



TEAMSTERS

National Costco News

FEBRUARY 2003

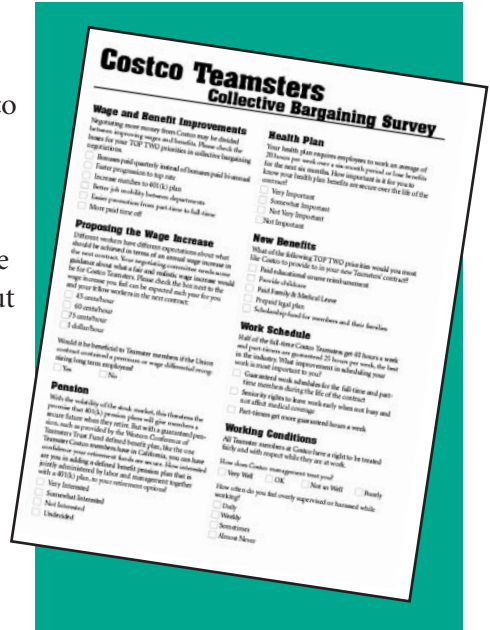
Costco Workers Guide Contract Priorities

Members Complete Surveys, Attend Proposal Meetings

Once again, Costco workers are providing important guidance in developing the framework for winning a strong contract in 2003. "Member involvement is

critical," said Rome Aloise, who is assigned by Teamsters General President Jim Hoffa to assist Costco local unions. "Only through an informed and active membership will we get the best contract possible. We really appreciate those of you who have taken the time out to help us prepare for the battle ahead."

Surveys sent to the nearly 3,000 members from Locals 210, 311 and 592 have been mailed back to the Teamsters' headquarters in Washington, D.C. The information has been



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Costco Stewards Gear Up for Contract Campaign

IBT Education Department Hosts Training Meetings

About 75 Teamster stewards from Costco warehouses in New York, New Jersey and Maryland attended two training sessions in preparation for their contract campaigns.

One session was held at the International Union's headquarters in Washington, D.C., and the other

took place in New York City, hosted by Local Union 210. The Teamsters represent about 3,000 workers at 13 locations in the East, and more than 12,000 workers at Costco warehouses in California.

"These training sessions were helpful in preparing our stewards for the upcoming contract

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A Message from International Representative Rome Aloise An Important New Year

As we begin the New Year, we have an important task in front of us — renegotiating your contract. The East Coast Costco negotiations will affect all of the Union represented employees in the 16 locations in the East. The improvements made at negotiations will also have an effect on the future negotiations in California. Additionally, I believe what you do always influences all of the Costco workers throughout the company. You lead the way and set the standards!

The International Union considers Costco negotiations a top priority, and plans to assist your local unions in any way that's needed to achieve your contract goals. We have already begun preparations for negotiations. The Teamsters Education Department held Costco Steward trainings to improve grievance handling and prepare for contract talks. Also, you recently received your contract proposal survey and were polled on the issues that affect you day to day on the job.

It is important for you to realize that collective bargaining, such as the negotiations that have been happening between Costco (formerly Price Club) for more than 20 years, have set the standard for retail industry contracts across the country. Job protection language and other areas that you may take for granted are a direct result of the very first contract negotiated between the Teamsters and Price Club.

When a contract is negotiated between your union and the company, your needs and desires are being voiced on an equal footing with the company. Your shop stewards voice their opinions and advocate your concerns without any fear of repercussions or reprisals. Some believe that this process can be accomplished without union representation; any other forum is nothing more

than “imitation bargaining.” While imitation is the highest form of flattery, nothing can replace your right to have a meaningful voice in your workplace. Your union provides you with this right, and no other method gives you the same legal protections.

Between now and the time negotiations begin, it is important that you voice your opinions, talk to your fellow workers, and support your contract proposals by supporting your shop stewards and your union. You can count on your International Union standing with you and your co-workers. Teamsters standing together - Costco employees, shop stewards, union representatives and your International Union, will produce the results we need at the negotiating table and positive progress will be made for an even stronger contract.

