

# INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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Sidney R. Brown, Chief Executive Officer  
National Freight Industries (NFI)  
1515 Burnt Mill Road  
Cherry Hill, NJ 08003

Dear Mr. Brown:

Since it is our understanding that you may have recently closed on your purchase of California Cartage Company (Cal Cartage), I wanted to introduce myself in the event you seek to resolve ongoing labor disputes at Cal Cartage. I am Director of the Port Division for the International Brotherhood of Teamsters and an International Vice President At-Large.

We trust that you are aware port drivers and warehouse workers have engaged in at least 15 unfair labor practice strikes and picketing over the past three years – including Cal Cartage employees – related to employment misclassification, wage and hour violations, safety and health issues, harassment and interrogation, illegal firings, and what USA Today recently described as “sharecropping” in its recent groundbreaking investigative report, “Rigged: Forced into debt, Worked past exhaustion, Left with nothing.” We also assume you have been made aware of the extensive unfair labor practice charges the Teamsters filed earlier this year in response to the Cal Cartage’s efforts to suppress organizing by its warehouse workers. We also assume that you are aware that the NLRB Region 21 decided in the Teamsters’ favor on many of these unfair labor practice charges and authorized issuance of complaint against Cal Cartage on many of these unfair labor practices. A copy of the charges in Case No. 21- CA-190500 is attached. Also attached is a copy of the charge against Cal Cartage in case 21-CA-201215, which is currently under investigation. We also expect your due diligence accurately assessed current and potential future financial and legal liability related to Cal Cartage’s current business practices which have produced numerous labor law violations.

As the Union representing workers in the transportation and warehousing industry for over 100 years, the International Brotherhood of Teamsters (IBT) has been committed to improving the economic and social well-being of workers in the port drayage and warehouse industry. As we recognize downward financial pressures of a competitive environment derived from, until recently, a lack of uniform and predictable labor law enforcement; the Teamsters has been committed to creating a level playing field for workers and businesses in this industry. As such, we have been assisting hundreds of port drivers and warehouse workers at the Ports of Los Angeles and Long Beach – including Cal Cartage workers – with organizing to form their union and file legal claims in order to get their civil and labor rights and freedom of association

protected. The results to date: every government agency and court that has reviewed this issue has determined port drivers are being illegally misclassified as independent contractors. California and federal courts have also ruled that state and local agencies are not preempted from enforcing generally applicable labor laws on port trucking companies.

The spotlight on these appalling conditions has garnered widespread support. U.S. Senators recently contacted the CEO's of major retailers such as Amazon, Target and Wal-Mart urging them to stamp out labor abuses in their supply chains. The California Labor Commissioner has prioritized stamping out illegal worker misclassification. The mayors of Los Angeles and Long Beach have publicly committed to solving the labor problems at their ports.

Combined, all of these efforts have made significant progress bringing the LA/LB harbor drayage industry into compliance with labor laws, but there is still more work to do. And the Teamsters are committed to redoubling our efforts. A few years ago the nay-sayers said it was impossible for any port trucking company to comply with an employee driver model. Now there are dozens of companies, including companies that have collective bargaining agreements with the Teamsters, and the list is growing. In spite of facing an on-going labor dispute and misclassification-related litigation and government enforcement actions, California Cartage had continued to cling to a discredited business model. Hopefully you will rethink that approach.

Please let us know if you are interested in meeting to discuss resolving these issues so that we may work together to create a prosperous port drayage industry that benefits both the workers and their employers. My office is in Hazlet, New Jersey so scheduling a meeting could be relatively easy. If you are interested, please contact our campaign director, Nick Weiner at (202) 352-7944 or at [nick.weiner@changetowin.org](mailto:nick.weiner@changetowin.org) to schedule a meeting or phone call.

Sincerely,



Fredrick Potter  
International Vice-President At-Large and  
Port Division Director

CC: Randy Cammack, President, Teamsters Joint Council 42  
Eric Tate, Secretary-Treasurer, Teamsters Local 848

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