



# Legal Insights for the Transportation and Logistics Industries

## *Part 1: Key Developments in Labor Management Relations*

August 22, 2024

**Seyfarth Shaw LLP**

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## **Seyfarth Shaw LLP**

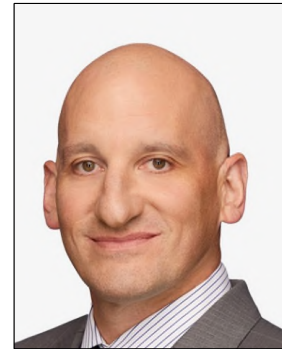
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# Speakers

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**Sul Kim**  
Partner  
ATLANTA, GA



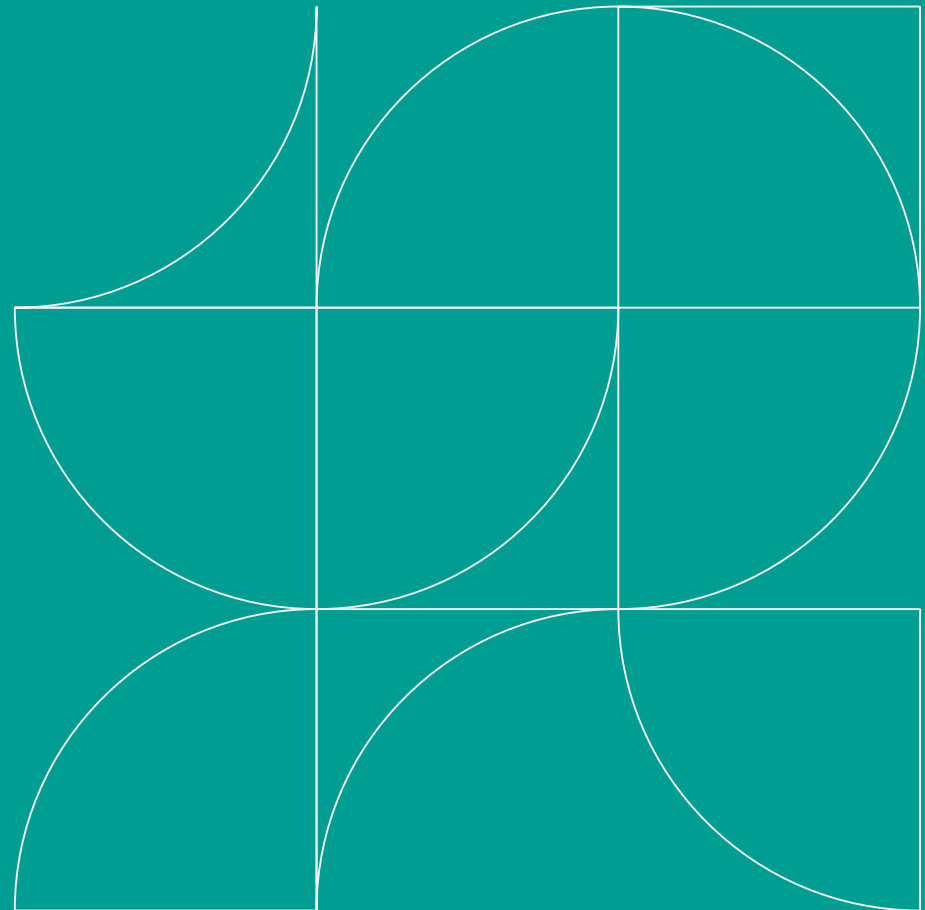
**Thomas Posey**  
Partner  
CHICAGO & LOS  
ANGELES

