

THE STREET CH

LOCAL

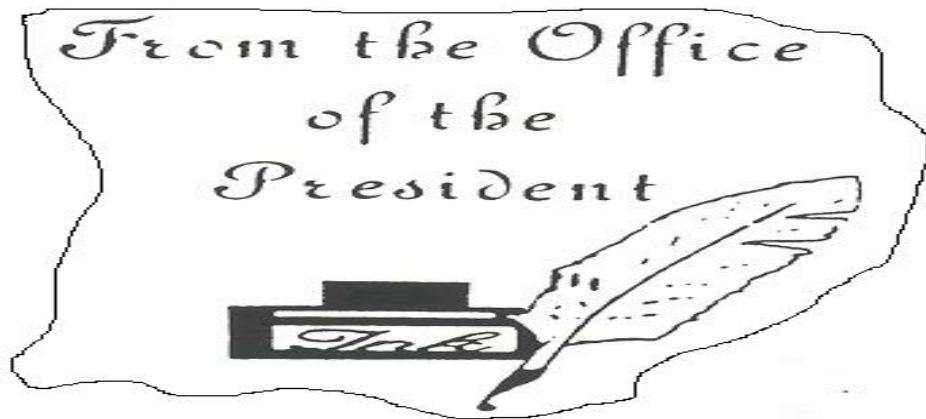


746L

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TYLER, TEXAS

February 2003



Local Representatives Attend RPIC Session In Pittsburgh

The USWA Rubber & Plastics Industry Conference (RPIC) held its Policy Committee meeting in Pittsburgh, Pennsylvania during the first week of February. USWA Local 746L President Jim Wansley, Policy Committee member Sherrell Brown and Chris Antal, representing Skilled Trades, attended for the local union. RPIC primarily consists of the former Rubber Worker union locals. USWA Vice-President John Sellers chairs the conference.

Forty-five locals were represented, sending a total of 132 representatives. Representatives were there from locals at a number of companies, including Bridgestone/Firestone, Michelin/Uniroyal/Goodrich, Yokohama, Cooper, Titan and several others. All fourteen Goodyear facilities were represented.

The RPIC Policy Committee adopted principles for the local unions to follow when negotiating contracts with their respective employers, received reports on the state of the American rubber and plastic industry and heard from several speakers. Statements of principle fell within three broad categories, and Select Policy Committees formulated them for adoption by the entire conference.

All three of the Local 746L representatives served on a Select Committee. Jim Wansley served on the Select Policy Committee, Sherrell Brown on the Select Pension & Insurance Committee and Chris Antal on the Select Skilled Trades Committee. The entire body adopted the recommendations of all three committees on the last day of the meeting.

"This is the third RPIC meeting I've attended. It's the second Policy Committee meeting of the Conference. Each time, there have been fewer locals. What's going on in American industry is being reflected in the Conference and throughout the USWA and other unions. We are steadily losing jobs and union membership in this country. The kind of jobs that provide a family with a good standard of living. The kind of jobs we have at Kelly Tyler. We are also steadily losing our ability to provide security for our retirees. Yet we keep voting in people who are openly sending more jobs offshore, who are feeding corporate greed and allowing company executives to plunder their companies, their industries and their employee's retirement funds," said Wansley.

Those attending the meeting were shown slides of a new Chinese industrial complex at Dalian. With a deep water port, abundant power generation facilities, modern housing facilities and state-of-the-art manufacturing facilities the Chinese are constructing a city devoted strictly to attracting manufacturing business away from the United States. To build it they are using capital generated by the huge trade deficit our business leaders provide them on an ever growing scale. The Dalian industrial area has only one purpose, to take jobs from the United States and other industrial countries. Ford just announced its intent to purchase \$1 billion in automotive parts from China by the end of 2003 and \$10 billion by 2005. Honda has announced it will begin shifting car production to a Dalian plant.

