

Teamsters Local 174 Response to Costco CEO Letter RE: Your Contract Negotiations

Dear Costco Teamsters,

You are no doubt aware that on September 4, Costco CEO Ron Vachris issued a letter to all Costco employees across the country defending their conduct in negotiations and disparaging the Teamsters Union. Our Local Union negotiating committee wants you to know that as soon as this letter went out, we began receiving messages of support from Costco workers at every level across the country – from warehouses to corporate, coast to coast. The letter even found its way to social media sites like Reddit, where the comments were almost exclusively in support of you and your struggle to get a fair contract out of Costco – an employer who has fundamentally changed, and not for the better, over the last several years. While we personally think it was a poor public relations choice for Costco to draw *so much attention* to this negotiation, we respect Costco management's rights to run their company as foolishly as they choose. We certainly appreciate the loud message of support we have received from all over the country, and wanted to make sure you were aware that the public is clearly behind you.

Now to address the claims in the letter itself, beginning with the most egregious claim that Costco is not the cause of the delays in reaching a contract settlement. In the letter, Costco freely admits that they have “been engaging with the union for the past several months.” So then why, you might ask, is there no contract yet?

As usual, management only tells half of the story. There is already a National Costco contract in existence with the Teamsters. The only thing that needed to be bargained was some work rule language specific to drivers, and then wages and benefits. Costco has refused to allow you to join the National Agreement along with your fellow Teamster sisters and brothers. We have been negotiating for months because Costco does not want you to be treated the same as every other Costco Teamster in the nation. Costco would rather punish you for standing up for your federally protected rights than just include you in a contract that already exists.

It does not have to be this way. Since May of this year alone, Teamsters Local 174 staff have successfully negotiated and ratified more than 25 contracts with other employers in Local 174. Meanwhile, we deal with a Costco management team who refuse to make themselves available for negotiation dates sufficient to reach a deal that recognizes the value of your work.

Our strike vote was not “bluster by a labor union” as the letter accuses. It was an attempt to show your managers that they *must* start taking you seriously. You deserve that respect.

This is not Jim Sinegal's Costco anymore. This is what you all are telling us and the same things we have heard from your coworkers around the country. They hired a cost-cutting union-busting CFO out of Kroger, and now they are disrespecting you for having the audacity to stand up to them. Don't let them stop you from fighting for what you deserve. Not only do you have the full support of the Teamsters but thanks to Costco's letter, you have the support of the entire country as well.

In Solidarity,



Rick Hicks

Secretary-Treasurer – Teamsters Local 174