

Geneva, 5 August 2016

Mr. Matthias Müller  
Chief Executive Officer  
Volkswagen AG  
Brieffach 18800, D-38436 Wolfsburg  
Germany

Sent by email to [office.mueller@volkswagen.de](mailto:office.mueller@volkswagen.de)

## IndustriALL Global Union calls on Volkswagen to begin collective negotiations with UAW Local 42 in Chattanooga

Dear Mr Müller,

I am writing on behalf of [IndustriALL Global Union](#), a signatory to the **Declaration on Social Rights and Industrial Relationships at Volkswagen**, signed on 6 June 2002. I send this letter to express my grave concern over the company's refusal to begin collective negotiations with the United Auto Workers (UAW) Local 42 at the Chattanooga, Tennessee plant in the United States, which is in violation of the Global Framework Agreement under section 1.1, and in violation of ILO Convention 98 on the Right to Organize and Collective Bargaining. I also write, as the Declaration states, "in the spirit of cooperative conflict management and social commitment."

On 23 October 2015, UAW Local 42 filed a petition with the U.S. National Labor Relations Board (NLRB) stating that maintenance employees wished to be represented by a union, and requesting the NLRB to initiate proceedings to certify UAW Local 42 as their representative. Prior to the petition, UAW Local 42 had asked Chattanooga management to voluntarily recognize the union since a majority of the employees had joined UAW Local 42. That request was refused.

The NLRB held three days of hearings from 2 to 4 November 2015 where both the UAW and Volkswagen were allowed to present their positions and call witnesses. The NLRB considered each side's arguments and the legal precedents involved. On 18 November, the NLRB issued its decision. It found the UAW's petition appropriate and ordered an election for 3 and 4 December 2015 for maintenance employees to vote for or against UAW Local 42 representation. With 95% of those eligible voting, maintenance employees chose the union by a count of 108 to 44 -- a 71% margin. In consequence, the NLRB certified UAW Local 42 as the collective bargaining representative on 15 December 2015.

When UAW Local 42's petition to the NLRB was first filed, Chattanooga Volkswagen Chairman and CEO Christian Koch and Executive Vice President for Human Resources Sebastian Patta sent a special communication to all employees stating that they found the petition "unfortunate," but "in the event the UAW is elected as the bargaining representative for the maintenance employees, the Company and the UAW would enter collective bargaining." However, after the employees chose UAW Local 42, Mr. Patta sent the union a letter dated 21 December 2015 declining to begin collective negotiations and indicating they would request a review of the decision. On 13 April 2016, Volkswagen's request for review was dismissed, upholding the NLRB's decision to approve a bargaining unit of maintenance employees. After Volkswagen continued to refuse to begin collective bargaining, the NLRB issued a complaint against Volkswagen on 26 April 2016 for its violation of the law.

The refusal to collectively bargain at the Chattanooga USA plant violates the **Declaration on Social Rights and Industrial Relationships at Volkswagen**. Freedom of association is expressed not just by the ability to form and join unions, but to be represented by a union and engage “in the spirit of constructive and co-operative conflict management,” as described in section 1.1. Further, the **Charter on Labour Relations within the Volkswagen Group**, which was signed on 29 October 2009 in Zwickau, laid out the “participation rights of democratically elected employee representatives” in the Volkswagen Group.

While Volkswagen has expressed its desired outcome – that it be relieved of its duty to bargain because the company would rather have a bargaining unit of maintenance and production workers – that position was not sustained by the NLRB’s ruling. Volkswagen is not free to violate the social charter, or the host country’s laws, because it disagrees with a legal decision.

Therefore, I call upon Volkswagen to immediately meet with UAW Local 42 to begin collective negotiations, and end its appeals and attempts to invalidate the certification of UAW Local 42 as the representative of Chattanooga maintenance employees. If Chattanooga management feels so strongly that the appropriate negotiating group also includes hourly production workers, Volkswagen has the power and the legal right to include them also, by recognizing their majority membership in UAW Local 42.

Dear Mr. Müller, Volkswagen has been a social benchmark for IndustriALL. This is why our global Executive Committee in May was so appalled at VW’s behaviour in Chattanooga, and concluded that if your company continues to violate the Declaration on Social Rights and Industrial Relationships, IndustriALL would be forced to review its relationship with Volkswagen. Undoubtedly, this would be unfortunate. We need Volkswagen to continue to be an example to other companies on how constructive industrial relations contribute both to thriving business and decent jobs for workers.

Yours sincerely,



Jyrki Raina  
General Secretary  
IndustriALL Global Union

**cc.**

Karlheinz Blessing, Board of Management for Human Resources, Volkswagen AG  
Christian Koch, Chairman and CEO, Volkswagen Chattanooga  
Sebastian Patta, Executive Vice President for Human Resources, Volkswagen Chattanooga  
Dennis Williams, President, United Auto Workers  
Gary Casteel, Secretary-Treasurer, United Auto Workers  
Michael Cantrell, President, United Auto Workers Local 42  
Jörg Hofmann, President, IG Metall  
Berthold Huber, President, IndustriALL Global Union  
Bernd Osterloh, Chairman, Volkswagen Global Group Works Council