

# HUSCO

## INTERNATIONAL

control focused - technology driven

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June 30, 2016

Department of Workforce Development  
Dislocated Workers Unit  
PO Box 7972  
Madison, Wisconsin 53707

RECEIVED  
JUL 01 2016  
BY: .....

Re: Workforce Reduction Notification

Dear Sir or Madam

Pursuant to the Federal WARN Act and the Wisconsin Business Closing Law, HUSCO International is providing you with formal notice that the Company will be ceasing manufacturing operations for the Off-Highway segment of our business located at 2239 Pewaukee Road, Waukesha, Wisconsin. In conjunction with that closing, HUSCO will terminate the employment of 89 bargaining unit members and 8 salaried employees currently employed at the Waukesha site. The separations will be implemented in a phased manner with the first reductions occurring on September 16, 2016 and the final reductions occurring by January 31, 2017.

The company will continue production operations at the Waukesha facility on a reduced scale to include the Prototype Services Department (Tool Room) and all production employees associated with the Automotive Division. These positions will remain in the bargaining unit and will continue to be represented by the International Association of Machinists District No. 10.

Impacted employees were notified of the position eliminations today, June 30<sup>th</sup>. It is anticipated that company and union officials will meet in the near term to discuss the effects of the closure. At such time details regarding separation pay, benefit continuance, outplacement, and other miscellaneous support for impacted employees will be finalized.

A listing of job titles for the affected positions is attached as Exhibit I. Bargaining unit employees will have bumping rights. A copy of the applicable contract provision is attached as Exhibit II. Bargaining unit employees are represented by the International Association of Machinists District 10. Names and titles of IAM Business Representatives that interact with HUSCO are attached as Exhibit III.

Please feel free to contact me at 262-513-4420 with any questions or requests for additional information. Thank you.

Sincerely,



Gary Strand  
VP-HR  
HUSCO International

Enclosures attached

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Exhibit 1

Job Title	Labor Grade
Electrician	11
Machine Repairer	11
Inspector A	7
FOT I	6
PM Technician	6
PMO I	6
Shipping/Receiving Clerk	6
FOT II	5
Inspector – Final Operations	5
PMO II	5
FOT III	4
PMO III	4
FOT IV	3
PMO IV	3
Janitor	1

\* Current **production employees** in the above referenced job classifications will be impacted by the phased reductions

\* Please note that "FOT" classifications are mechanical assemblers and PMO classifications are production machine operators.

\*Job classifications of affected **salaried employees** are:  
Production Supervisor, Maintenance Supervisor and Quality Technician

## Exhibit 2

**The following is the applicable contract provision which governs displacements and bumping rights:**

### **11.6 Workforce Reductions**

1. When a lack of work occurs which requires a reduction in the number of active employees, the Company shall designate the number of employees to be reduced in each department, shift, and classification affected, and employees will be removed from these positions by plant-wide seniority.
2. An employee who has been removed from their classification may elect to be transferred to another classification in the same or lower Labor Grade where the employee has greater plant-wide seniority, has physical ability to perform the job, and has demonstrated the ability, skills, and qualifications to meet performance requirements.
3. Employees seeking to displace into positions of PMO I, PMO II, PMO III, FOT I, and FOT II must have had relevant experience working in these specific positions unless waived by the Company.
4. An employee who has been displaced from their classification may request to be moved to lay-off status, however granting of such request will be at the Company's discretion.
5. An employee who transfers to a new position shall have a fair trial period of forty (40) work hours to prove their ability. Such trial period may be extended to two hundred and forty (240) hours at the Company's discretion provided the employee shows continuous progress toward achieving acceptable performance requirements. If the employee shall fail to prove that ability he or she shall be placed on lay-off subject to the recall provisions of this Agreement.
6. When an employee who is removed from their classification elects to be transferred to another classification and successfully passes the trial period, and thereby creates a surplus of employees in the new classification, the employee with the least amount of plant-wide seniority will be assigned to the transferring employee's shift or assigned to a shift of the employee's choice. An employee so displaced may elect to be transferred within the classification to another department and/or shift where the employee has greater seniority than another employee in that same classification, department or shift, or the employee may choose to be considered removed from the classification due to lack of available work and if the employee so chooses will have the same privileges as those employees originally removed from their classifications by plant-wide seniority.
7. An employee who elects to transfer under the provisions of this Section shall retain the right (displacement rights) to return to the classification and shift from which he or she has been removed or laid off, unless the employee bids on and is accepted for another job within the same labor grade as the position originally displaced from.

### Exhibit III

Bargaining unit employees are represented by:

International Association of Machinists District No. 10.  
1650 South 38<sup>th</sup> Street  
Milwaukee, Wisconsin 53215

IAM Business Representatives assigned to HUSCO over the previous year are:

Scott Parr  
David Grapentine

The general phone contact for both are 414-643-4334. Extension for Scott is 25, extension for David is 18.