

BMW NEWS RELEASE

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BMW Grand Lodge Officers' Statement on Department of Labor's Complaint to Overturn Convention Elections

Southfield, MI, August 1, 2003—"On July 7, 2003, the Bush Administration's Secretary of Labor filed a complaint in federal court seeking to overturn the election of three of the Grand Lodge Officers elected at our last Convention in July of 2002. According to the Secretary's complaint, union funds were used to promote the candidacy of two of the Grand Lodge Officers in that one of the two officers used "union office equipment" to prepare campaign literature," and the other used "union office equipment and secretarial help to prepare and electronically transmit campaign literature." The Secretary also alleges that "employer funds" (not union funds) were used to promote the candidacy of the third officer in that an unnamed "employer" which could be any entity which employs at least one employee-paid the expenses of a campaign consultant.

"This union is proud of *its* history of conducting clean elections. To ensure that the elections in question were in line with that history, the allegations made by the Secretary of Labor have been carefully examined with the assistance of internal and external legal counsel. Based on the analysis and the information available to us thus far, we believe the action taken and requested by the Secretary of Labor may not be valid and/or warranted. As with any complaint of this nature requesting that another election be conducted, appropriate procedures must be followed, a violation of the Labor-Management Reporting and Disclosure Act (LMRDA) must be proven, and the court must find that a violation of the LMRDA affected the outcome of the election in question. Again, based on our analysis and the information developed thus far, we do not believe these objectives of the Department of Labor should be pursued or can be achieved.

"Notwithstanding this initial conclusion, the Grand Lodge Officers will continue to look into this matter. If we discover that some form of corrective measures must be instituted to continue honest and clean elections in the future, we will endeavor to get that done. Further should we find any of the three members of the Brotherhood identified in the Secretary's complaint, or any outside entity associated with this Brotherhood, committed improprieties during our last election in July 2002, we will appropriately address that situation as well.

"As BMW Grand Lodge Officers, we believe we must demand compliance with all bylaws and policy requirements by every member, and, when necessary, establish new policies or amend the existing ones to place the operation of our Brotherhood above and beyond reproach.

"As information in this regard develops, we will advise the Membership accordingly."

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