

# BUSINESS FIRST

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## UPS forges tentative labor deal with union

Business First of Louisville

[United Parcel Service Inc.](#) and the International Brotherhood of Teamsters have come to a tentative agreement on a new five-year national contract.

Atlanta-based UPS (NYSE: UPS) has 240,000 full- and part-time union employees. The company bases its airlines division in Louisville and operates its largest package-handling hub at Louisville International Airport.

Teamsters President Jim Hoffa said the agreement raises wages and will boost the company's contributions to funds that provide pension and health and welfare benefits to union members, according to a report by the Atlanta Business Chronicle.

The agreement allows UPS to withdraw from the Central States Pension Fund and creates a jointly administered pension fund for affected members. UPS will make a pre-tax \$6.1 billion payment to the Central States Plan and will also fully fund the new plan.

"This agreement is good for our people, good for our customers and good for our company," said Mike Eskew, UPS chairman and CEO. "This agreement will allow us to remain competitive in a challenging marketplace. And the fact that we have reached an agreement earlier than at any time in our history is a testament to the skills and determination of all those involved in these talks."

UPS' current labor deal does not expire until July 31, 2008. Following union member ratification, most provisions of the new agreement will take effect on Aug. 1, 2008.

Representatives of each UPS local union will meet on Oct. 11 in San Diego to review the agreement. Following that meeting, members will vote by mail on the contract, with results expected in early December.