

THE AMERICAN COMPANIES



# THE AMERICAN COMPANIES

## "News Flash"

### AS REPORTED BY:

**The Associated Press**

Jul. 1, 2010 12:49 p.m. (EST)

### **Clerical workers strike at some L.A., Long Beach port terminals**

There is no immediate word on whether the walkout will spread. The twin ports account for 40% of cargo container traffic into the U.S.

Clerical workers who handle critical paperwork for the nation's busiest port complex went on strike Thursday against several terminals, but ships were still being loaded and unloaded at the Los Angeles and Long Beach docks, a port spokesman said.

Only about 30 people from the workers' 900-strong union were picketing outside terminals after their contract expired after midnight, said Los Angeles port spokesman Phillip Sanfield.

"The port is still operating, fully functioning," he said. "Several of the terminals have no pickets on site at all. A couple of the terminals have three or four."

The local Office Clerical Unit of the International Longshore Warehouse Union struck four terminals after its labor contracts with 14 shippers and terminal operators expired. John Fageaux Jr., president of Local 63, declined to say whether workers at the remaining terminals would join the strike later.

Longshoremen, who are members of another ILWU unit, historically have honored picket lines, but they were barred from doing so Thursday after an arbitrator ruled that the clerical strike was improper, Fageaux said.

A full-on job action could shut down loading and unloading operations at the twin ports, which account for 40 percent of all the cargo container traffic coming into the United States and are starting to recover from the recession.

Longshoremen refused to cross picket lines at two terminals overnight, but the Harbor Employees Association, which represents shippers and terminal operators, brought an emergency grievance to an arbitrator, said Stephen L. Berry, a negotiator for the association.

250 Moonachie Road, 5<sup>th</sup> Floor (Full Service)  
Moonachie, NJ 07074 (201-478-4600)

400 Oceangate, Suite 1106 (Full Service)  
Long Beach, CA 90802 (562-435-2327)

881 Route 83 (Full Service)  
Bensenville, IL 60106 (630-860-0782)

Domestic USA Ground Operations  
Domestic USA Air Operations  
Asheville NC 828-271-2061

3PL Locations  
Fairview, NJ  
Carson, CA  
Bensenville, IL

[www.shipamerican.com](http://www.shipamerican.com)

**The arbitrator ruled that the clerical unit had bargained in bad faith, making its picket line invalid, and ordered longshoremen back to work by 8 a.m., Berry said.**

Calls to the local longshoremen's office in San Pedro and to Craig Merrilees, a statewide spokesman for the International Longshore and Warehouse Union, were not immediately returned.

Fageaux said the arbitrator only found that the clerical strike was "not bonafide" under terms of the longshoremen's contract and the dockworkers didn't have the right to honor the picket line.

"We (clerical workers) have every legal right to picket and strike ... and we will continue to do so," Fageaux said.

Berry said the shippers rejected the latest proposal received via e-mail from the clerical workers' union late Wednesday, which called for a wage increase of 21 percent over three years.

Berry said the shippers countered with a proposal that includes a 10 percent increase in monthly pension payments and protection from layoffs.

No contract negotiations were scheduled Thursday, but both Fageaux and Berry said they were optimistic that the two sides would resume communications at some point.

The clerks voted Tuesday night to authorize a strike. They process bookings for the export of cargo and other transport documents for shippers and terminal operators.

The shippers want to use new computer programs allowing customers to access booking information. The workers are worried that may lead to their jobs being outsourced.

"We're not opposed to technology that will create more efficient processes, but we do not agree if it allows others to do our work," Fageaux said.

Berry said shippers must have more flexibility in staffing because of the economic downturn.

"When business was booming, there was sufficient work for the employees to perform," Berry said. But now, "the workload is not steady. It's not sufficient to keep all those people busy," he said.

"The union wants us to fill every desk, every day, whether there's work for them to do or not."

Three years ago, workers threatened a walkout, but talks continued after the deadline. Both sides ultimately reached a deal in which the workers got a raise and an agreement that allowed monitoring of whether any of their job duties were being outsourced.

=====

We will keep you advised as to any further information we receive.

Sincerely,

The American Companies

---

250 Moonachie Road, 5<sup>th</sup> Floor (Full Service)  
Moonachie, NJ 07074 (201-478-4600)

400 Oceangate, Suite 1106 (Full Service)  
Long Beach, CA 90802 (562-435-2327)

881 Route 83 (Full Service)  
Bensenville, IL 60106 (630-860-0782)

Domestic USA Ground Operations  
Domestic USA Air Operations  
Asheville NC 828-271-2061

3PL Locations  
Fairview, NJ  
Carson, CA  
Bensenville, IL

[www.shipamerican.com](http://www.shipamerican.com)