# Agenda

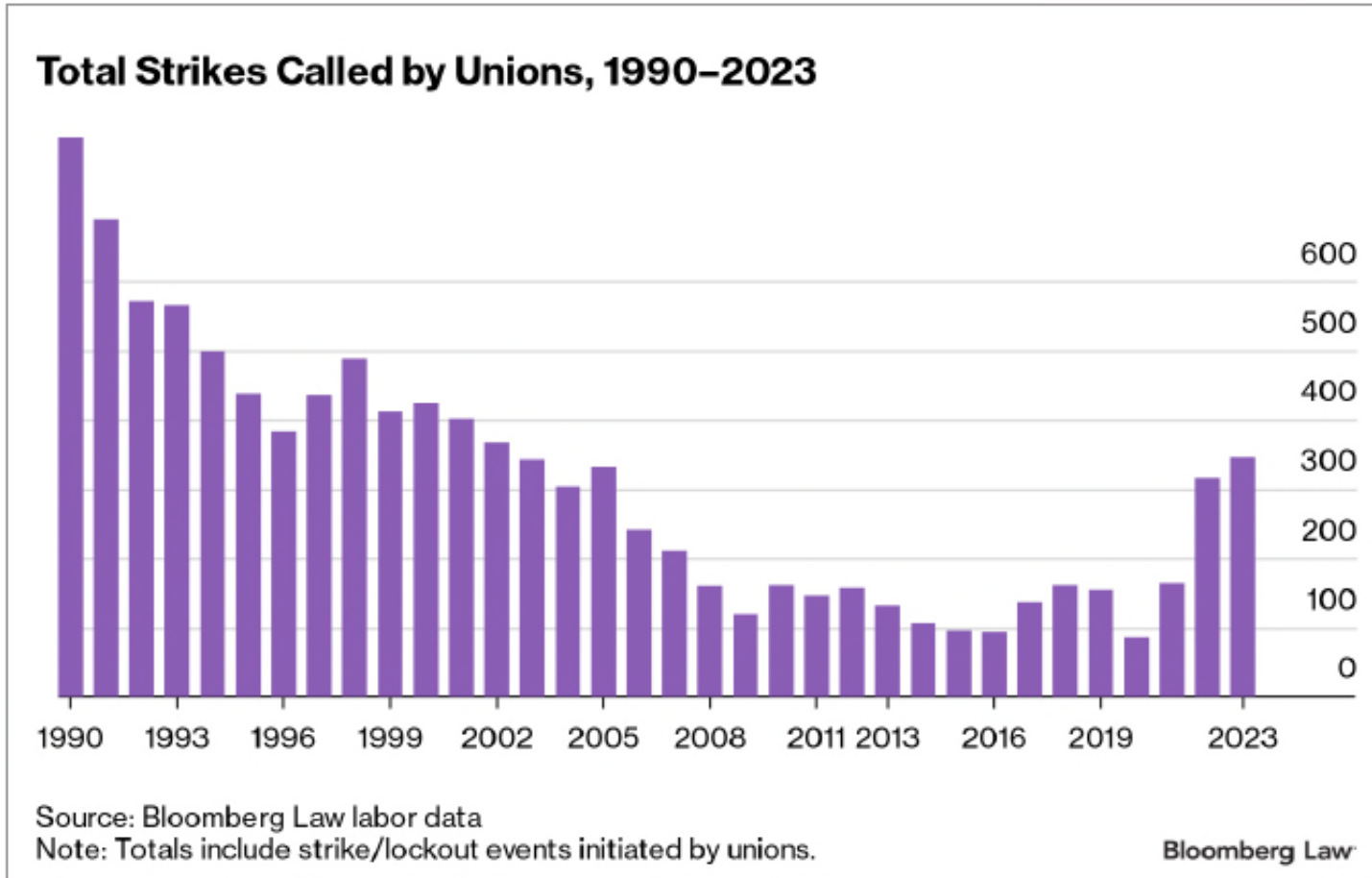
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- 01** The wave of high-profile strikes in 2023 and what they signal for the industry in 2024 and beyond
