

August 20, 2010

NAVISTAR UNIT UPDATE C.A.W. Local 127 and C.A.W. Local 35

Dear Sisters and Brothers:

On Thursday August 19, 2010 the bargaining committees of Local 127 and Local 35 met with the Company. The union requested the meeting to explore opportunities to get the Company back to the bargaining table. The meeting was exploratory in nature and the Union presented alternative methods in maximizing the production of the facility outside of the Company's longstanding "New World Order" proposal that eliminates 90 percent of the laid-off work force, while bringing third parties into the facility to do the work historically done by our membership. Given the Corporation's position, the bargaining committees expressed the need for fair and equitable treatment of our members concerning retirement incentives and severance. The Company's initial response was firstly the concepts we presented do not seem acceptable, however they will review the items presented and will get back to the Union in a formal response within the next two weeks. When questioned today the future production at the facility. The response was that even if we reached an agreement today, the plant would not be operational by the end of 2010.

The Corporation was challenged on any future plans to close the facility, the Company's response; they are unaware of any plans to close the Chatham facility at this time.

We can all recognize the current state of the economy. It is the belief of the bargaining committees that until this Corporation needs to produce trucks, no matter what is discussed or presented, that the Company has no need to enter into a real bargaining scenario. It is also obvious at this point that the issues between the Union and the Company cannot currently be fixed at the bargaining table.

Navistar has taken the hard earned tax payer dollars in government loans along with the many concessions of the members and have not built a truck in 14 months at our facility. We need some government intervention!

Following the Company's formal response, a meeting date will be posted for both Local 35 and Local 127 memberships. All relevant information will be discussed in detail with our memberships at that time.

In Solidarity,

Cathy Wiebenga
Plant Chairperson
C.A.W. Local 127

Sonny Galea
Office Chairperson
C.A.W. Local 35