In just the tire industry alone, China has 55 tire companies operating 66 factories within its borders, including Goodyear. Over 108,000 workers toil in those factories for pennies a day. Initially focusing on bias production, the Chinese are now erecting state-of-the-art radial plants.

"Without capital investment in American tire plants, our plants will die. With Dalian and other facilities like it, the Chinese will steadily attract capital investment from American companies away from domestic plants. The American consumer is funding this attack on American industry and on our jobs. Our own union members are fueling it when they buy products made overseas or when they vote for the very people that will help make it easy for companies to move to China and for foreign products to be sold here. It's that simple," said Wansley.



Pictured above are: Chris Antal, Sherrell Brown USWA Local 746L, Ron Hoover USWA Coordinator, John Sellers Executive V.P. USWA Rubber/Plastics Conference and Jim Wansley President of USWA Local 746L.

Retiree's Corner

Since you heard from us last The club has been on the go. A trip to the Rodeo, trip to Eureka Springs, Thanksgiving at Sweet Sue's and a Christmas party at the John Nash Activity Center. Chuck and Mickie Lambeth invited the gang to their beautiful (OLE) home in Palestine. Needless to say, we have been having a grand old time.

Our next meeting is March 10th, at 6p.m. in the John Nash Activity Center. We will be having a fish fry with all the trimmings. All retiree's are invited to come and enjoy the fun and fellowship, even if you are not a member of the club. The meal is free to members or potential members.

The April meeting will be April 14th, we will have finger foods and Bingo, the club will furnish the bingo gifts. At each meeting their are always door prizes awarded. Our club would love to have you at the next meeting. Ya'll come!

Tennie Hulsey & LaJoy Bailey



HEADED FOR EUREKA SPRINGS

Goodyear Stock Price Falls, Dividend Cut

Goodyear's cash flow is limited, its stock price has plunged to new lows and a stock analyst says it's unlikely the tire maker can meet its obligations while still operating its business. The bottom line: Goodyear is in poor financial shape and its future looks grim, according to Saul Rubin, an analyst with New York-based UBS Warburg L.L.C.

Considerable debt and hefty pension contributions will be due in the next three years, Rubin said in a report he and associates issued Feb. 4. Because of that, he forecast Goodyear will experience a liquidity crunch. After the report was released, Goodyear announced it was eliminating its quarterly dividend, and the firm's stock price fell to \$4.30 a share.

Unless the tire maker has a stunning turnaround, its available cash from operations won't cover debts and net income could be virtually non-existent for a sustained period, Rubin said. He lowered his fair estimate on the company's share value to \$3.50 from \$5. "Bank lines will become more difficult to access with falling credit ratings and possible breached covenants," he said. The tire maker has more than \$10 billion in liabilities, with about \$3.5 billion due this year.

Goodyear has ample cash on hand, anticipated cash flow from operations and available credit to meet its financial obligations, according to a company spokesman. Other than that, the firm had no comment on the UBS Warburg report. The company is, however, attempting to enhance its financial flexibility by modifying bank loan agreements, including covenants within those pacts, in meetings it held with lenders. The banks granted Goodyear waivers until March 7 to comply with covenants that require it to pay about \$500 million to its pension funds in excess of federally mandated requirements, the firm said.

Under the waivers, the firm said, Goodyear has access to about \$1.1 billion in two revolving credit facilities. Goodyear said it had more than \$600 million in cash on hand as of the end of January. It also has about \$300 million in other committed and \$400 million in non-committed lines of credit available. The tire maker won't release its 2002 fourth-quarter earnings report until negotiations with banks are finished. Currently, Goodyear is being out-matched on most tire manufacturing fronts, including premium, private label and commercial truck, the UBS Warburg report said. "Business at home-where it counts-is struggling badly," it added.

