

SIGNER

BUICK • CADILLAC

To Whom It May Concern:

Recently there have been picketers walking the sidewalk in front of the dealership. These people are representatives of Machinists Lodge 1546 and Teamster Local 78. They are not our employees, and in my opinion, their views do not represent the feeling of the majority of our Service and Parts Department employees. Our employees continue to work as this demonstration by union-sponsored outsiders takes place.

I have learned that these people are legally able to walk the sidewalk in front of the dealership, and are not obligated to be truthful in their displays or statements. The flyer they distribute states that in 1994 our employees "gave up" their pension contribution for one year. The truth is that at that time we offered our bargaining unit employees the same modern company-matched 401K retirement plan that is offered to other dealership employees, replacing the union pension plan, accompanied by a large wage increase. Today, all but two of eligible Service and Parts Department employees participate in the 401K. Furthermore, there was no one year limitation on the 401K as stated by the union. It should be noted that there are hundreds of competing retirement plan administrators such as Merrill Lynch, Prudential, Dean Witter, etc., but only the union has chosen this public display to demand my business.

Parts and Service Department employees, with the agreement of union representatives, agreed to the 401K in 1994. After implementation of the change, approximately a year later the union told me that our employees were unhappy with our 401K plan and wished to return to the union plan. Since I am not legally allowed to ask my Service and Parts employees their opinions I must rely on the voice of the union about our employees' opinion about the union pension plan. However, it was my belief that the 401K was the preferred plan, and after much discussion I agreed to a vote on the issue based on the union's agreement that the vote would be final. That vote, held in September, 1995, turned out to be 13-4 in favor of continuing with the 401K, soundly rejecting the union pension plan a second time. Furthermore, no Service or Parts Department employee has resigned due to our retirement plan.

The issue is not a matter of wages, but of what is done with the wages. Our 401K plan allows each individual to choose how much he or she wishes to place into his or her retirement plan and how much to take now, as opposed to the union pension plan that forces all to contribute the same regardless of individual desire.

If you wish to discuss this with me, I would be happy to do so. Please feel free to ask for me at any time.

Sincerely,


Donald R. Signer
President