Rome Aloise is assigned by General President Jim Hoffa to assist Costco local Unions; he can be reached at (510)895-8853 or raloise@teamsters853.org.

JURY FINDS WAL-MART GUILTY OF NOT PAYING FOR OVERTIME

On December 19, 2002, a federal jury in Oregon found Wal-Mart Stores Inc. guilty of requiring employees to work extra hours without pay.

The U.S. District Court decision — covering about 400 employees — is the first time a jury has ruled against Wal-Mart in a class-action case involving off-the-clock charges. At least 35 similar cases are pending nationwide but have not achieved class action status.

A separate jury later will decide on any damages Wal-Mart may have to pay the employees stemming from the case.

Costco workers have a Teamster contract that protects them. The company has to pay you for overtime. Wal-Mart workers do not have that protection.

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collected and analyzed in preparation for contract talks.

Proposal Meetings

In January, contract-proposal meetings also began. The local unions invited members to attend these meetings to offer their comments and advice on what issues are most important to them.

“Costco workers are the highest paid workers in the retail industry, and that didn’t happen by accident. Price Club workers, and now Costco workers with the union fighting on their behalf, have worked long and hard for the wages and benefits they now receive,” Aloise said. “We can continue to win the pay and benefits you deserve as we bargain in the coming weeks for a just and fair contract. It will take a lot of work, but our members are united.”

The surveys address the many issues in the contract campaign, and workers indicated how important each issue is to them. The sections included wage and benefit improvements, pension, health plan, new benefits, working conditions, bargaining committee and a section on background information.

Workers’ Voices

Paul Jalango, a front-end lead who has worked at Costco of nine years, attended a proposal meeting at Local 311 in Baltimore. “I feel all long-term employees should get an extra week’s pay for being dedicated to Costco’s success,” Jalango said.

Patricia Fields, a stocker and a Costco employee of 10 years, also attended a proposal meeting.

“If we didn’t have a grievance procedure, our grievances wouldn’t get to an arbitrator,” said Fields, who hopes the contract maintains or improves the grievance machinery.

“You and your co-workers are the ones that make Costco a success,” Aloise added. “They are profitable in large part because of the hard work you perform each day. I’m glad you let your voices be heard.”

“We recently negotiated the best contract in history at UPS,” Hoffa said. “That was made possible only because members got

involved. They completed surveys, they attended proposal meetings, they educated themselves about their rights in the contract. While the Costco contract is small in comparison, it’s just as important. You deserve to be rewarded for the wealth you help create. You are the best workers in the industry.”



FORMER CALIFORNIA COSTCO STEWARD BECOMES INTERNATIONAL ORGANIZER

Lisa Mack, a member of Local 986 in El Monte, California who was a Costco steward since 1988, has been appointed an International Organizer.

Mack also served as a Local 986 Trustee, and served as co-chair of the Credentials Committee at the 26th International Convention in Las Vegas, selected for the position by General President Jim Hoffa.

“Lisa has the skills and experience to be an effective organizer. We’re excited to have her join our team as we increase our efforts in building Teamster power,” said Jeff Farmer, Teamsters’ Director of Organizing.

Mack worked at Costco from 1985 until late last year, when she took her new job. At Costco, she worked in security, as a cashier and stocker, and as a stocker/forklift driver.

“I’m excited to face the challenges ahead. My experience as a Costco steward helped me realize the importance of a strong Teamster contract. I want others to enjoy the same rights,” Mack said.

Stewards Gear Up For Contract Campaign *continued from page 1*

negotiations in the East, and teaching them how to involve more members in the process,” said Rome Aloise, who has been assigned by General President Jim Hoffa to assist Costco local unions.

Tom Keegel, Teamsters General Secretary-Treasurer, welcomed the group in Washington.

“You will play a pivotal role in the contract campaign,” Keegel said. “You are the eyes and ears of the union.”

The current two-year contract, covering about 3,000 workers at Locals 210, 311 and 592, expires March 15, 2003.