To alleviate some problems, Goodyear may need to issue a long-term bond to fund short-term obligations, an unlikely prospect at this point because of recent movement and pricing of the company's bonds, Rubin said. However, he conceded, if the firm came up with a plan that has a significant scope, bondholders might go along with it. Despite the immediacy of many of its problems, the tire manufacturer's long-term strategic problems need to be addressed now, Rubin's report said. The analyst said he is unsure Goodyear can survive through the next few years without a major reorganization of the business.

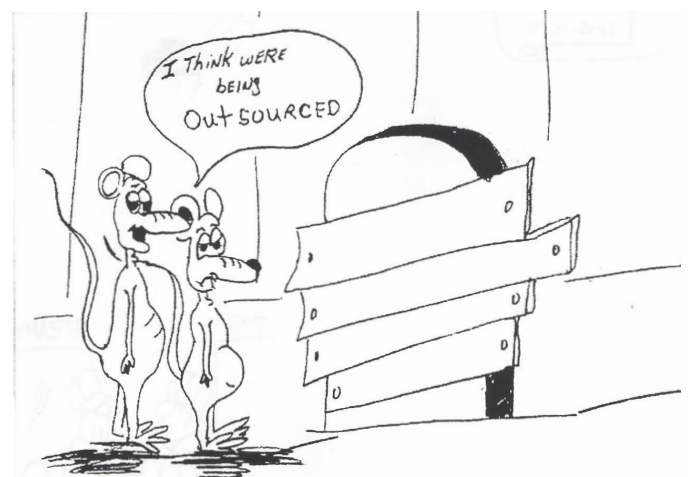
"Trimming or slashing non-core businesses could help," the report suggested. "We believe Goodyear will likely make this type of move within the next 18 months." However, because the analyst was uncertain what parts Goodyear could sell, he concluded "that any asset sales would fail to generate enough cash to assemble a net of corporate safety." One business tagged in the report as non-core is engineered products, which the analyst figured could bring \$300 million to \$400 million if sold. He based that range on discounted multiples on sales and operating profit potential.

Rubin also suggested dividend cuts and asset sales, "but they may not be enough to plug the hole." Shortly after UBS Warburg issued its report, Goodyear's directors eliminated the company's 12-cents-per-share quarterly dividend. The decision represents an expected cash flow benefit of about \$84 million annually and is one of several "actions the company is taking to improve its financial flexibility in light of recent disappointing results and challenging economic conditions," President and CEO Robert J. Keegan said in a prepared statement. In October 2001, Goodyear cut its quarterly dividend to 12 cents per share from 30 cents.

Elimination of the dividend probably is one of the reasons Goodyear's stock tumbled 87 cents to \$4.30 at the close of trading Feb. 4 as more than 12 million shares traded hands. It was the heaviest trading volume since Nov. 10, 1986, when James Goldsmith attempted to take over the company. The stock fell even further Feb. 5, to \$3.67.

Earlier in the week, Goodyear said it doesn't plan to make any immediate capacity or plant cuts in North America, despite published reports to the contrary. An unauthorized draft of a company newsletter circulated through parts of at least one facility said Goodyear will move as much as 15 percent of capacity-mostly low-priced tires-from North American factories to offshore sites with cheaper labor. A spokesman said the newsletter wasn't approved and the tire maker isn't now planning such changes. "And 15 percent is a lot of capacity," he said. However, the official cautioned, the firm always is looking for ways to make production more cost-efficient, and Goodyear has had a rationalization plan in place since the late 1990s.

"We've talked about this on numerous occasions. Rationalization is not new, we look to shift capacity all the time because we look to make our products where it makes the most sense. But we would not announce it in a newsletter," he said.



TYLER PLANT FACING TRYING TIMES

***Union Negotiating Committee Assembles in Pittsburgh**-All 14 locations which are part of the Goodyear master contract group have begun formal preparation of proposals for the 2003 master contract negotiations. These representatives are working closely with resources from the USWA International Union to develop the format that will accomplish the goals of our membership.