- 02** The impact of the Cemex decision on union organizing in these industries, and the practical implications for your operations

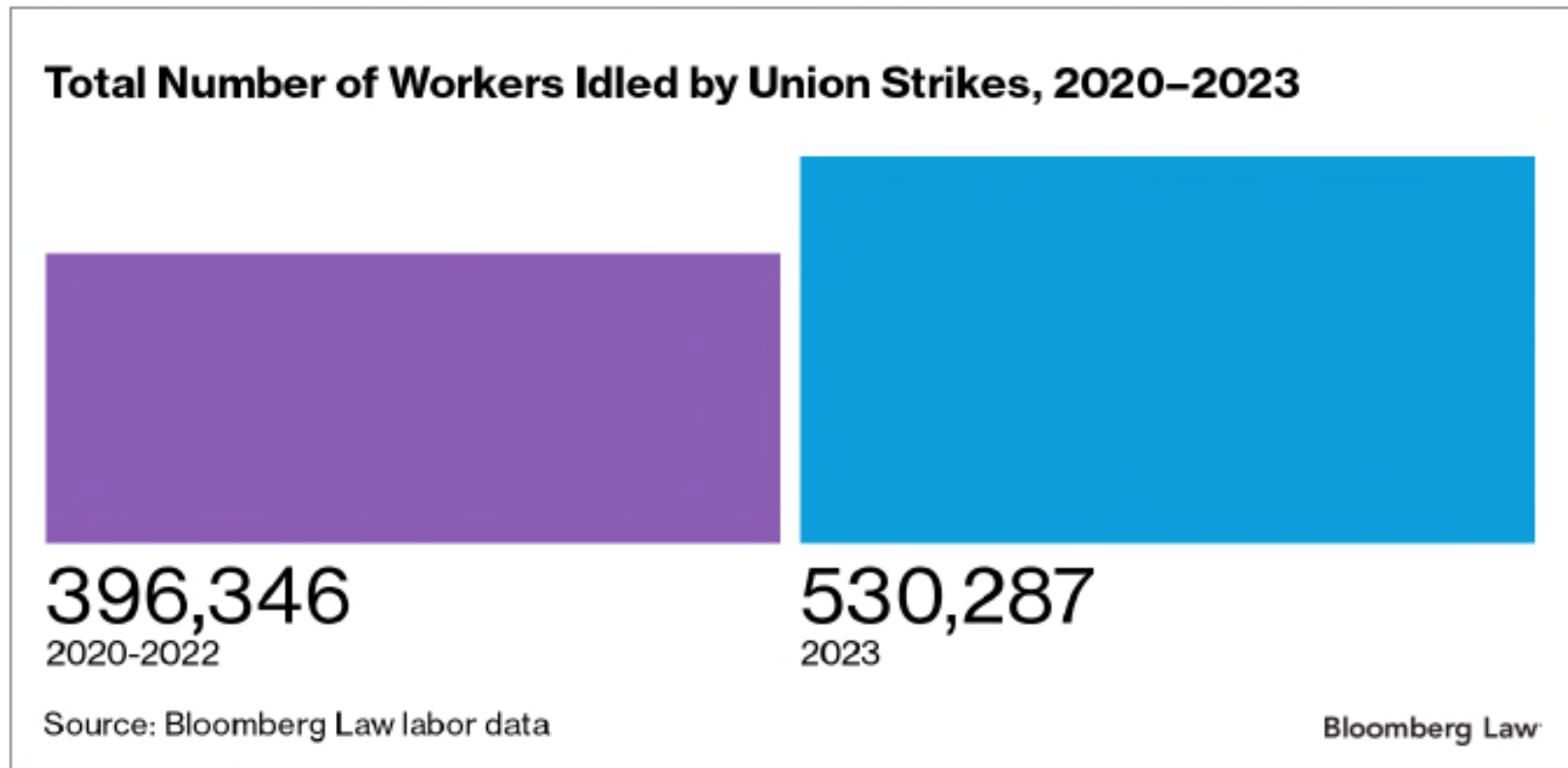
# The Wave Of High-profile Strikes In 2023



