

August 2006

NOTES FROM THE BARGAINING COMMITTEE

Everyone knows it has been getting real hot lately and it may get hotter. Tempers may flare up due to the heat so drink lots of water and try to stay cool.

There are a lot of chipbuggys that are leaking and we have a lot of boxes that we use in the gear division that are unsafe. So if you have a leaky chipbuggy or a bad box, tag them so our millwrights can fix them. Let your supervisor know so he can get them taken to the proper place to get fixed.

Note, if you get injured at work, minor or major, report it to your supervisor or the dispensary the same day injury occurs so that it is on file.

John Lortie, Third Shift Committeeman

Chairman's Report-

Myhr.dana.com 1-866-358-3142

As most of us are aware by now, the Dana Corp/IBM "Human Resources Transformation" is being implemented-like it or not. In many cases the situation has been "not!" This is not a program which we bargained for, negotiated, or discussed the pros and cons. It was a corporate program and we are currently being forced to use it for most HR related administrative functions. As a result of this implementation and the shortcomings apparent in the system, the Bargaining Committee filed Grievance #1151 in March of this year. The Company denied this grievance, and the committee answered by moving the grievance to the 4th step which hopefully will be heard within 30 days. In a 3-page answer denying Grievance #1151, HR "Business Partner" Casey Weimer included these paragraphs:

"If the Company were not providing services that were called for in the labor agreement I could understand the merits of this matter being before the parties, however, I am currently unaware of any disputes where IBM has not honored our labor agreement in the administration of these ministerial duties to date. Should the union have such a complaint it should be brought forward specifically in order to be investigated for its merits and resolved if applicable."

"However, absent any such violations, the Company will not entertain the Union's unwarranted complaints about self service in the Fort Wayne plant."

Obviously, there have been many complaints about the company "not providing services..." and serious shortcomings in resolving the problems which occur. These complaints are not just from Bargaining Committee members, but from active, laid-off, or recently recalled employees, those on sick leave or disability, as well as Fort Wayne management themselves!

We need your help to correct the myhr problem. Anyone who has a problem while using or trying to use this system, please document:

- 1) Phone or internet connection
- 2) Time and date
- 3) Name of customer service person
- 4) Brief description of problem
- 5) Any other comments

Give your notes to your Steward or Committeeman or drop off at the Union office and we will add to our list to help fix this problem as quickly as possible.

Thank you, Dave Kobiela, Chairman

This is funny in a way, but also too true....

Two patients limp into two different medical clinics with the same complaint. Both have trouble walking and appear to require a hip replacement.

The first patient is examined within the hour, x-rayed the same day and has a time booked for surgery the following week.

The second patient sees the family doctor after waiting a week for an appointment, then waits eighteen weeks to see a specialist, then gets an x-ray, which is not reviewed for another month and finally has his surgery scheduled for a year from then.

Why the different treatment for the two patients?

The first is a golden retriever; the second is a senior citizen!

President's Report - Food for thought...

The Law - Chicago Strike

(from the Joe Labadie Collection)

"It is illegal for 25,000 discontented strikers to use force. But it's OK for a dozen employers to force the strikers and their families to accept the terms offered or starve.

The employers may use force of the law because it is backed by the police and military. We want the law to support and respect the 25,000 people that are against it."

Steward Scot Retter is now in charge of the Archives. If anyone wants to help Scot, he is in Dept 40, First Shift.

On 7-25-06, we had Stewards Training at the Union Hall. We discussed at length the bankruptcy and what might happen. The Bargaining Committee will be having shift meetings at the Union Hall within the next week to go over these discussions.

In Solidarity, Dennis Leazier, President

Goodbye...

This is my last newsletter.

After 12 years, I will be leaving my position to return home to be with my elderly parents in Colorado.

I have enjoyed working here, especially working with those of you I have had contact with and the Retirees Auxiliary. I wish you all the best.

Mollie Britton, Union Hall Administrative Manager

HealthWorks Update

As we continue on with the first year of our new insurance program, here are some suggestions from our Brothers and Sisters to better utilize the system. (See Green & White "Fort Wayne Summary Plan description.")

