

**Mon 2/6/2012**

**UAW Vice President General Holiefield**

**RAI TV**

Giovanni Botteri, RAI: ... The first deal in 2009 with Chrysler?

**General Holiefield: Very stressful. It was stressful for not just the UAW but for the membership as well; all the coworkers, you know, the workers of the facilities. Naturally it was – the whole deal was a matter of life or death for them and naturally we all felt it; the UAW along with the employees of Chrysler. But so far as the deal itself it was a godsend, you know, that we all could sit down at the table if you will in brotherhood and try to work out a meaningful relationship that would certainly provide opportunity for the employees of Chrysler.**

GB: It was the choice between no jobs and bad jobs or it was something else?

**GH: Well, actually it meant – provided we weren't able to work the deal out it would have meant basically the total demise of Chrysler. Certainly they were sitting on the brink of Chapter 7 of the Bankruptcy Code so we had to roll up our sleeves to get the best deal for the employees and to save an icon, you know, an automobile manufacturing company that meant so much to the community and so much to the United States as well.**

GB: I think to Italian unions because they were divided in front of a deal like yours somebody thought about saving the jobs, the factories, the story of a country and workers, and somebody else thought that it was necessary to fight more and again. Which choice did you do in 2009? What did you think in 2009?

**GH: Well, here's my analogy; and if you were taking an airplane ride to wherever and if they were to experience a loss of oxygen, you're always told to put the oxygen on your face first before you help someone else. So that's what we had to do so to speak with Chrysler; we had to put the oxygen on Chrysler's face and to provide that they were able to breathe; that we can see a tomorrow. And what I mean by that is tying in actually what we did, the UAW, Chrysler, along with Fiat, Sergio Marchionne; you know, God bless him, you know, that we were able to put all of this together because now it means that the company is beginning to breathe a little bit on its own and we wanted to continue to do the right things to make sure that it becomes even more viable in the future.**

GB: How can you (live?) with workers working together and one with \$28 an hour and the other one \$14 or \$15?

**GH: Well, actually when we sat down for bargaining, I mean we were sort of given a directive out of Washington in the very initial – the very infant stages of the agreement in putting everything together. It didn't actually take place during this set or round of collective bargaining for this past contract it actually took shape and form in 2009 where the President of the United States had also said to not only Chrysler but to General Motors that everyone had to have -- in his terms -- skin in the game, meaning that not just Chrysler or General**

**Motors workers but also the shareholders, the stockholders; anyone that had an interest in the company had to put something in and to make the companies more attractive to do business. And our labor cost was deemed to have been out of spec with the competition and so we knew then that we had to do something to bring everything in line with what was going on in automotive manufacturing today, and yesterday. And we believe that we have accomplished that.**

**Also just moving forward with this last set of bargaining for this new agreement we believe we did the right thing. We also believe that the company did the right thing in shoring up the current wages where they were coming in at \$14 an hour. They did move them up in scale and they setup wages of progression for them; and you know, they can very well possibly in the near future buy Chrysler products, you know. So there's hope and the company is getting better; the employees are enjoying the work that they do; they're beginning to embrace, many of them – actually all of them are embracing WCM and that's a good thing. So we're positive; we're thinking – we're believing that we did the right things in all the applications that we put in the agreement, and we'll be better for it tomorrow.**

GB: And for tomorrow, do you think that something could change or you have the same trend; means more jobs but less paid?

**GH: No. No, here's – I think the economic situation in which we all live in today, and this has proven to be very dire, there's – not that people are working for less pay, but you've got to be able to meet the competition, you know. If the competition was selling or paying, you know, scale at a certain level you've got to be within the ballpark and we recognize that. If you're not then you're out of business. If the companies can't afford to get parts as their competition, at the level that their competition is able to purchase those parts and raw materials and things ... for manufacturing then they can't compete; and if they can't compete, then they're out of business and we understand that.**

GB: Not speaking about money but about rights, do you think that sometimes it's necessary to renounce to some rights because of jobs, because it's important taking the jobs or not?

**GH: I don't understand when you say the rights.**

GB: I mean worker rights; sometimes you have to renounce some things you obtained in history because basically the (change is done?).

**GH: I think I understand what you're saying. We haven't relinquished any workers' rights but –**

GB: I mean about pension, about everything that 20 years ago Chrysler workers had and now they have not.