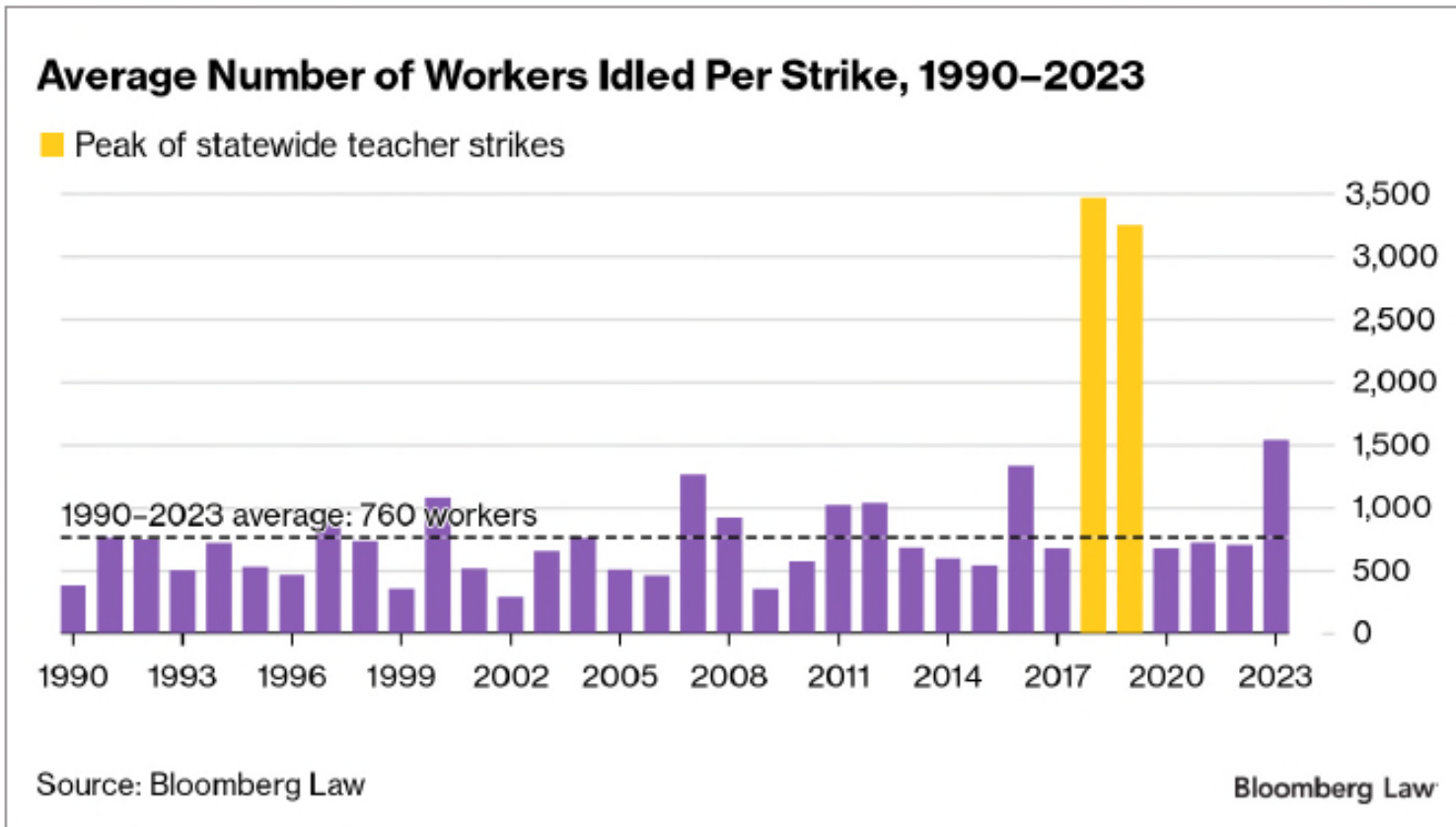
# A Resurgence of Strikes



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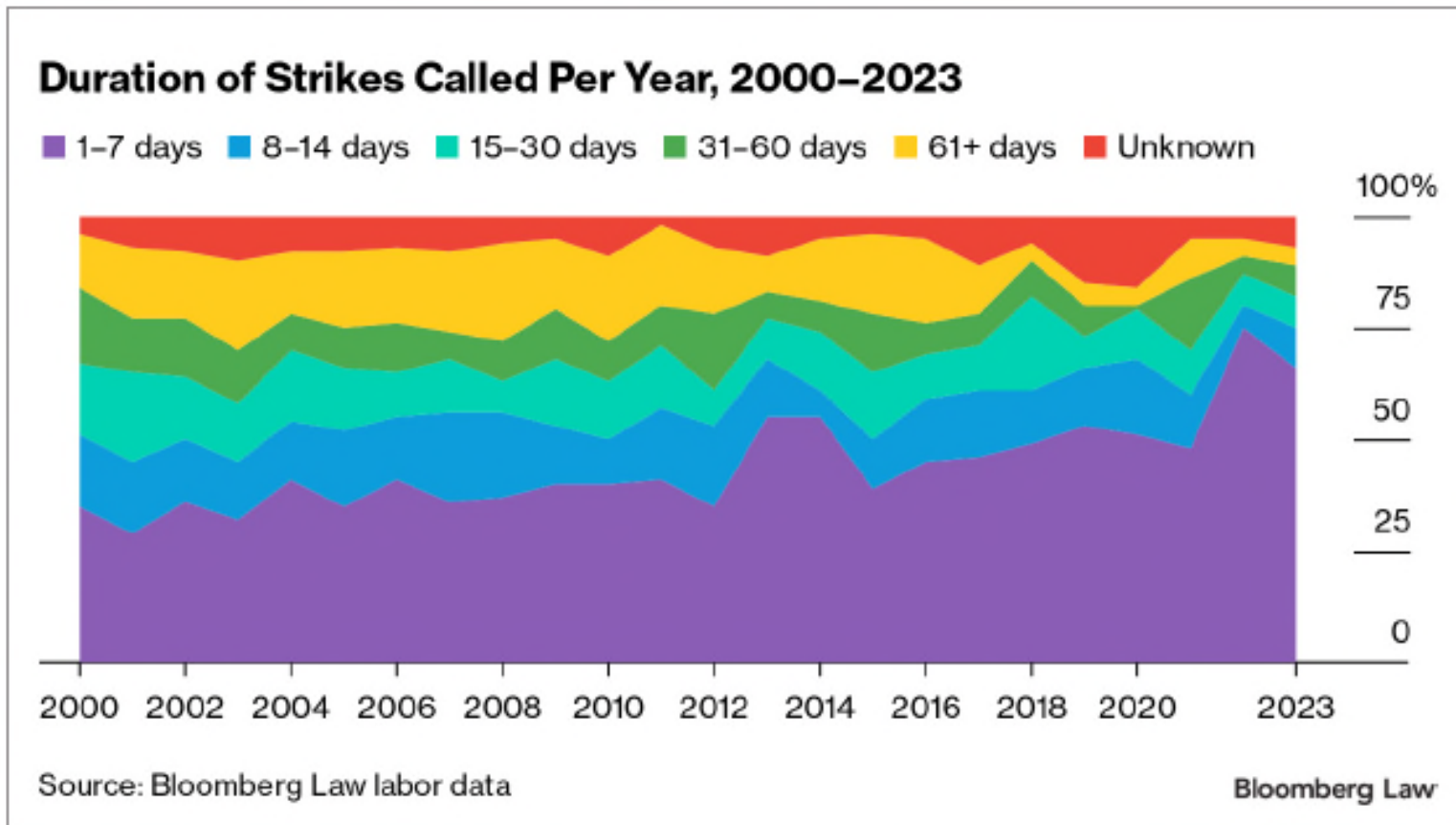


