

Union Newsletter

October 2005

Who Runs Amtrak?

An Injury To One Is An Injury To All

AN APPEAL TO REASON



Newsletter of the Pennsylvania Federation

October 2005

Amtrak On-Time Performance at 69%

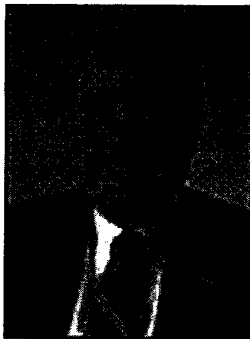
Management Only Gets It Right About 2/3rds of the Time

Who Are These Masked Men Who Are Running the Railroad Into the Ground?

They are a Lawyer/Bush Campaign Fund Raiser, Bankruptcy Artist/Baseball Team Owner (minor league), Union Buster and an Amoco Man

None of the Amtrak Board of Directors have any experience in operating a railroad except Amtrak President Gunn. Amtrak President Gunn's career is highlighted by infrastructure failures he could have prevented and labor strikes he caused where ever he has worked. It has been said that his management policies have disrupted more service and derailed more trains than any other transit manager in recent history. The fact that the trains run at all on the Northeast Corridor is a miracle and a testament to the hard working unionized employees of Amtrak who must struggle daily to compensate for this management hostility and inadequacy.

Who are these men that work every day to kill train service on Amtrak?
Read their stories and see why things are so messed up between the 56 ½ inches.



David Gunn, President and Member of Amtrak Board of Directors

Anti Employee Union Buster

David Gunn has a long career in the rail transit industry and is noted for his bad faith bargaining, taking risks with passenger lives by not repairing infrastructure and firing employees who complain about these policies. In 1983, David became head of Septa and made a series of demands on its unions that would reduce compensation, slash benefits, eliminate injury protection and brutalize working conditions (sound familiar?). His bad faith bargaining forced the BLE out on strike and Philadelphia's transit agency was shut down for 108 days stranding thousands of daily riders. David was forced to withdraw his demands for reductions from the table and the strike came to an end. After 108 days of pain, everyone went back to work under the same conditions in effect prior to the work stoppage.

From Septa he went on to manage the NYC transit system and he immediately provoked another strike with his bad faith negotiations. This strike only lasted 12 days and was another huge waste of resources. While managing the NYC transit system David ignored serious infrastructure problems that placed the lives of the riding public at risk (sound familiar?). He ignored repeated reports from 1986-1989 of imminent failure of the Manhattan Bridge which carries 100,000 riders daily. The bridge failed when two 80 year old stringer beams broke and dropped several inches closing the bridge until they could be repaired.

In 1989, the New York City Inspector General accused David of having misplaced priorities when he spent 5 million dollars on an advertising campaign rather than installing a sprinkler system to prevent a fire in a mid-town tunnel. The Inspector General said David's policies were "disturbing and disappointing" for his failure to respond quickly to "alarming conditions" that remain uncorrected in parts of the subway system. In a report, the Inspector General accused David of telling phoney stories about fixing subway car doors which fly open on moving trains. Congressman Gerald Nadler said "He chose to lie about something that can kill people at any time." Although David was informed in 1984 of the door problem he did nothing to correct it and in fact spent another billion dollars purchasing subway cars he new were defective. Albert Garner, a professional engineer who worked for the Transit Authority, blew the whistle on the failed subway cars and David's unwillingness to take the necessary steps to protect the public. David Gunn fired Mr. Garner who in turn sued David in court and won a damage award requiring David to personally pay him restitution for his illegal actions.

David intends to ride off into the sunset from Amtrak. We say good riddance. Like a drug addict his behavior is crude and predictable and he has a million reasons why he must repeat his failed behavior of the past. His position at the bargaining table is outrageous and he has dictated demands that make it impossible to negotiate an agreement. He was aware of the brake failure on the Acela for three years before he did anything about it and then only did something when an inspector made it public. We should be thankful he has not killed a train load of passengers with his incompetent arrogance. The fire on Portal Bridge, which shut down the Northeast Corridor last May was a direct result of his failed management policies. And finally, on Amtrak we have our own Inspector General report, issued in November 2004, warning of imminent failure if these policies are not reversed.