- For coverage under the "wellness program" (p. 16), you must request the doctor to code the claim as such to receive the 90% payment for services - such as pap smear, mammo-gram, immunizations, chest x-ray, physical exams, etc.
- If you have a family status change you may be allowed to change your benefits during the year (p.6) such as marriage, divorce, birth, death, etc.
 - 1) You must complete a "life event notification form."
 - 2) You must make the benefit change within 31 days of the "family status change" otherwise, you will have to wait until the "annual enrollment period."
- Dental - if laid-off, your dental coverage ends at the end of the month in which you are laid off. When recalled, even if your medical coverage has been maintained, you must re-enroll for dental coverage. See HR when recalled to make sure this is done.
- Laid-off employees - If you have been laid off over a year and no longer have coverage under the plan, you will be eligible for coverage on the first day of the month following the month you return to work. You must complete an enrollment form which should be provided for you by HR. This may be mailed, or called into the HR office. If you do not receive an enrollment form when recalled, please contact the Union office. Grievance #1156 has been filed in an attempt to address this problem.

Any other problems or suggestions you may have for using the HealthWorks system, please contact the Union office and together we will fully utilize this benefit.

<i>Congratulations to those Retiring!!</i>				
<i>We Wish You Well In This New Beginning of Your Life!!</i>				
NAME	YRS SERVICE	CLOCK #	DEPT/SHIFT	RETIRED
James L Trowbridge	6.2	7534	151 / 2	7-1-2006
Joseph Dietrich	43.10	1351	46 / 1	8-1-2006
Pat Oberley	36.0	2637	131 / 2	8-1-2006
Larry Osborne	30.1	4387	300 / 1	8-1-2006
Nick Schott	30.0	4511	121 / 1	8-1-2006
Linda Dennis	30.0	4436	191 / 1	8-1-2006
Duane Martin	30.0	4438	350 / 2	8-1-2006
Rick Alford	30.0	4445	121 / 1	8-1-2006
Michael Parrish	30.0	4471	181 / 1	8-1-2006
Larry Clem	30.0	4498	300 / 2	8-1-2006
Steve Savio	30.0	4509	132 / 1	8-1-2006
John Bianski	30.0	4521	600 / 1	8-1-2006
Dick Leach	18.5	4615	56/2	8-1-2006

<i>In Memory of.....</i>	
Walther M Schneider	Retired 5-1-1980 Clock Number 308 Deceased 6-11-2006
Harry W Carney	Retired 10-1-2003 Clock Number 1384 Deceased 6-20-2006
Harold May Jr	Retired 1-1-2006 Clock Number 3426 Deceased 7-1-2006

MANPOWER REPORT	
(as of 7-25-2006)	
Active	481
Retired	1208
Sick Leave	119
Laid Off	367
Last Man	6406

The following is an excellent article regarding Dana submitted by Gerry Wirges, 600 line. The article is from:

In Search of EXCELLENCE - Lessons from American's Best-Run Companies

by Thomas J Peters and Robert H Waterman Jr

Dana

One of the most impressive success stories in people and productivity is that of the Dana Corporation under the leadership of Rene McPherson. Dana is a \$3 billion corporation, making unexotic products like brass propeller blades and gearboxes, primarily supporting the unexciting secondary market in the automobile and trucking industry. If you had looked at Dana as a proposition in strategic management, you would undoubtedly have labeled it a loser. Yet in the 1970s, this old-fashioned Midwestern business became the number two *Fortune 500* company in total return to investors. In the early 1970s, the sales per employee at Dana were the same as the all-industry average. By the late 1970s, and without massive capital spending, Dana's sales per employee had tripled while the all-industry average had not even doubled, (in Dana's industry segment, productivity had barely increased), a phenomenal productivity record for a huge business in an otherwise uninteresting industry. Furthermore, Dana is largely unionized, with the United Auto Workers (UAW) in almost all of its plants. But during the same decade, its grievance rate fell to a tiny fraction of the overall UAW average.