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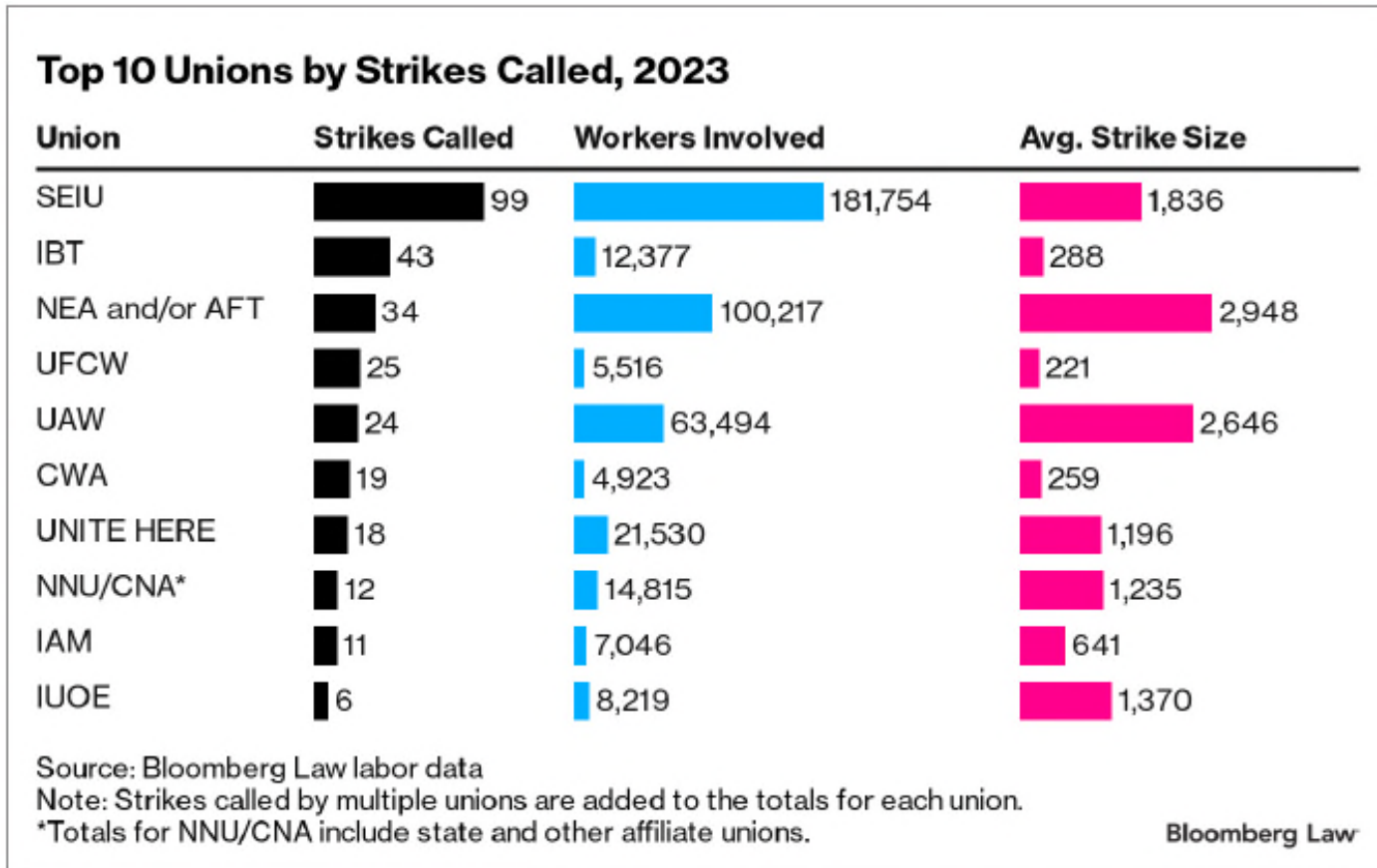




