

UAW Dana Workers Ratify Labor Pact At Eight Locations

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DETROIT -(Dow Jones)- Workers at eight Dana Corp. (DCNAQ) locations represented by the United Auto Workers ratified a new labor and investment deal that would see retiree health benefits run by union-managed trusts.

UAW members at Dana plants in Indiana, Michigan, Missouri, Ohio, Pennsylvania and Texas approved the four-year deal by 86%, the UAW said Wednesday.

The deal with the unions is part of a planned investment of up to \$750 million led by private-equity firm Centerbridge Capital Partners LP.

Toledo, Ohio,-based Dana has been in Chapter 11 since March 2006.

The deal also is subject to ratification by Dana workers represented by the United Steelworkers union.

Dana's deal with the unions includes voluntary buyouts, work commitments and a bonus of stock to union workers in return for concessions.

Dana also will put \$700 million in cash and \$80 million in stock into a voluntary employees' beneficiary association, or VEBA, that will manage post- retirement health benefits.

"Our UAW and USW bargaining teams worked very hard to craft this deal," UAW President Ron Gettelfinger said in a statement. "We are extremely pleased that an overwhelming majority of members voted to ratify the agreement."

The company has said the deal with the unions will save it more than \$100 million a year and remove a liability of \$1 billion from its balance sheet.

The new deal covers more than 2,300 UAW members and 6,200 retirees.

-By Terry Kosdrosky, Dow Jones Newswires; 248-204-5532; terry.kosdrosky@dowjones.com