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## Teamsters Approve 10% Pay Cut at YRC Worldwide

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### Deal Gives Union Members 15% Stake in LTL Carrier

YRC Worldwide's Teamsters-union employees voted by a 3-1 margin to accept concessions including a 10% pay cut in exchange for a 15% stake in the company, the two said late Thursday.

The less-than-truckload carrier said the cuts, which will save it as much as \$250 million a year, were necessary for the company as it struggles with lower freight volumes.

The modified contract was ratified by a 77% to 23% vote, with more than three-quarters of the 40,000 eligible union members casting ballots, the Teamsters said in a statement. Votes were due Tuesday and the tally was released late Thursday.

The deal also suspends cost of living adjustments for the remaining life of the union's contract, while Teamsters employees will receive a 15% ownership stake in YRC, allowing them to share in its future performance.

Contributions to the health, welfare and pension plans will continue as previously negotiated, the two said.

"While we never want to see wage reductions, this vote shows that our members understand that we are facing the worst economy since the 1930s and that the company needs some help to get through this difficult period," said Tyson Johnson, director of the Teamsters National Freight Division.

"We are hopeful that this agreement will protect the livelihoods of our members and their families by protecting the jobs and health, welfare and pension benefits of our freight members," he said.

Bill Zollars, YRC's chairman and chief executive officer, said the "agreement is another critical step in our wide-ranging plan to strengthen our balance sheet, while enhancing service for our customers through our national integration of Yellow and Roadway."

YRC Worldwide is ranked No. 4 on the Transport Topics 100 listing of U.S. and Canadian for-hire carriers and is the largest LTL carrier.

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