Many activities are already in place. Each Local Union has established a coordinator for Contract Action Teams (CAT) at their individual plant site. A training session for these coordinators was held in Pittsburgh during the week of December 6. These coordinators, working with local Vice Presidents, are responsible for the mobilization of members as necessary at each location. Participation in these negotiations by rank and file membership at all locations will be an essential component of our negotiating success.

Negotiations will begin at all major rubber companies in the US in March. In early April, a committee of Union representatives from Goodyear, Bridgestone/Firestone, and Uniroyal/ Goodrich will select one company to be a "target". The target company will be used to establish a contract to serve as a pattern for all the other companies to follow.

Key Events & Dates of Policy Conference **Feb. 3-5**, *Drafting of proposals* **Feb. 6-15**, *Final preparation* **March 10-13**, *Formal proposal exchange with management* **March 13**, *Strike Vote meetings* **Late March**, *Selection of industry "target" company* **Early April**, *Our master contract* **April 19** expiration, *Bridgestone/Firestone master contract* **April 23**, *Uniroyal/Goodrich master contract* **April 23**, *** Kelly Springfield local contracts expire July 6**

From Days Gone By (A Bit Of Local 746s' History)

(Minutes from 3-5-67:)

The meeting was opened by President John Nash and the Pledge to the allegiance was given to the Flag.

Old business: Roll call of officers was held and the minutes of the previous meeting were read and approved.

New business: The following applications for union membership were read and approved: W.M., Harris, Floyd R. Dean Jr., Edward Rocha, Richard Parker, John D. Johnson Jr., Gerald Blanton, Roger D. Wehrmann, and Chester D. Christie. The oath of office was given to the following brethren: B.J. Hancock, Jim Fuller, Clarence Roy, B.W. Middleton, Sack Ryan, Mike Bond and Gerald Blanton.

International correspondence was read. The Treasure Report was read and approved. J.B. Richardson reported for the Building Committee and stated that the property just north of the Tyler plant had been purchased under the following terms: \$3,500 purchase price, \$1,000 down, \$75.00 per month including interest with a 7% loan for the remaining balance.

A motion was made by Jerry Fennel, second by Grady Pond that the Negotiating Committee be elected by a majority vote, motion carried.

A Tellers committee was drawn for the election of the Negotiating Committee, the following brethren agreed to serve: Jack Swanson, Don Handorf, and Gather Heddin.

A secret ballot was taken for members of the Negotiating Committee, and the following were elected to serve: Harold R. King, C.T. Shackelford, Carl Ask and H.L. Langston. The new Negotiating Committee was recognized with a brief ceremony and the meeting was adjourned.

The Annual Retiree Banquet

This invitation is to all the retiree's and their spouse's. The Annual Retiree Banquet sponsored by: USWA Local 746L, Goodyear (Kelly-Springfield Tire Co. Tyler), and KTFCU (Kelly-Tyler Federal Credit Union) has been scheduled for Thursday, February 27th, 2003 at Harvey Convention Center. The social time for the event will begin at 5:30 p.m. and the meal will be served at 7:00p.m.

All retirees' are encouraged to be at this special banquet to renew old acquaintances. Bring photo albums of pictures that show case some of the wonderful adventures you have been able to experience during your retirement. If you have not been an adventurer and have not traveled around the globe as some have, bring some photo albums of memorable occasions spent with families.

Pictures of the banquet will be taken and as many as possible will be published in the March publication of "The Stretch".

Med-Center Hours

Recent issues involving the crowded parking lot at the Med-Center have been resolved by creating a new parking area inside the gate for Med-Center associates. A key pad lock has been added to the walk through gate at the south-west corner of the Med-Center building for the Med-Center associates to make their new parking area easily accessible.

The problem with the parking area being moved has caused some to think that the Med-Center is closed, due to the lack of cars on the parking lot. The Med-Center assures us that they are manned and ready for service. Their hours of operation are as follows: Mon-Fri. 8:30am-5:00pm, Sat. 9:00am-1:00pm. (On Tuesdays they are open early at 7:00am for lab-work.) The Pharmacy will be open Mon-Fri. 7:00-12:30 & 1:00-5:00pm, Sat. 9:00am-1:00pm.