The key ingredient is productivity through people, pure and simple. As we mentioned earlier, when McPherson took over in 1973, one of his first acts was to destroy 22-1/2 inches of policy manuals and substitute a simple one-page statement of philosophy. It reads in the main:

- Nothing more effectively involves people, sustains creditability or generates enthusiasm than face to face communication. It is critical to provide and discuss all organization performance figures with all of our people.
- We have an obligation to provide training and the opportunity for development to our productive people who want to improve their skills, expand their career opportunities or simply further their general education.
- It is essential to provide job security for our people.
- Create incentive programs that rely on ideas and suggestions, as well as on hard work, to establish a reward pool.

Says McPherson: "The philosophy comes first. Almost every executive agrees that people are the most important asset. Yet almost none really lives it."

McPherson quickly reduced his corporate staff of 500 to 100, and the number of layers in his organization from eleven to five. His plant managers - about ninety of them - all became "store managers." In a litany repeated at Delta and at Disney, **they** were made responsible for learning *all* the jobs in the plants. And they were given the autonomy to get the overall job done. Their success led McPherson to say, in a statement that could get someone else kicked out of most board rooms in America, "I am opposed to the idea that less government, fewer regulations, capital formation incentives, and renewed research in development activity are what we need most to improve productivity. My suggestion: let our people get the job done."

At Dana, philosophy does come first; but then it's largely a matter of a voluntary diffusion of ideas. Everyone is responsible for ensuring that productivity increases take place. McPherson suggests the appropriate starting point: "Personal productivity of the top managers is a vital symbol." But nobody is told how to do it. If there is a how, it is a simple belief in that the inherent will reward efficiency of the man down at the bottom of the organization. As McPherson points out: "Until we believe that the expert in any particular job is most often the person performing it, we shall forever limit the potential of that person, in terms of both his own contributions to the organization and his own personal development. Consider a manufacturing setting: within their 25-square-foot area, nobody knows more about how to operate a machine, maximize its output, improve its quality, optimize the material flow and keep it operating efficiently than do the machine operators, material handlers, and maintenance people responsible for it. Nobody." He adds, "We didn't waste time with foolishness. We didn't have procedures, we didn't have lots of staff people. We let everybody do their job on the basis of what they need, what they say they'll do, and what their results are. And we gave them enough time to do it...we had better start admitting that the most important people in an organization are those who actually provide a service or make and add value to products, not those who administer the activity...that is, when I am in your 25 square feet of space, I'd better listen to you."

McPherson's focus is always the same. In casual conversation or formal presentation, he never waivers from his emphasis on people. As one of his former associates at Dana said to us, "I never heard him (continued on next page)

make a statement that didn't say something about people." McPherson says, "Look at the pictures in the annual reports. Don't worry about the chairman; he always gets his name under the picture- and it's spelled right too. Look for pictures of people [down-the-line workers]. How many of them are identified by name?"

Like HP, Dana did away with time clocks. "Everybody complained," McPherson says. "What do we do without time clocks? I said, 'How do you manage any ten people? If you see them come in late regularly, you talk to them. Why do you need time clocks to know if the people who work for you are coming in late?'" He also reinforces the focus on starting from positive assumptions about people's behavior as he elaborates on the story: "My staff said, 'You can't get rid of the time clocks. The government requires a record of every person's attendance and time worked; I said, 'Fine. As of now, everyone comes to work on time and leaves on time. That's what the record will say. Where there are big individual exceptions, we will deal with them on a case-by-case basis.'"

McPherson is a bug on face-to-face communications and on discussing *all* of the results with *all* of the people. He required that there be a monthly face-to-face meeting between division management and *every* member of the division to discuss directly and specifically all of the detailed corporate individual results. (We see that time and again in the excellent companies. They are obsessed about widely sharing information and preventing secrecy. They willingly trade any marginal loss of competitive information for the added commitment.) McPherson even stressed face-to-face contact in institutional advertisements. He ran ads that, as he says, "Made my middle managers *very* nervous at first." One said: "Talk Back to the Boss," another: "Ask Dumb Questions." McPherson deplores management's unwillingness to listen: "I wanted a picture, for a slide presentation, of a worker talking to his foreman. We had fourteen thousand photos in the file, but not one of supervisor *listening* to a worker."