Amtrak's Board of Directors

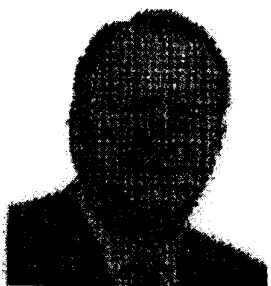
Safe Reliable Rail Transportation In Jeopardy



David Laney,
Chairman of the
Board, Lawyer,
Major Bush
Campaign Fund
Raiser

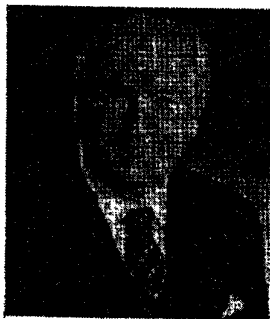
David Laney is the Chairman of the Board of Directors for Amtrak. He is from Dallas, Texas and has no experience managing a railroad and there is no record that he ever pounded a spike, turned a wrench or operated a machine or engine. He is a major campaign fund raiser for President George Bush and became a campaign "Pioneer" by raising over \$100,000 for Bush's 2000 presidential campaign.

David Laney is a lawyer and partner in the business transactions section of a big law firm called Jackson Walker. Transactional law focuses on buy/sell agreements for businesses, banking relations, estate planning for business clients, bankruptcy law, venture capital and executive compensation.



Enrique Sosa,
Amoco Man

Enrique Sosa, Cuban born, American citizen since 1971, Chemical Company Executive, currently chairman of the Speciality Chemicals group for Glencoe Capital. Past President of the American Chamber of Commerce in Sao Paulo, Brazil. As executive vice president, Sosa headed Amoco's chemicals sector before becoming president of BP Amoco Chemicals after the two companies merged. Prior to joining Amoco, he was senior vice president of Dow Chemical and president of Dow North America. He was also a member of Dow's board of directors and executive committee. No experience managing a railroad.



Floyd Hall, former
CEO of Kmart and
owner of minor
league baseball
team in New Jersey

Floyd Hall was born in Duncan, Oklahoma and spent most of his career as a sales manager for department stores. From 1995-2000 he was CEO of Kmart. Upon his retirement from Kmart he said, "I have truly enjoyed my 5 year tenure at Kmart and feel a great pride in all that we have accomplished. With a solid foundation, now it is time to transition to a new Chairman and CEO." Two years later Kmart was forced to file for bankruptcy. This was a real blue light special.

Floyd Hall currently is owner of a minor league baseball team in New Jersey called the New Jersey Jackals that play out of Yogi Berra stadium in Montclair State University.

Attack Workers and Place Passengers at Risk


Is This Anyway to Operate A Railroad?

If management's are measured on their job performance this management should have been replaced a long time ago. They have only been able to obtain a 69% on time performance for the customer. In addition, the Inspector General issued a report in November 2004 where he stated:

"Unsustainably large operating losses, poor on time performance, and increasing levels of deferred infrastructure and fleet investment are a clarion call to the need for significant changes in Amtrak's strategy. Continued deferral brings Amtrak closer to a major point of failure on the system but no one knows where or when such failure will occur."

Their response to their poor job performance and outrageous negligence is to attack the unionized employees who are holding everything together. They absolutely refuse to bargain new agreements with us and rely upon the White House control of the bargaining process to keep us from striking. They have issued a plan to privatize large sections of the railroad, increase outsourcing, eliminate railroad retirement (pension) benefits and do away with, or severely weaken, laws that protect injured workers. In addition, Gunn and the Amtrak Board want Congress to legislate new agreements rather than having to sit down and engage in good faith discussions with their employees. This management has abandoned their responsibilities to the passengers, the employees and the American taxpayers. They seek to shift the blame for their inability to operate a railroad to the employees who are operating the railroad under the enormous burden that their incompetence and arrogance imposes.

The people who are in charge of Amtrak know as much about operating a railroad as Michael Brown knew about operating the Federal Emergency Management Agency. When there is no emergency, it is sometimes possible to have incompetence in charge. When an emergency happens, we need someone at the helm that wants to run trains not attack the employees and take unnecessary risks with the lives of the passengers. We are in an emergency right now on this railroad and unfortunately the management is not up to the task of fulfilling their obligations to the employees or the riding public.


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