TO INTERVENE OR, ALTERNATIVELY, TO FILE A BRIEF AMICUS CURIAE

Faith Jetter, pursuant to Section 1746 of the Judicial Code, 28 U.S.C. §1746, declares as follows:

1) I am an employee of Sage, employed at the Renaissance Hotel ("Hotel") in Pittsburgh. I became employed at the Hotel in February, 2001, as part of the initial employee orientation. The Hotel opened for business shortly after I was hired. At the Hotel, I work as a housekeeping inspectress.

2) I know that Local 57 of the Hotel Employees and Restaurant Employees Union ("HERE") has been trying to unionize myself and other employees of the Hotel.

EXHIBIT 3

3) I heard that the Hotel and the HERE union signed an agreement covering the union's attempt to organize the employees of the Hotel. I also learned that this agreement required my employer to give the HERE union a list of employees' names and addresses, and access to the employees inside of the Hotel. No one asked me if I approved of this, and I do not. I am opposed to the Hotel giving the HERE union a list with my name and personal information, and allowing them access to me in the workplace.

4) I was called at home and also contacted in person by HERE union representatives and urged to sign a union authorization card. These union representatives already had my name and home address and telephone number. I was asked if the union representatives could come to my home and make a presentation about the union. I allowed them to come, as I was willing to listen.

5) Two union representatives came to my home and made a presentation about the union. They tried to pressure me into signing the union authorization card, and even offered to take me to out dinner. I refused to sign this card as I had not yet made a decision at that time.

6) Shortly thereafter, the union representatives called again at my home, and also visited my home again to try to get me to sign the union authorization card. I finally told them that my decision was that I did not want to be represented by this

union, and that I would not sign the card.

7) Despite the fact that I had told the union representatives of my decision to refrain from signing the card, I felt like there was continuing pressure on me to sign. These union representatives and others were sometimes in and around the hotel, and would speak to me or approach me when I did not want to speak with them. I also heard from other employees that the union representatives were making inquiries about me, such as asking questions about my work performance. I found this to be an invasion of my personal privacy. Once when I was on medical leave and went into the hospital, I found that when I returned to work the union representatives knew about my hospitalization and my illness. I felt like their knowledge about me and my illness was also an invasion of my personal privacy.

8) I also saw the union representatives try to coerce another employee to sign a card, even though they never explained to the employee what this card meant, or told her that the union could be able to be automatically recognized as the representative of the employees without a secret ballot election. It was clear to me that this employee had no idea what this card meant when the union tried to get her signature.

9) I do not care what decision any employee makes regarding whether or not to

be represented by the HERE union, but I think it is each employee's individual choice, to be made with full knowledge of what that choice means. I also believe that an employee's decision to say "no" should be respected, without pressure or coercion by the union.

10) If this union was going to come into the workplace, I would absolutely want to have a secret ballot election so that me and my fellow employees could vote our consciences in private, without being pressured by the union representatives. I would also want to hear all sides of the story, not just the union's side.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 19, 2003.

Faith Jetter