

Ohio BASF Members Ratify Five-Year Contract

Local 1-8565 members at BASF's Streetsboro, Ohio, cement plant ratified at the end of March a five-year agreement that included a 13 percent wage increase over the contract term and benefit improvements.

The contract began March 31, 2018 and ends April 1, 2022. It covers 19 maintenance and production workers.

"The workers felt comfortable with a five-year contract," said Local 1-8565 President Marcus Graves. He helped negotiate the agreement for the BASF unit in his amalgamated local.

Wages increase the first year at 2.5 percent. Wages will increase 2.6 percent in the second, third and fourth years. Workers will see a 2.75 percent wage increase the fifth year of the contract.

No changes were made to the health care plan, and workers will continue to pay 20 percent of the health insurance premiums.

Life and accidental death & dismemberment insurance coverage increases \$2,000 to \$42,000 of coverage.

BASF will increase its 401(k) match from 6 percent to 7 percent effective Jan. 1, 2019.

The local inserted a probationary period for summer help, and added contract language regarding daily transfers, via seniority, if there is a lack of work in an area. Graves said everyone is cross-trained and can do all the jobs at the site.

"It was a tough negotiation," Graves said, "but the members won a decent contract."

BASF bought the site six years ago from Master Builder, which purchased it from Degussa.

Remembering 3M Union Leader Michael Schanks

Dear Friends and Family of Michael Schanks,

It is with a broken heart that I write to you today. Mike was truly one of the good guys, not just among Steelworkers but within all his circles of co-workers, family and friends.

Because Mike made such an impact with me, USW staff and across our union, we put together a booklet to give a sense of the work that Mike did behind the scenes to improve the lives of others.



In the fall of 2015, Mike reached out to me about forming a "3M Council." He saw how local unions banded together to exchange information at similar chemical companies, and he observed how that led to positive results for each local, on the shop floor and at the bargaining table. He thought it could work at 3M, too, so he stepped up to kick-start the council.

Beyond being the architect of the 3M Council, Mike became the driving force behind every meeting. He kept in touch with the eight other sites, and was always aware of the issues affecting each 3M local. His advice proved invaluable to me and the USW staff with whom he worked closely. I know all the other local leaders held him in high esteem, too.

Even workers who didn't have a union seemed to recognize Mike's willingness to help. How many times did he tell you about a trip to Illinois, Minnesota or Kentucky to help others get better protections on the job through a union? Mike was devoted.

One of Mike's last acts was to check on a fellow union brother who was going through hard times—he just seemed to put others' needs above his own.

Mike's smile was evident in the group pictures taken. He had a lot to be proud of—by my count 1,500 workers saw improvements in their work conditions through his vision of forming the 3M Council just a few years ago.

We will dearly miss Mike, but his spirit of activism will live on.

**USW International Vice President
 Carol Landry**



Arkema chemical plant fire.
U.S. Chemical Safety Board photo.

Chemical Safety Board Guidelines Help Chemical Companies Prepare for Extreme Weather Events

No one at the Arkema chemical plant in Crosby, Texas, expected the unprecedented rainfall that resulted from Hurricane Harvey last August. The site experienced record flooding, causing equipment to fail and stored chemicals to decompose, burn and release fumes and smoke into the air.

Twenty-one people sought medical attention after being exposed to the fumes and smoke. All the Arkema employees evacuated, and more than 200 residents living nearby were forced to leave and could not return home for a week.

The U.S. Chemical Safety Board (CSB) investigated the incident and released its final report on May 24, 2018.

Key Findings

The flooding caused the plant to lose electrical power and backup power to its low temperature warehouses and some of its refrigerated trailers that contained organic peroxides made at the plant. The flooding also compromised the liquid nitrogen system.

Some of the organic peroxides have to be kept below 32 degrees Fahrenheit to prevent them from decomposing

and catching fire. These chemicals are used to produce items like solid surface countertops and polystyrene cups and plates.

Three refrigerated trailers containing organic peroxides could not be moved to higher ground because of the flooding and lost power. The organic peroxides heated up and caught fire. Emergency responders did a controlled burn of the remaining six refrigerated trailers on higher ground because there was not a way to check on the chemicals inside the trailers and remove them safely.