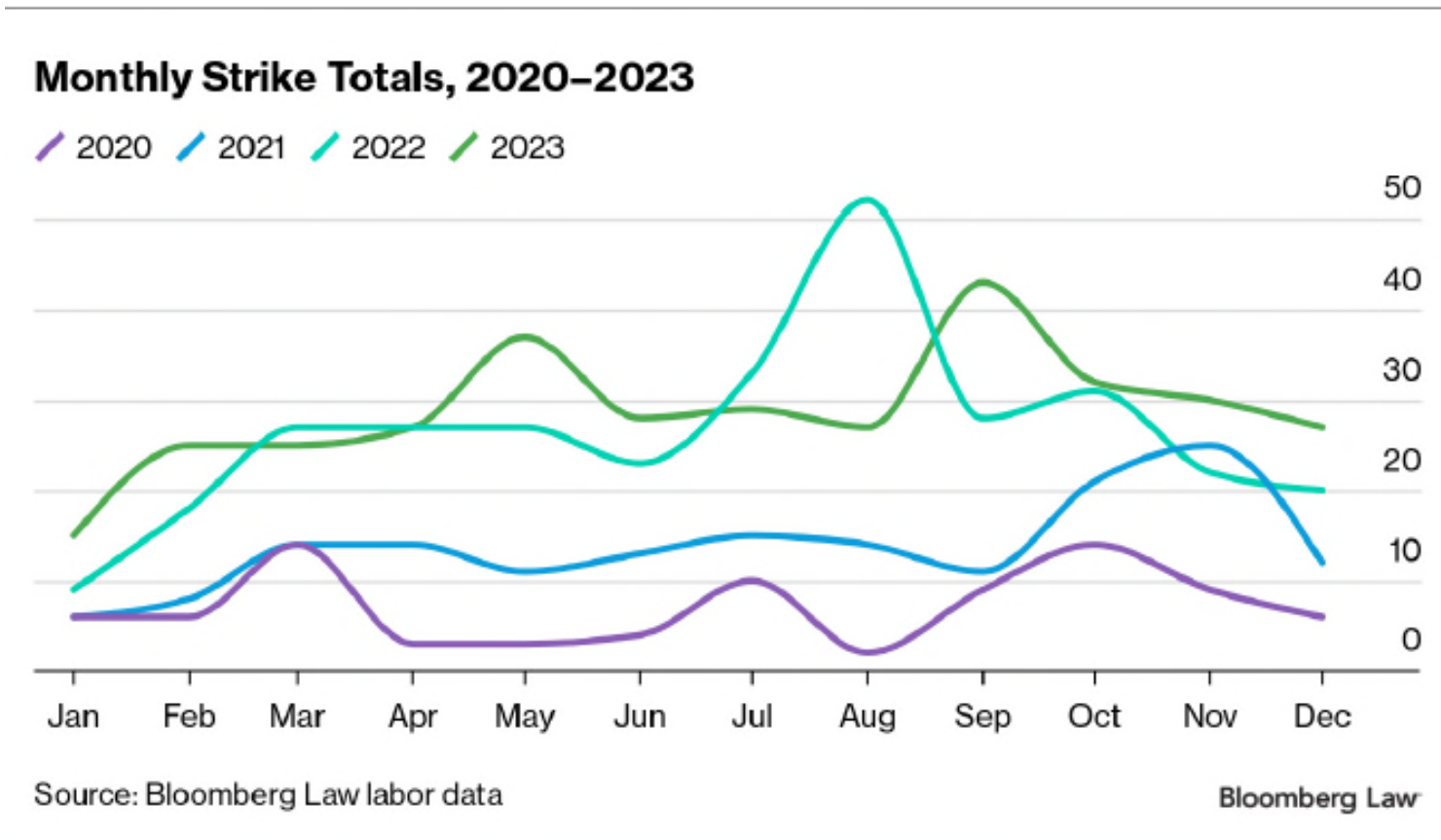
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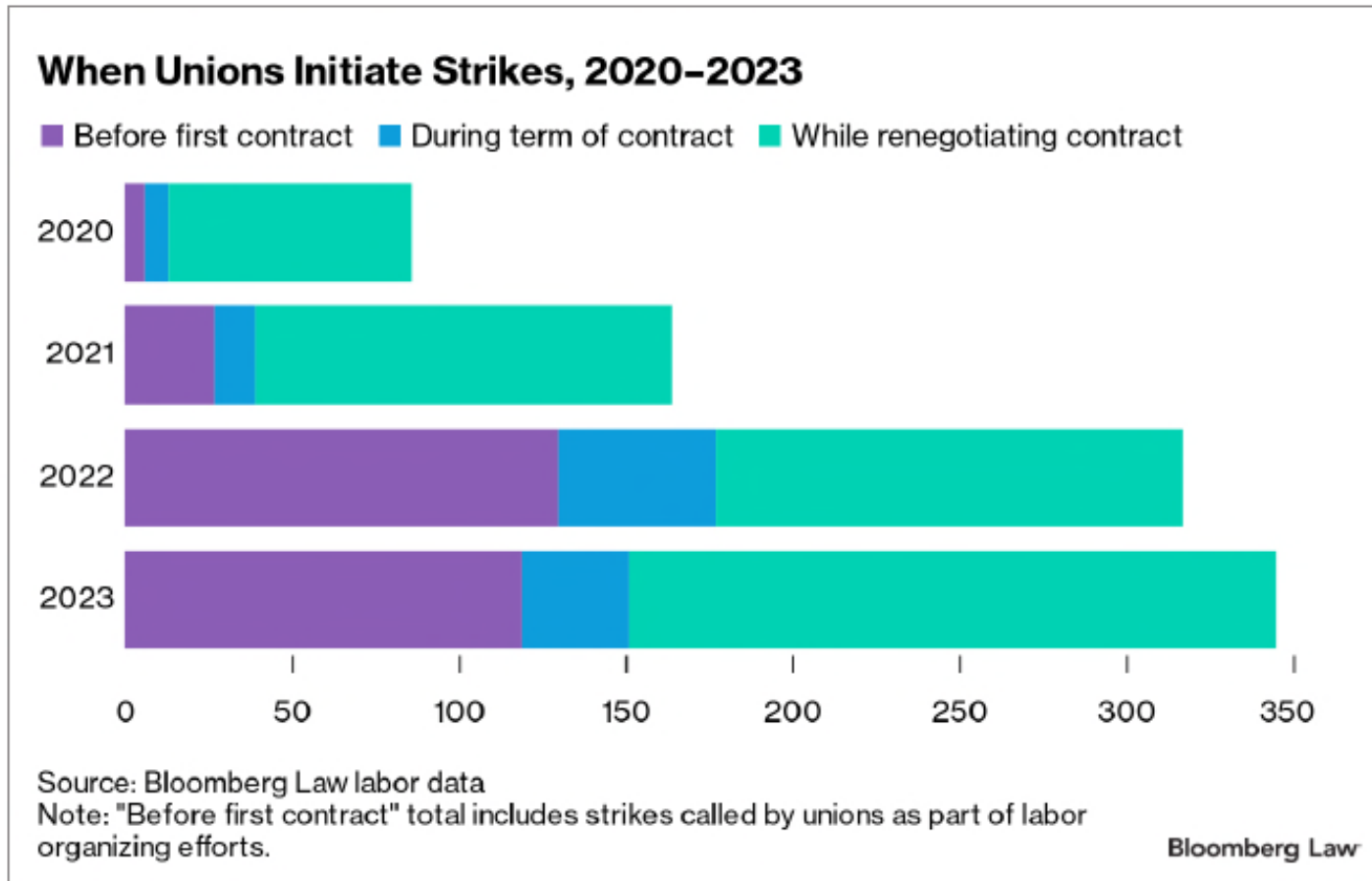
# Strikes by Union



