



INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS  
LOCAL UNION 111

Mike E. Kostelecky  
President



Michael A. Byrd  
Business Manager / Financial Secretary

January 29, 2013

TO: Employees of Sears District 8181

RE: **Collective Bargaining Agreement Ratification Meetings and Dates**

Dear Sisters and Brothers:

On Tuesday, January 22, 2013, Sears Representatives and IBEW, Local Union 111 Representatives (including Rick Cook and Skip Murphy), met to discuss the Collective Bargaining Agreement. The Union began by sharing with the Company the list of issues (2 pages) you brought forward at the ratification meetings in November 2012, showing your displeasure with the then Tentative Agreement.

The Union then presented the changes desired in the Tentative Agreement. I informed the Company these changes were necessary in order for the employees to consider voting in favor of the new Agreement. More specifically, these changes included:

1. New effective dates on the Collective Bargaining Agreement.
2. Managements Rights Clause (as was in the old Local Union 68 Agreement).
3. Hours of Work - removing the verbiage, the Company could start a temporary Sunday Schedule.
4. A change to the days off so the employees would be able to alternate.
5. Remove the language concerning Trading of Shifts.
6. Remove the language that allowed the Company to change an agreed to schedule.
7. Added language that Techs guaranteeing time to stock vans rather than be released for the rest of the day if their work was complete.
8. Language to mandate the Company to reschedule calls, not the Techs.
9. 10 hour day maximum, and 11 hour maximum in the rural areas.
10. Proposal to increase the number of employees who can be off at one time on vacation and remove July from the Blackout Period.
11. Mandate the Company to purchase all hand tools.
12. Proposed a new wage scale with adjustments and hourly increases.

I believe these are the demands that were brought forward at the November 2012 meetings.

On Tuesday afternoon, the Company rejected the Union's proposal and countered with proposed changes they believed were needed in order for Management to consider accepting a Collective Bargaining Agreement with the Sears employees of District 8181.

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Attachment A

Page 1

These changes include:

1. One (1) year Agreement.
2. Company could subcontract the Bargaining Unit's work at any time under Managements Rights.
3. Company wanted to add to the first time dischargeable offenses: SHC Code of Conduct; In Home Tech Code of Conduct; Failing to conduct yourself in a reasonable and businesslike manner with customers, fellow associates and management; and Failure to follow processes that significantly impact the financial performance of the District.
4. Modify discipline levels from three steps to two steps prior to termination.
5. "Performance of Associates" stating: "Associates' performance will be evaluated by management as needed and determined by the Company depending upon their work classification through the Employee Performance Review or appropriate business evaluation process. Associates whose performance is substandard (below expectations) must make immediate improvement. If they fail to meet acceptable standards within two (2) months of notice of substandard performance or they fail to sustain improvement over the next twelve (12) month period, they will be terminated."
6. Delete reference that employees will make a "good faith effort" to be at work with "must be at work"
7. The Company would not be required to let the employees know when they received an occurrence.
8. Require mandatory overtime at any time.
9. Make "Stand By" mandatory.
10. Employees who bid on a new position would not have go back rights.
11. Employees would not receive Holiday pay if they missed the day before, or the day after a holiday.
12. Language where the Company would decide how many people could be off on vacation at one (1) time.
13. There would be mandatory "Home Dispatch."
14. Wages would be a set amount with pay and per complete:
  - T05: \$8.25/hr+\$4.00/cc
  - T06: \$9.00/hr+\$10/cc
  - T07: \$10/hr+\$12/cc
  - Same proposal for Support Staff

Basically, this proposal is a 1.5 million dollar per year loss to you as a group.

As you can see, your Negotiation Committee was at a great dilemma. We could see you (the employees) are now at risk. Do we fight for the proposal of October 25, 2012? Or, do we fight against the Company's Proposal of January 22, 2013? It is the belief of the Committee that if we stick to our guns and demanded the wishes of our newly proposed agreement, and tried to fight off what we could from on the Company's new proposal, one thing was for certain. "The Employees would have to **STRIKE** before any changes could be achieved."