McPherson spent 40 to 50% of his time on the stump, carrying the message directly to his people. He insisted on what he called "Town Meetings, with everybody in attendance. He recalls an experience in Reading, Pennsylvania: "I wanted to talk to all the people. The boss said there is no place to do it. It went on that way for three years. Finally, I said, 'Clean out the shipping department.' Sixteen hundred people showed up. In all my years of travel, I never got one cheap shot question from an employee. Yet my plant manager and division manager, when I insisted they go with me, never wanted to go...look at these pictures," he adds, pushing the stack over to us. "They are from the meetings. Always machine operators, never managers asking questions. You know why? Managers won't ask questions. They're scared."

Another McPherson obsession is training, continuous self-improvement. McPherson's pride and joy is Dana University. Several thousand Dana employees trooped through Dana U last year. Classes are practical, but at the same time they reinforce the people philosophy. Most classes are taught by seniors - corporate vice presidents (we found similar phenomenon at Disney U and McDonald's Hamburger U). According to McPherson, there is no more prestigious position for any member of the management than an appointment as a regent of Dana University. The Board of Regents is usually composed of nine division general managers. Nothing is forced at Dana. The Scanlon Profit Plan, for which Dana has gotten a lot of publicity, is a good example. Much to our surprise, it turns out that the Scanlon Plan is only in seven of the forty Dana divisions. McPherson says, "they go where they work. That's all. No division manager is under pressure to accept one."

The major pressure at Dana - and it's a very real one, as in most of our other excellent companies - is peer pressure. Dana's effort to foster it is capped by Hell Week. Twice a year about a hundred managers get together for five days to swap results and productivity improvement stories. McPherson encouraged the process, because he believes that peer pressure is what makes it all go. He says, "You can always fool the boss. I did. But you can't hide from your peers. They know what's really going on. And, of course, there is free and open communications, bordering on a free-for-all, during Hell Week. He ran ads that supported this one too: "We put them through hell."

McPherson's philosophy on job security has been tested severely during the recent hard times in the American auto industry. Much as the company would have liked to avoid it, it had to lay people off. On the other hand, even those actions were accompanied by continued intense communications. Everyone was told what was going on - as it happened. Says McPherson of the practical results, "We had an 80% participation in the stock plan in 1979. Then there were nine thousand layoffs. What's our participation rate now, including those laid off? Still 80%." Moreover, the 1981 bounce back in results by Dana, going strongly against the tide, is truly phenomenal.

The McPherson philosophy comes down to the value of everyone's contributing ideas, not just keeping up the pace on the line. "the way you stay fresh," stresses McPherson, "is you never stop traveling, you never stop listening. you never stop asking people what they think." Contrast that with the following comment from a General Motors worker, recently laid off after sixteen years in the Pontiac division: "I guess I got laid off because I make poor-quality cars. But in sixteen years, not once was I ever asked for a suggestion as to how to do my job better. Not once."

Editorial Comment - What happened? Food for lots of comment - what do YOU think?

Annual Retiree Banquet - September 13, 2006

Mark your calendars now! All Retirees will soon be receiving a letter from Dana inviting you to this year's annual retiree banquet. This year's Banquet will be held at a NEW LOCATION - this year the banquet will be at **Ceruti's Banquet Facility** just off of Ludwig Road, west of the Meijer store on the south side of the road. Ceruti's does NOT offer wheelchairs. If a wheelchair is needed, you will need to provide your own.

Ceruti's Banquet Facility
6601 Innovation Blvd
Fort Wayne, IN

Registration will begin at 1:00 p.m. and the Program will start at 2:00 p.m., and includes a buffet style meal.

You will be sent a postcard to be returned to Dana along with payment of ten dollars per person if you wish to attend. If you do not return the postcard and just show up at the door you will be charged a twenty dollar fee, per person, collected at the door.

D.E.A.A. is planning a **Picnic at the Zoo**
Saturday, September 30, 2006

All active employees and their family related guests are invited to attend. The picnic will be at the pavilion next to the main entrance of the zoo, at 3411 Sherman Blvd, Fort Wayne. All Active FWP employees, spouses, children and grandchildren (must be family related) are invited. There will be more information in August.

Integrity

Don't believe that winning is really everything.

It's more important to stand for something.