# Strike Patterns in 2023



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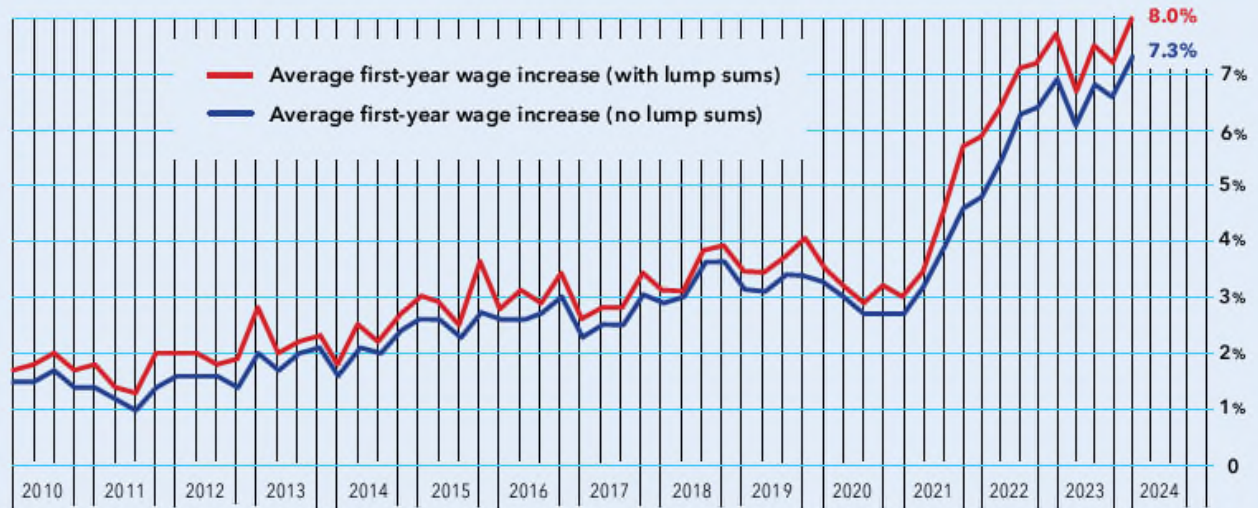


# Wage Data – 1<sup>st</sup> Quarter of 2024

## First-Year Wage Increases in Union Contracts, Quarter by Quarter

First-year pay raises negotiated in the 155 contracts ratified in first-quarter 2024 averaged 7.3%, up from the 6.6% average for the 229 contracts ratified in Q4 2023. This is the highest average wage increase negotiated by unions since at least 2008, and the first time that the average pay raise has surpassed 7%.

With lump-sum payments included in the calculations, the first quarter's average first-year wage increase was 8.0%, up from Q4 2023's 7.2%. This is the highest quarterly average with lump sums since at least 2008, and the first time that the average has reached 8%.

