



**BUILDING AMERICA®**

November 11, 2024

Via Electronic & Certified Mail

# 9407136208551274619835

Mr. Jeremy Ferguson  
President, SMART TD  
6060 Rockside Woods Blvd N,  
Suite 325  
Independence, OH 44131

**Mr. Luke Edington**  
General Chairperson, SMART-TD  
5990 SW 28<sup>th</sup> Street, Suite F  
Topeka, KS 66614

Mr. Roy Davis  
General Chairperson, SMART-TD  
400 Randal Way, Suite 102  
Spring, TX 77388

Mr. Joesph Cornelius  
General Chairperson, SMART-TD  
161 W Van Asche Loop, Suite 2  
Fayetteville, AR 72703

Mr. Todd Campbell  
General Chairperson, SMART-TD  
500 Menlo Dr., Suite 130  
Rocklin, CA 95765

Mr. Scott Chelette  
General Chairperson, SMART-TD  
320 South Broadway Ave.  
Suite 600  
Tyler, TX 75702

Gentlemen:

Union Pacific Railroad (Carrier) hereby serves notice, in accordance with Section 6 of the Railway Labor Act, of its desire to amend its existing agreements establishing the rates of pay, rules and working conditions for all train, engine and yard (TE&Y) employees of the Carrier represented by SMART TD (Union). The Carrier intends to bargain with the Union on a systemwide basis for changes to the agreements handled by the General Chairpersons to whom this letter is addressed. Please designate your systemwide bargaining representative to whom future correspondence should be addressed so we can determine a date and time to commence bargaining.

I also hereby acknowledge receipt of Mr. Davis's letter, dated November 6, 2024, enclosing a copy of a Section 6 notice served by SMART Transportation Division (SMART TD) GCA-577, and Mr. Edington's letter, dated November 11, 2024, enclosing a copy of a Section 6 notice served by GCA-953. I propose that these notices, along with any notices served by other SMART TD general committees, be handled concurrently with the attached notice served by Union Pacific. We are agreeable to waiving initial conferences on this notice and any other notice received by other SMART TD general committees.

Sincerely,

cc (email only): National VP B. Leonard  
National VP G. Crest

Atch: Attachment "A"

## **Attachment A – Union Pacific Section 6 Notice**

America's freight railroads are the backbone of the U.S. economy, and railroaders can take pride in the essential role they play moving the goods and raw materials that make modern-day America possible. By combining a talented work force, ongoing innovation, enormous capital investment, and an unwavering commitment to safety and service, the freight rail industry has adapted for generations to meet our country's changing needs while at the same time offering some of the best and most rewarding careers in industrial America.

Today, average compensation in the rail industry is higher than in industries that employ 94% of all other workers. In addition to strong wages, railroaders have access to world-class health and welfare benefits, advanced training opportunities, and substantial paid time off. The most recent round of national collective bargaining yielded historic pay increases and stronger benefits for rail employees and, in the period since those agreements were reached, individual carriers and unions have collaborated extensively to address railroaders' quality-of-life concerns.

Just as freight rail jobs must continue to deliver for employees and their families, rail carriers must be positioned to deliver for customers. To compete in today's dynamic transportation environment, freight railroads must have the operational and financial flexibility needed to provide timely, reliable, and affordable service. This flexibility allows railroads to respond to fluctuations in demand and take advantage of opportunities for growth.

Modernizing our agreements is critical to the railroad industry's long-term ability to compete and provide job security. We cannot ignore external competitive pressures and carry on as if past financial performance is simply guaranteed in the future. The security and prosperity of Union Pacific Railroad depends on our continued ability to innovate, adapt, and manage our labor costs in a responsible, measured manner.

Union Pacific Railroad reserves the right to offer proposals in any or all of the following areas:

1.       **Compensation.** Adjust compensation to ensure fair and competitive compensation packages that account for existing benchmarks, current economic conditions, the general labor market, and the competitive nature of the transportation marketplace. Where appropriate, align compensation with work actually performed and the needs and goals of railroad operations.

2.       **Health and Welfare.** Continue to modernize all aspects of the health care plans to ensure consistency with mainstream and benchmark norms. Additionally, ensure that plans are structured so that member utilization choices and decisions reflect a heightened awareness of treatment efficiencies and cost-effective and clinically appropriate alternatives that are designed to foster improved health.

3.       **Improve Service and Productivity.** Revise work rules that impact or inhibit the railroad's ability to provide customers with timely, reliable, and affordable service, impede productive utilization of employees, and/or prevent the railroad from utilizing efficient means of safely accomplishing necessary work. Additionally, simplify and modernize agreements to ensure greater alignment with mainstream business practices and standards in American transportation industries.

4.       **Additional Work Rules.** Revise work rules to enhance employee quality of life, improve retention, increase safety, promote efficiency, and ensure the railroad's ability to meet customer service and operational requirements. Make all necessary changes in contracts, rules, and practices to improve operational efficiency and availability such as running in, out, and through terminals, increase flexibility inside the terminals, and elimination of calling windows. Simplify and streamline existing contracts and contract language, enhance safety, enable the use of technology, and otherwise reflect the competitive and financial needs of the industry while balancing the mutual interest of the carrier and its employees in responsible, stable, enduring and fair rules, rates of pay, and working conditions.

5.       **Duration and moratorium.** Ensure that any agreement is of sufficient duration to facilitate labor stability and predictability during the moratorium period.