The CSB found that many companies may be unaware of flood risks causing process safety hazards at their facilities because Federal process safety regulations do not require flood insurance maps and studies to be included in required safety analyses.

The CSB also found that there is limited industry guidance on flooding, and if provided, is either too generic or does not require conservative precautions to prevent a flood like the one Arkema experienced in Crosby.

Lessons Learned

The CSB said that “more robust industry guidance” is needed to help chemical companies prepare for extreme weather events, like flooding, to avoid similar incidents.

According to a 2015 Environmental Protection Agency (EPA) report, flooding from extreme

rainfall events has increased and is expected to continue, placing many parts of the U.S. at greater risk for flooding. Future projections in this report show Texas leading the country in the possibility for flood-related damage.

The CSB’s suggestions include the following:

- Facilities should do an analysis to determine their susceptibility to extreme weather events like flooding, earthquakes and high winds.
- When conducting analyses of process hazards or facility siting, companies should evaluate the potential risk of extreme weather events and the adequacy of safeguards.
- When evaluating and mitigating the risk from extreme weather events, facilities should strive to apply a sufficiently conservative risk management approach.
- If flooding is the risk, facilities must ensure that critical safeguards and equipment are not susceptible to failure by a common cause and that independent layers of protection are available in the event of high water levels.

You can read the CSB report at <https://www.csb.gov/csb-releases-arkema-final-report/>



DowDuPont Slashing Costs in Preparation for Three-Way Split in 2019

DowDuPont is busy cutting \$3.3 billion in costs before its planned split into three independent businesses, but so far the impact on USW chemical workers has been minimal.

The company shut down its manufacturing plant in La Porte, Texas, and its Kevlar facility in Charleston, S.C. Last March, it decided to move DuPont's production of aramid intermediates at the Chambers Works site in Deepwater, N.J., to a supplier from India that had newer process technology. Decommissioning of the manufacturing section is expected to be finished this summer.

The company said it would help the 100 USW-represented Chambers Works employees laid off from the production move with transfer to other jobs within the corporation or to other positions with local employers.

DuPont is a tenant at Chambers Works. The company spun off its performance chemicals division to a new company called Chemours on July 1, 2015. Chemours took control of the Chambers Works site.

So far, the merged company has not shuttered any Dow sites or laid off any Dow workers, according to Kent Holsing, chair of the DowDuPont North American Labor Council (DNALC).

Chopping Expenses

DowDuPont plans to save money through procurement activities, global workforce reductions, building and facility consolidations and select asset shutdowns. Before splitting into three independent segments, the material sciences and agriculture divisions each are eliminating over \$1 billion in costs and the specialties segment is expected to save just under \$1 billion. Nearly 60 percent of DuPont's corporate overhead costs have been eliminated

DowDuPont Chief Executive Officer Ed Breen is shutting down research and development projects that are expensive, require years of work

and may have poor investment returns. He calls these projects, "moonshots," and considers them a waste of money. One such project was DuPont's \$200 million cellulosic ethanol bio-refinery in Iowa that opened in 2015. The plant turned corn stalks, leaves and cobs left in fields into 30 million gallons of ethanol a year. That business is for sale.

Instead, DowDuPont will invest in smaller projects that cost no more than \$30 million, carry less risk and improve profit margins. Plans are for the material sciences division to have incremental capacity expansions over several years to make it a "cash machine."

Recently, the newly designed laboratories in the Experimental Station building in Delaware received a \$200 million facelift to attract top scientists for the company's consolidated industrial biosciences division. It creates enzymes for a variety of products.

Upcoming Split

The materials science division will be the first to split around April 2019, and it will have headquarters in Michigan. The agriculture division will separate by June 1, 2019. It will be called Corteva Agriscience and be headquartered in Delaware. Then, the specialty products division will be formed, and it will be called DuPont. Its headquarters will be in Delaware, too.

Marc Doyle, chief operating officer for the specialty products division, has not said if he will be the CEO for the new DuPont. He told the media that management is working on how to handle DuPont's billions of dollars in pension liabilities, and will discuss it later this year.