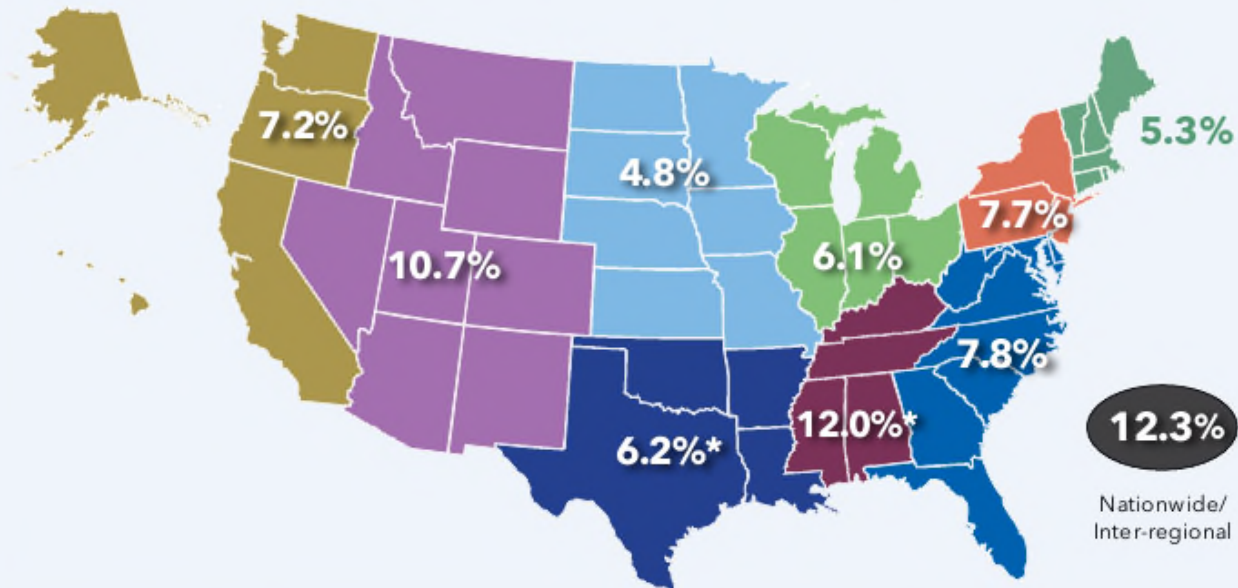


Source: Bloomberg Law's database of wage settlements

Bloomberg Law

## First-Year Averages by U.S. Census Region, 2024

For contracts ratified in first-quarter 2024, the highest average first-year wage increase (among regions in which five or more contracts were ratified) was in the Mountain region (10.7%). Workplaces in the West North Central had the lowest average wage increase (4.8%). Contracts covering workers in more than one region had an average increase of 12.3%.



\* Averages in the East South Central and West South Central regions are based on data from fewer than 5 contracts.

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# Thinking Out Loud

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## Question 1

- Did the increase in strike activity have a tangible impact on contract outcomes?
- Not really.

## Question 2

- Does this mean the demands will only go up from here?
- No one knows.

## Bonus Question \*

- With the election around the corner, how will the election result change the National Labor Relations Board?
- Depends on the Senate.



**BAN**  
**CAPTIVE**  
**AUDIENCE**  
**MEETINGS!**



**CHANGING**  
**TIMES...**





**UNION  
ORGANIZING  
UPDATE**

How has the *Cemex* decision impacted union organizing in the industry so far in 2024 and what are the practical implications for your operations?

# Practical Implications of *Cemex*

## Volume of Organizing



## Union Strategies and Tactics

- Demand for Recognition Letter
  - Targets
  - Individual Recipients
  - Timing
  - Language
- Drawing a Foul – ULPs
  - Plead with the Ref  
(aka seek injunctive relief)

## Responding Effectively

# The Demand Letter

**Please be advised that this law firm represents the International Brotherhood of Teamsters, Local 999 ("Local 999"). Recently, Local 999 obtained authorization cards from a majority of the drivers employed by EMPLOYER seeking union representation.**

**Local 999 is seeking recognition as the sole and exclusive bargaining representative of the drivers employed by EMPLOYER under Section 9(a) of the National Labor Relations Act. We are prepared to demonstrate Local 999's majority status amongst the drivers through any reasonable procedure for verifying the signed authorization cards. In the event that EMPLOYER refuses to recognize Local 999 as the 9(a) bargaining representative of the drivers, we are prepared to file a petition for an election with Region 13 of the National Labor Relations Board.**

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- Education and Awareness
  - Don't miss the window!
- Response Strategy
  - Challenge cards?
  - Wait for union to file election petition?
  - File your own petition?

## Mark your calendar!

- Employer violates the Act by refusing to recognize upon request a union that has the support of a majority of the employees, unless the employer promptly files an RM petition to test the majority status (unless an RC is already filed).
  - Promptly = 14 days.
  - Failure to do so will result in a bargaining order.
- If the employer commits an unfair labor practice (ULP) during the campaign, any election petition will be dismissed, and a remedial bargaining order will be issued.
  - Zero-tolerance policy for ULPs during the critical period.

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# Thank You

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