

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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NOTICE

September 27, 2010

TO: The Officers and Members of Local Union 82
South Boston, Massachusetts

FROM: James P. Hoffa, General President

On September 15, 2010, the International Union received a referral from the Independent Review Board (IRB) recommending that a trusteeship be imposed over the affairs of Local 82.

I have had the opportunity to review the report and have determined that it is appropriate to impose a trusteeship on an emergency basis, pursuant to Article VI, Section 5 of the International Constitution, based upon the following assertions in the IRB report:

1. Local Unions in the trade show industry have been advised that referral systems must be devised and implemented utilizing objective criteria for determining which members have an opportunity to work. Such an objective system is particularly vital in a Local Union such as Local 82 in which a majority of the membership does not have established seniority with particular companies. It appears that Local 82 has failed to adopt or implement such a system. There is credible information that members have been assigned work within the Local's jurisdiction without regard to their seniority within the relevant industry, their experience or their qualifications. In many instances, referrals appear to have been based upon consideration of family ties and/or friendships. The Local maintained few or no records of referrals.

2. It appears that Local 82 has knowingly permitted individuals who are not officers or authorized agents to refer members to work. Some of these individuals appear to have abused their apparent authority to award jobs to their friends and relatives. In some instances, it appears that non-members were referred to jobs ahead of Local 82 members and others who have more industry experience and qualifications. In at least one instance, the individual exercising referral authority may have been barred by federal law from acting as a representative of the Local Union. In another situation, the individual acting as the referral agent may not have been a member in good standing of the Union.

3. It appears that procedures utilized to obtain ratification of the 2009 trade and convention industry collective bargaining agreements may have circumvented the requirements of the International Constitution and Local Bylaws. It appears that the Local Union's Secretary-Treasurer's decisions regarding eligibility to vote on each of the proposed contracts were not consistent. Several of the industry contracts that expired in April 2009 have not yet been renegotiated and/or ratified.
4. It appears that friends and relatives of the Local Union officers were appointed as Speculating or Chief Stewards. Each position enabled the title holder to receive benefits that exceeded the terms of the collective bargaining agreement (i.e., free parking at work sites) or other benefits (i.e., reimbursement of monthly Union dues).
5. It appears that Local 82 permitted Atlantic Liquidators, Inc., a non-union liquidation and salvage company, to hire Local 82 members at less than prevailing contract rates and benefits, and did not attempt to organize the company or obtain a collective bargaining agreement with it. The Local Union's actions with regard to Atlantic stand in contrast to its treatment of other non-union companies within the industries that fall within its jurisdiction. Through the use of a Strike Unit, the Local has tried to organize non-union companies, or at least ensure that they paid prevailing wages and benefits to Local 82 members. Companies were picketed in an effort to enforce prevailing wage and benefit standards and/or to sign a collective agreement. The Local never dispatched the Strike Unit to deal with Atlantic.
6. It appears that the Local Union was not administered in accordance with the Local Union Bylaws and International Constitution. The Local Union Trustees failed to perform their duty to review the financial records each month before verifying that the Local's books were in order. The Local Union failed to comply with recommendations made by an International Auditor and the General Secretary-Treasurer regarding compliance with the financial recordkeeping requirements of federal law and the International Constitution.
7. It appears that the Local Union did not have an allocation agreement or an independently verified allocation analysis prepared that would equitably charge the Local Union and the two benefit funds administered out of the Local Union office their appropriate shares of the rent and utilities. The salary of one member of the office staff was not allocated properly among the various Union and benefit funds based upon work actually performed on behalf of each entity. The Local Union failed to obtain a proper cost-sharing study despite being instructed to do so by the International Union on a number of occasions. When the Local belatedly attempted to obtain an allocation, it failed to use an individual who was not beholden to either the Local or the benefit funds, despite being advised to rely upon someone who was independent of all connections to the involved entities.

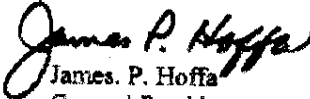
8. Finally, it appears that the Local Union failed to enforce the provisions in some contracts requiring the maintenance of active seniority lists.

Based upon this information, it is my determination that a trusteeship must be imposed on the Local Union. I have appointed Denis Taylor, President of Local Union 355 and Joint Council 62, to act as Trustee.

In accordance with Article VI, Section 5 of the International Constitution, a hearing will be scheduled to consider whether the trusteeship should be continued or dissolved. All members will have the opportunity to testify and express their views on that issue. A separate notice will be posted advising you of the date, time and location of the hearing.

I urge all members to cooperate with the Trustee and his assistants in order to ensure that procedures can be adopted and promptly implemented to address the problems set forth above.

Fraternally yours,


James P. Hoffa
General President