Tyler Employees Called To Active Duty

Mark Woodard, Zone 3 Electrician USWA Local 746L, and *Michael Copeland*, Banbury Operator USWA Local 746L, along with *Buck Buckler, Jr.*, Kelly-Springfield Tire Co. Technology Manager, have been activated by their Military Reserve Units. The recent events facing the United States national security has seen a number of our countries Reserve units being activated. Please keep these associates and their families in your thoughts and prayers as they perform their military duty for our country.

Mark Woodard's e-mail address is woody121661@hotmail.com

Michael Copeland's e-mail address is michael.e.copeland@army.mil

FALL ARREST AMENDMENT

The following changes in policy have been instituted as a result of a recent near-fatality in a NAT plant. "Anytime an employee is using a lift in a powered vehicle aisle, the area will be isolated (roped off) while the lift is elevated. If it is not feasible to isolate the area, another employee will be provided to act as a "safety watch" to ensure that the person in the lift is protected from powered vehicles. Anytime an employee is using a boom lift, the employee must be tied off at all times."



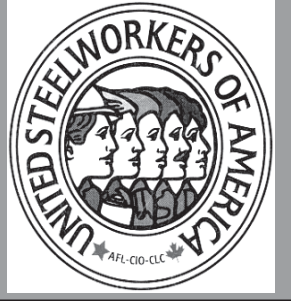
USWA Reps. and Azalea Executives

USWA Local 746L Representatives visited the Azalea Orthopedic & Sports clinics in January. They met with the Executive Director John Kristoff and discussed setting up an oversight committee. Kristoff holds a M.B.A. in medicine. Director of Operations is Terry Pace M.B.A. The "formal" name is Azalea Orthopedic & Sports Medicine Clinic, P.A. Employees and retiree's can reach them online at: www.azaleaortho.com, once there they can read biographys of the MD's and learn about our organization or for further information phone **903-592-6811**.

John F. Walker, M.D. is the President and they have 16 orthopedic surgeons, 3 doctors of physical medicine and 1 general medicine physician who focuses his practice on sports medicine. **Pictured at the left are:** Red Blake Union Safety Representative, Harold Sweat USWA Local 746L vice president, James Honeycutt Financial Secretary, Sherrell Brown Union Benefits Rep., Jim Wansley USWA Local 746L President, John Kristoff Azalea Executive Director and Kency Alexander USWA Local 746L treasurer.



Your Next Local 746 Union Meeting **Thursday, March 6, 2003.** TIMES: 7:15am, 1:45pm and 3:15 pm. Be there to Voice Your Opinion. Your attendance is like casting your vote. Remember : *"There Is Strength In Numbers"*



United Way Presentations

The United Way of Tyler Smith County proudly announced they exceeded their total of \$2,022,000 by nearly \$7,000. It wasn't until about 3:30 Thursday afternoon, January 30th that we new the goal had been met ,," stated Leo Rossler campaign chairman. About 150 people attended the Volunteer Victory Celebration in the Magnolia Ballroom of the Holiday Inn Southeast Crossing to hear the grand total of \$2,028,458 as it was announced.

While it would be impossible to recognize everyone involved in making the campaign successful, several individuals deserved special honors. Tyler's Kelly-Springfield Tire Co. plant manager Carol Goodwin was honored for her willingness to step up to the plate and "take the bull by the horns. Goodwin was awarded the Volunteer of the Year award.

USWA's Local 746L member Larry Smith from Kelly-Springfield Tire Co. was named winner of the Union Community Service award for his exemplary and dedicated service to the community. Smith has been a Board Member for 10 yrs and served as a Loaned Executive for 2 yrs. He was also Chair for the Day of Caring committee in 2001 and 2002. Larry enjoys working in the ministry of teenagers and serves in this area by teaching an eleventh grade class at Green Acres Baptist Church. His wife Pam was in attendance as he received this honor.

