## **United Steelworkers**







November 2, 2005

Leo W. Gerard International President

Mr. Robert S. Miller
Chairman of the Board and
Chief Executive Officer
Delphi, Inc.
5725 Delphi Drive
Troy, Michigan 48098

Dear Steve:

I read the account of your meeting with the Washington Post editors with considerable amazement. Either you and I were engaged in different negotiations at Bethlehem, or your preference for media manipulation over problem solving is causing you to revise the facts about our negotiations at Bethlehem to suit your indefensible objective of cutting workers' wages at Delphi by nearly two-thirds.

To suggest, as you did in your Washington Post, interview, that you were "totally in agreement" with our union during our Bethlehem negotiations belies the obvious. Had we been in total agreement, we would have bargained a new contract and saved Bethlehem, as we did with the International Steel Group (ISG), an agreement that led to the resurrection of both LTV and Bethlehem Steel.

In addition, you seriously misrepresented the facts about our negotiations with ISG that brought LTV back to life. Former LTV workers were not called back selectively, as you claimed, they were called back according to seniority. From day one, we had understandings in principle with ISG on management reductions, increased wages, health coverage reforms, and the possibility of profit sharing and bonuses — all of which were achieved in the final agreement, principles which you unfortunately resisted at Bethlehem every step of the way.

Your comments to the *Post* were especially revisionist with specific regard to our alleged "agreement" on the restructuring and consolidation of the steel industry. As you well know, our union insisted, first and foremost, that Bethlehem reinvest in domestic production. You, by contrast, not only rejected this approach, but worked overtime to break up the company's assets in an attempt to sell off some of Bethlehem's most prized operations to a Brazilian firm.

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Furthermore, you could have had an agreement, if you hadn't persistently rejected our calls for limiting contracting out, cutting the bloated roster of Bethlehem management, increasing our members' role in corporate governance, and providing profit sharing and bonuses hand-in-glove with streamlining the workforce.

Moreover, had we been in full agreement, you would have joined our Union in challenging, as we have for years, the very trade policies to which you are now surrendering by oversimplifying the case at Delphi with your claim that you cannot "extract more money from our customers than what the market says that the parts are worth." No statement offers greater evidence of how much we are at odds over the need to challenge current trade policies in order to preserve an industrial economy in North America.

I would suggest that as you go forward in what is obviously a ceaseless campaign of media manipulation that you refrain from misrepresenting your role at Bethlehem, and stop alleging a level of cooperation with our Union that your resistance to innovative solutions prevented us from achieving.

If you would like to discuss this further, feel free to call me.

Sincerely,

Leo W. Gerard

International President

LWG/crm

c: International Executive Board