If you don't stand for something, what do you win?

Joseph Lane Kirkland (1922-1999)

Labor Union official and writer

As a Poll worker, I asked voters to say their names and sign the registration book. When it was Mrs. Clark's turn she announced her name and signed in. "Next," I called out, and the man behind Mrs. Clark said, "Ditto." "Thank you Mr. Clark," I replied. "Please sign the book." "I said my name is Dittoe," he corrected me loudly. "Mike Dittoe!"

Per Membership action, the General Meetings for July and August have been suspended.

The regular monthly meetings will resume the fourth Saturday in September - Sept 23rd.

I Am the Flag of the
UNITED STATES
Of America

I am the flag of the United States of America.

My name is Old Glory.

I fly atop the world's tallest buildings.

I stand watch in America's halls of justice.

I fly majestically over institutions of learning.

I stand guard with power in the world.

Look up and see me.

I stand for peace, honor, truth and justice.

I stand for freedom.

I am confident.

I am arrogant.

I am proud.

When I am flown with my fellow banners,

My head is a little higher, my colors a little truer.

I bow to no one!

I am recognized all over the world.

I am worshipped - I am saluted.

I am loved - I am revered.

I am respected - and I am feared.

I have fought in every battle of every war for more than 200 years.

I was flown at Valley Forge, Gettysburg, Shiloh and Appomattox.

I was there at San Juan Hill,

the trenches of France, in the Argonne Forest,

Anzio, Rome and the beaches of Normandy.

Guam, Okinawa, Korea and Kherson,

Saigon, Vietnam know me.

I was there.

I led my troupes, I was dirty, battle worn and tired,

But my soldiers cheered me and I was proud.

I have been burned, torn and trampled on the streets of countries I have helped set free.

It does not hurt for I am invincible.

I have been soiled upon, burned, torn and trampled in the streets of my country.

and when it's done by those whom I've served in battle - then it hurts.

But I shall overcome - for I am strong.

I have slipped the bonds of Earth and stood watch over the uncharted
frontiers of space from my vantage point on the moon.

I have borne silent witness to all of America's finest hours.

But my finest hours are yet to come!

When I am torn into strips and used as bandages for my wounded comrades on the battlefield,

when I am flown at half-mast to honor my soldier,

or when I lie in the trembling arms of a grieving parent

At the grave of their fallen son or daughter,

I am proud.



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STICKS IN A BUNDLE ARE UNBREAKABLE.
--**AFRICAN PROVERB**
WHEN SPIDER WEBS UNITE, THEY CAN TIE UP A LION.
--**ETHIOPIAN PROVERB**

Getting Your Kids To Financial Independence

I don't know about you, but my parents never sat me down or had any conversations with me about money management. In fact, it was some of my own missteps that peaked my interest in the financial field. And, the classes I took in primary school didn't help either. The National Foundation for Credit Counseling suggests parents take the following steps to arm their children with smart financial skills:

- Examine your own attitudes about money. Like it or not, most children will not necessarily practice what you preach, but instead follow by example.
- Communicate openly with children about personal finances, and take the time to sit down with young people and teach them financial terms.
- Arm children with basic financial tools by opening a savings account and showing them how to add to savings.
- Teach children about budgeting. Consider giving your child an allowance and talk to them about plans to save or spend the money.
- Where possible, turn everyday errands into financial lessons. Let your children see you compare the prices, use coupons, or broker a discount on a large purchase.
- Teach children the correct ways to use debt. With credit card companies aggressively targeting college students and more parents giving their teenage children credit cards, now it the time to teach children how to use credit wisely.
- Teach children about loans. Most children don't necessarily realize that their parents don't "own" their house, or realize the products for which people take loans.

(source: The National Foundation for Credit Counseling)

For more information, contact JKW Financial Service/Jim Wietfeldt at 260/496-9000, or toll free at 1-877-661-8900.

Jim is a Registered Principal, offering securities through Questar Capital Corporation (QCC) and a Member of NASD/SIPC. Jim is also an Investment Advisor Representative with Questar Asset Management, Inc (QAM), a Registered Investment Advisor. JFW Financial Services Inc is independent of QCC and QAM.