**GH: Well, they had – we had what you call a defined pension plan, but now they've got – it's not called defined pension plan but they are – a defined contribution plan; a little different but there is actually with a plan like that, they could be pretty well off. You know, if you look at them between now and 30 years – we've done the math and we know what could possibly happen with the type of programs that they have now. So they'll be fine, they'll be fine.**

GB: And how do you see the future, not only for this factory or the other Chrysler factories but for all the car workers?

**GH: For automotive manufacturing?**

GB: Yeah, yeah, all the car workers in the United States; in the Western countries.

**GH: Yes. You know, I see the future as being very bright. As long as we continue to go through an economic recovery as we're experiencing now – a little slow but still it's progressing much better, and I think it's quite evident if you look at the Big Three, they're all showing some signs of profit. You know, so the people are beginning to place a little bit more confidence in the economy and so where there's confidence in the economy then people are more willing to spend, and I think that's what we're experiencing now. And I'll tell you, Chrysler has some wonderful looking products, you know, and the people – and they're very appealing, and this is why they're selling. And not only just with Chrysler, but Ford and General Motors, and also the Asian competition. You know, when you look at Toyota, Nissan, everybody's doing fairly well. So I think it's all hinging on the economy; but the competition is fierce.**

**And what we've learned through WCM is to better ourselves; to continuously get better through the continuous programs that have aligned themselves in the pillars of WCM. And I'll tell you, I think you know every employee over in Italy, when we toured those facilities in Rome and Naples and over in Poland, I had a whole new experience and I couldn't wait to get back here to talk to my coworkers about it and to help them pre-experience what I did in doing the visual strolls through the facilities over there. And I think that the workforces over there in Italy are second to none. You guys over there know how to build automobiles. I thought we had it all 100 percent but I have to recognize no, there's others in the world that can build automobiles, but we've taken a page out of your book and we've embraced WCM and the people are beginning to learn and they're liking what they're going through; and it has sent us and it will continue to make us much better than a lot of manufacturers here in the United States.**

GB: Last question –

**GH: Let me say this.**

GB: Yes.

**GH: There's a little bit of Italy's workers in every product that we build, okay, because you guys took WCM and you put the polish on it and we've learned from you. So I would have to say for every automobile that rolls out of a Chrysler facility there's a little bit of Italy in it because you guys have shown us how to do it.**

GB: Last question is about the other workers in Poland, in India.

**GH: Mm-hmm.**

GB: Don't you fear this competition with workers less organized and with less rights and smaller requests of money and protection?

**GH: We favor here in the U.S., and especially through organized labor, human and civil rights. We believe that if the employee, the worker, has a voice in the workplace they'll be a better**

employee for the company. What we have examined through WCM, that product is there because employees have a chance to interact with the management, they have an opportunity to talk about their jobs and how they can make them better ergonomically, they talk about the ideas that they'd like to express, and it gives them a voice; and if they're allowed to have a voice in the workplace – and I'm going to tell you something; this is deeply rooted in what Walter Reuther wanted; it's deeply rooted in his dream that the worker begin to get a little bit of workplace democracy. And in order to have that you have to give them a voice; and through this program of WCM, every one of them has a voice, and they're active and they're talking about what it takes to get that best job out the door and yet gain respect for me as an individual, and that's what it's providing for them.

GB: Did you ever work in a factory?

GH: Yes. Yes, as a matter of fact I've been with Chrysler for 38 years. I started out in the shop as a chief steward, and I was elected – went on as committeeman, went on as vice president then president of the local union, on the staff in 1995 as a servicing representative for the international union; from that I was coordinator and handled all the arbitration for the UAW within the Chrysler sector; went on from that to be assistant director to executive administrative assistant to the president of the international union, and on to being vice president today. So I've had a long and rich career within Chrysler, the automotive manufacturing sector, and I love it, and I love the people.

GB: How was working in Chrysler the old years? You worked with Clint Eastwood making the Gran Torino, right?!

GH: Yeah, you know what, and that was an interesting movie. But Chrysler has been very cyclical over the years, but what I've discovered about Chrysler is that if you've got product in the pipeline and good product, the people will buy it; but even more so they will buy again and again if you've got it backed with WCM. They will because that meant that the quality where it was here, it's now off the charts, OK, and that's what makes the customer want to come back.