Your Negotiating Committee made the determination to fight for the October 25<sup>th</sup> Tentative Agreement, rather than put the employees in a position of **NO RETURN**. Therefore, your Committee on Wednesday, January 23<sup>rd</sup>, re-proposed the October 25<sup>th</sup> Tentative Agreement again to the Company with one (1) change. That change would be that the Company cannot make Sunday a

normal work day, even on a temporary basis, as was allowed in the October 25<sup>th</sup> Tentative Agreement. **Your committee is recommending ratification of this agreement.**

On Thursday, January 24, 2013, the Company, after much deliberation, determined it was better for the Employees and for the Company to agree to the October 25 Tentative Agreement with the Union's one (1) additional change concerning Sunday work. Basically, the Company agreed with our proposal from the day before.

I want each of you to understand how tough of an issue "wages" were in these negotiations. We know and understand some of you have not received a raise in several years. The Company was absolutely not willing to agree with any across the board increase or parity among the employees. The only way the Company would talk about wages, was wages would be tied to the number of completes, as you can see in their proposal.

You may, or may not, be aware that the new bargaining unit in Chicago just ratified a one (1) year agreement. It encompasses that they receive their present wages and a .5% bonus each quarter if they improve their net completes by one per day, or reach 5.7 net completes per day, and/or stay above the designated number of completes. Which means if someone makes \$20.00 per hour and their net completes stay above an average of more than one more net complete per day, they receive a .5% quarterly bonus or \$.10 per hour. To receive the next quarterly bonus they must prequalify, again.

The wage proposal for your consideration gives you an opportunity to help the Company make money, and also gives you, the employee; the opportunity to make more money on an individual basis with the "Rewards Program".

Now, it is for you to make the same determination as your Negotiations Committee and the Company have made, which is: **ACCEPT THE NEW TENTATIVE AGREEMENT?**

or

Your only other option is to: **GO ON STRIKE?**

I am sorry that I have to be so blatant in bringing these options to you, but these are the facts. **Your committee is recommending ratification of this agreement.**

### **THE CHOICE IS YOURS.**

Therefore, at the scheduled ratification meetings outlined below, you will receive two (2) ballots:

- One ballot will be to vote either "For" or "Against" the January 25<sup>th</sup> proposed Tentative Agreement.
- The second ballot will be to vote either "For" or "Against" if you are in favor of giving your Committee the authorization to call for a strike.

Your Committee strongly recommends that you consider accepting the Union's/Company's proposed January 24, 2013 Tentative Agreement. We know the Company **will not** meet the demands we have presented to them prior to this agreement, and they made that very clear to us.

The following scheduled dates, times, and locations are meetings for you to cast your ballots:

- **CASPER** at Local 322 (691 English Drive) on Monday, February 11, 2013, at 7:00 pm, with Timio Archuleta.
- **COLORADO SPRINGS** at Local 113 (2150 Naegele Road) on Monday, February 11, 2013, at 7:00 pm, with Skip Murphy and myself.
- **LOVELAND** at Candlewood Suites (6046 E. Crossroads Blvd.) on Monday, February 11, 2013, at 7:00 pm, with Rick Cook and Duane Lawlor.
- **DENVER** at Local 111 (5965 E. 39<sup>th</sup> Ave.) on Friday, February 15, 2013, at 7:00 pm. with entire Negotiations Committee.

At each of these meetings, we will be giving a full review of the change to the newly proposed Collective Bargaining Agreement that you will be voting on with our view of how we got to this point. After which we will open it up to questions, and after discussions you will have the opportunity to vote on whether to "ACCEPT" or "REJECT" the proposed Agreement, and whether to vote "FOR" or "AGAINST" authorizing your Committee to call for a Strike. The ballots will be sealed at each site following the vote, and delivered to the Denver meeting. After the Denver meeting ALL BALLOTS will be counted and we will learn which choice you have selected as employees of Sears District 8181.

Please note that you can attend any of the meetings outlined above. However, you must be present to receive your ballots and vote on the options presented. Only active employees will be allowed to vote. If you know someone who did not receive this letter, please have them contact my Administrative Assistant Joan at (303) 398-7361 or (800) 824-5540, ext. 7361.

If the Bargaining Unit does not accept this proposal, I believe the Company will make their proposal from Tuesday, January 22<sup>nd</sup> their "**Last, Best and Final Offer.**" This means you must either accept it, or choose to go on strike because it would be implemented regardless of your choice. At that point is not a choice it is a mandate.

You need to be present to have a say in your future. Don't allow someone else to make a decision for you that will affect you the rest of your life.

**Your committee is recommending ratification of this agreement.**

Fraternally,



Michael A. Byrd  
Business Manager/Financial Secretary

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