DowDuPont earned \$1.1 billion profit for the first quarter of 2018. The materials science division increased sales 17 percent, and the specialty products division had an 11 percent increase in sales. The agriculture division saw net sales decrease 25 percent because of weather delays in the northern hemisphere and Brazil.

Delaware-based DuPont and

Michigan-based Dow Chemical had their \$150 billion merger approved by all regulatory authorities worldwide in August 2017.

EPA Head Removes Safety Protections from Chemical Disaster Rule

With members of chemical industry trade associations standing beside him, Environmental Protection Agency (EPA) Administrator Scott Pruitt signed revisions to EPA's Risk Management Program (RMP) in May that eliminate safety protections for workers, first responders and communities.

Pruitt removed many safety and risk management items from the Obama era—including all accident prevention program provisions—that pertain to 12,500 U.S. facilities, including chemical plants and refineries.

He said the revised slate of proposed rules "reduce unnecessary regulatory burdens."

These "unnecessary burdens" include eliminating the requirement that owners of a chemical plant evaluate options for safer technology and procedures that would mitigate hazards; removing the requirement that companies conduct a "root-cause analysis" after a "catastrophic" chemical release or an incident that might have caused one (near miss); and ending the requirement that a third-party compliance audit be done after an accident at a plant or when conditions are discovered that could lead to an accidental release of chemicals.

Also removed would be outside audits of company risk-management plans to ensure they are adequate. Pruitt's changes would make it harder for citizens living around plants with chemicals to protect themselves by finding out the types of chemicals stored, the types of procedures the plant has in place to mitigate the risks and what to do in case of an emergency. First responders would still have this information readily available to them.

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(“EPA Head” Continued from page 3)

The 2013 explosion at a fertilizer plant in West, Texas, which killed 15 people, including 10 firefighters, and destroyed part of the town prompted the Obama-era rules. The U.S. Chemical Safety Board (CSB) investigated the incident and discovered that the town’s volunteer firefighters did not have any formal training or planning to prepare them to handle a fire or emergency at the fertilizer plant. The board said that changes were needed in regulations

and transparency to prevent a repeat tragedy.

After the West explosion, the EPA changed its regulations about how companies store dangerous flammable chemicals and how they develop risk-management plans. These new rules were going to take effect in June 2017, but Pruitt delayed them.

Before making a final decision on the proposed rule changes, the EPA is soliciting public comment. A public hearing was held June 14, 2018.

SAVE THE DATE

USW BASF Council:
Aug. 7-8, 2018;
Geismar, Louisiana

USW 3M Council:
Aug. 21-22, 2018;
St. Paul, Minnesota

USW Evonik Council:
Sept. 5-6, 2018;
Pittsburgh, Pennsylvania

DowDuPont North American
Labor Council:
Oct. 8-12, 2018;
Pittsburgh, Pennsylvania

USW Solvay Council:
Oct. 22-23, 2018;
University Park, Illinois

District 4 & 10 Chemical
Sector Conference:
Nov. 14-15, 2018;
Pittsburgh, Pennsylvania



DowDuPont Council Petition Needs Your Signature

The DowDuPont merger was about satisfying Wall Street and the companies’ shareholders, and the company’s leaders continue to pander to these investment interests through their plan to chop over \$3 billion in expenses.

They say they will run the merged organization “lean and mean” by shutting down plants, eliminating jobs, laying-off employees and reducing the

number of suppliers.

In response, the DowDuPont North American Labor Council (DNALC) launched a global petition to DowDuPont CEO Jim Fitterling. The council is challenging the multinational corporation to focus on the interests of its employees, their families and their communities instead of paying attention solely to Wall Street.

“Globally, DowDuPont employees will face many changes and challenges in the coming months, so the company’s unionized workers around the world are mobilizing together to ensure that everyone’s best interests are

represented,” said USW Local 12075 President Kent Holsing from the Midland, Mich., facility. Holsing chairs the DNALC.

“We also are speaking for the non-union employees who do not have a voice. Our goal is to use this petition as a platform to ensure the employees and their communities are represented and heard,” he added.

The petition is available in English, Spanish and Portuguese by going to <http://usw.to/dowdupontpetition>

Please post and share the petition to your social media account and local union webpage. #USWWorks