The overall attitude of the old Chrysler was they didn't listen to the employees; there was no mechanism for them to interact with the management. Today there is, you know, and I think this is going to be the hallmark of the success of Chrysler, you know, which would be second to the products that they create. And again, Sergio Marchionne is a marketing genius; I mean the products, we think that the things that he's doing here are going to be reflective not just in the marketplace but in the world, you know. I'm only happy that we're all a part of that.

And everything came out of Italy; I mean everything that we know today in manufacturing is being simulated from Italy. And you know, I've witnessed the workers there, what wonderful workers there in Italy. I've talked with them myself and I tried to understand the concept; and the facilities there are hospital clean, you know, and that gives you a sense of pride right away to work in an environment that's clean and serene. And you know, a lot of folks' homes need to have WCM in them, you know, because I think then that they'll find that it'll be a better more comfortable place of living. And then there's – you can't beat the pride and what

**it's going to do in the marketplace and in selling products and selling good products. So I think it's all good.**

GB: The last question is about 2009 and it's about – why do you think that at one moment Chrysler, Ford, General Motors stopped to sell cars? It's because of the crisis, because of the quality, because of the Toyota or Japanese cars or why that a moment you have – I remember the pictures of thousands and thousands of cars.

**GH: Where was this, where?**

GB: In Packard.

**GH: Yeah, you want me to answer that question?**

GB: Yeah, yeah, yeah, yeah, just a few seconds. Okay, yes. So what did you think, at one moment, poof.

**GH: Yeah. In my opinion –**

GB: Yes, it's your point of view. I don't want to –

**GH: Okay, my point of view, my point of view. What happened to Chrysler, what happened to General Motors, that almost happened to Ford as well was the fact that they went to sleep at the wheel. They forgot about the competition; they were comfortable and they began to feel like – you know, they forgot about the competition, okay, and they were lulled to sleep. And while they were lured asleep someone else began to eat their lunch, all right. And when they began to wake up and realize, you know, that they didn't have the market like they thought they did it was a bit too late for that. While Chrysler was being headed up by Daimler at that time, a lot of the same would have applied to them. They didn't believe totally in the employees; you know, they didn't believe – they didn't have – and I don't want to call WCM a program but they didn't have a model like WCM that they would put into practice and use it every day as the tool that it was intended to be. And while they were making money they began to get a false sense of security, okay, and they didn't pay close attention to market trends and actually what was going on. They didn't pay attention to what the customers really wanted in an automobile; they didn't pay attention to the interiors; they didn't pay a lot of attention to the body styles; and then what happened was – and they totally abandoned the car market and they got solely into trucks and SUVs when there's certainly other things out there that interest the consumer in the product lines. So they began to experience a sudden demise and that's what happened. So that accompanied with a bad economy means you're going down fast.**

GB: And do you think the workers too forgot competition? I'm thinking about the factories like Toyota in the south part of the States where the situation of workers is completely different.

**GH: It's different. You know the workers I would think for the most part expect to have a job and to provide for their families, and they leave a lot of the managing to the companies and the corporations in which they work for; and rightfully so. But today they're beginning to get a little bit wiser and the companies are a lot wiser, and I think what Fiat has done was brought a lot of wisdom here to America in showing how true automotive manufacturing**

really is, and what it's all about, and how you should treat your employees and the people that work for you. You know, again I have to give a reflection on the people having a voice in the workplace. And I'll assure you, no one wants to go back to yesterday, you know. That's an absolute no-no. Everyone wants to move forward; they're all excited about this company. They don't want to see it fail, you know. They want to make Italy very proud of what they're doing here with Chrysler, and they want every product to resemble them; to say, "Hey, I'm a quality person I want a quality product to come out of here. And if I touch that product, it's going to say that I did a great job." Okay? So the mindset is different; the culture is changing every day; and while we've still got a long ways to go, we've made some great strides and we're willing to continue to learn more and more, and to be more creative in our day-to-day workings. So we don't want to experience what we experienced in the past; we want all the shareholders eventually, when they come aboard, to experience what they expect, you know, a great yield from this company. And we want, one day, that it should stand on its own as by design. You know, and we're all headed in the right direction to make that dream come true, to become a reality, yes.

GB: Thank you very much.

**GH: Thank you.**

GB: Thank you.

**GH: Appreciate it.**

[End of interview]