The USWA Local 746L president Jim Wansley accepted an award on behalf of the Kelly-Springfield employees' for their commitment in continuing to give to the United Way.

Job Security Top Goal For USWA In Future Talks

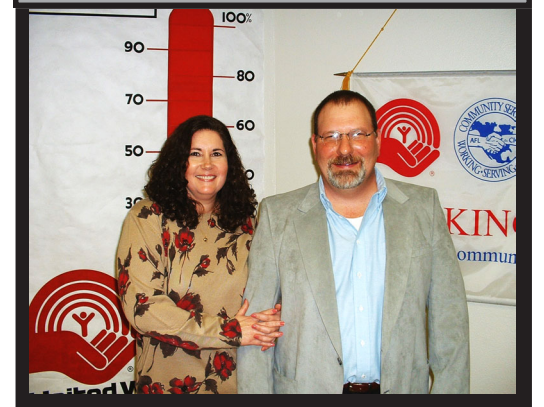
Labor's No.1 issue in the upcoming master contract talks with the major tire makers is job security, according to the United Steelworkers union's top rubber industry official. Negotiations between the USW A and the Big Three tire makers in the U.S.-Goodyear, Michelin North America Inc. and Bridgestone Americas Holding Inc- will be in full swing by the middle of March. Master contracts with the companies expire in April, but the union plans to address some significant issues before any agreements are reached.

"This is the most crucial round of bargaining we've had in many, many years," said John Sellers, USWA executive vice president and head of the union's Rubber/Plastics Industry Conference. Sellers spoke at the USW A RIPIC Policy Meeting-a precursor to negotiations-held Feb. 3-5 in Pittsburgh. Sellers said the USWA needs to confront the tire companies on investment in their North American union plants, an issue that directly affects workers' employment. There is an obvious concern about tire makers taking production overseas where labor is cheap, and non-union facilities here and abroad have benefited from more money and better equipment. Getting some state-of-the-art machinery at its plants and taking a role in how those factories are run are good starting points for the union, Sellers said. "If we're going to be partners with any of (the tire companies), we have to do what we can to compete and expand in North America," he said. "Concessions are not the answer. We have to find a way." Other huge issues for the union are medical insurance and prescription drug costs. The union and tire firms need to work together and band with other industries to form a joint legislative effort toward health care reform, Sellers said. Cost sharing won't work, he said, because there is no incentive for the insurance companies to lower their costs."We're the only industrial nation where employers and employees have to bear the costs of their medical and prescription drug costs," he said. "It's America's problem. We can't do it alone. Unless we use our combined power to lobby, the problem will get worse." Union negotiators also will bring up issues such as pension funding and neutrality in the upcoming talks, Sellers said. Stock market woes have hurt pension values, and neutrality has become a much more serious issue as the USWA has attempted to organize non-union plants.

The 2000 round of master talks resulted in "good contracts" for the union members, Sellers said. The established pattern gave workers general wage increases of 65 cents per hour, a pension multiplier of \$50 per month per year of service and the re-establishment of cost-of-living allowances lost in previous contracts. But in retrospect, Sellers wishes the USW A had dealt with some of the more important issues then. "Our plate was full, and we were reacting to the events leading up to the (Firestone) recall," he said. "But it has to happen this time. The economic state of the rubber industry won't help either side in talks, but the USW A won't let it deter addressing its most pressing issues, Sellers said. He went on to say job security is the No.1 goal in the upcoming master contract talks.



L to R top: Larry Smith USWA, Carol Goodwin Tyler, Plant manager, and Jim Wansley President USWA receive awards at United Way presentation at United Way Victory Celebration. **Below:** Larry and wife Pam.



BUY AMERICAN

THE STRETCH



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