A bargaining survey was recently sent out to members, and the locals held contract-proposal meetings to gather additional comments on what priorities should be pursued in negotiations.

“It’s very important for the stewards to know the contract and to educate their co-workers on their rights. This will help get us a strong contract,” said Angelo Martin, Secretary-Treasurer of Local 210.

“Our stewards’ combined service is more than 400 years. That shows that the stewards are a knowledgeable group of men and women with vast experience and the proper background on how to represent their co-workers and the union,” Martin said.

Stewards’ Reactions

For Mike Graybill, a steward at the warehouse in Glen Burnie, Maryland, the training helped him become a better listener.

“By listening, you become a better problem-solver and advocate. It will help me better represent the needs of my co-workers as we renegotiate the contract,” Graybill said.

Tracy Vohra, a steward at the Costco facility in Gaithersburg, Maryland, was pleased with the day-long session.

“I learned how to best approach my co-workers and how to help them. This will be important as we try to win the best contract possible,” she said.

“I learned more about filing grievances on behalf of members,” added Donna Bright, another steward at the Costco in Gaithersburg. “I also look forward to educating members about the contract campaign.”

Duane Pierce, an 11-year steward at the Costco in White Marsh, Maryland, looks forward to getting more members to participate in the contract campaign.

“The contract spells out all your rights. It’s vital that people learn the contract and take part in the process. It’s their contract,” she said.

The training session was informative for Migdalia “Cookie” Hopkins, a steward at the Costco in Hackensack, New Jersey.

“It gave me information on how to be a more effective shop steward and I was also surprised by how much of a threat Wal-Mart is to employees in the wholesale and retail industry,” Hopkins said.

The agenda for these programs was crafted by the Teamsters Education Department in consultation with Aloise and Teamster National Campaign Coordinator Bernadette McCulloch. These programs reflect the kind of training done for other local unions facing bargaining.

“As management plans ahead, so must we. These programs were just the first step in making sure our Costco activists and stewards are ready for contract talks,” Education Department Director Mary Hardiman said.



EXAMPLES OF YOUR 2003 CONTRACT PROPOSALS

Hundreds of Costco Teamsters participated in answering surveys and telephone polls to determine the areas that you wish to improve in your upcoming contract negotiations. Below are items the majority of those that responded felt were most important.

These items will be refined and put into the proposal the Union, along with your Shop Stewards will present to the company for your new contract.

- ◆ Substantial hourly wage increase for each year of the contract.
- ◆ Increase company contributions to the 401(k) Plan.
- ◆ Add a Teamster pension plan in addition to the 401(k) Plan, like the California Teamsters have.
- ◆ Preserve the current Health Care program and prevent any reduction in benefits during the term of the new contract.
- ◆ Increase the availability of guaranteed scheduling.
- ◆ Wage recognition for longer-term employees..
- ◆ Paid Family leave.
- ◆ More paid time off in the form of vacation and holidays.
- ◆ Improved protections against unwarranted discipline.
- ◆ Preserve Seniority Rights.

These are contract proposals. The company will also present their desires for changes in the contract. Successful negotiations depend on you, the Teamster Costco membership, to support the negotiating committee and a commitment to the areas that you feel need to be improved in your work place.

**SUPPORT YOUR SHOP STEWARDS
WHILE THEY NEGOTIATE FOR YOU!**



A Message from General President James P. Hoffa Thank You For Helping Out

As you read this, contract-proposal surveys have already been mailed back to Washington, D.C., and proposal meetings have taken place.

I promise you that we will negotiate a strong contract, one that reflects the hard work you perform every day.

The Costco contract campaign is well under way. I want to thank each and every one of you who has participated. A strong contract doesn't just happen. It takes hard work and commitment from all of us. Your opinions count. Staff members working on

the Costco campaign are carefully reviewing your thoughts and opinions to develop the issues we will bring to the negotiating table. These are your issues, and we will make sure we address them.

Once again, we will show Costco that when we are united, we can accomplish anything. I promise you that we will negotiate a strong contract, one that reflects the hard work you perform every day.

Fraternally,



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