

## Is There A UAW Strike Looming? UAW Members Reject Fiat-Chrysler Deal And The UAW Appears Ready To Target Ford Next

October 2, 2015 | [Unions And Union Membership](#), [Labor And Employment](#)



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The United Auto Worker (UAW) negotiations with Fiat-Chrysler, the fourth-largest U.S. automaker, have taken a sudden turn for the worse. Despite the back-slapping between UAW President Dennis Williams and Fiat-Chrysler CEO Sergio Marchionne just weeks ago, the rank-and-file voted down a tentative four-year agreement by 65 percent. This is the first major UAW contract rejected by workers since the 1980s. Some critics are asking what prompted the workers' rejection of the deal, considering it included wage increases and signing bonuses, but the UAW's new leadership had made substantial promises, such as doing away with the two-tier wage structure, as well as others, that went unfulfilled and appear to have contributed to the failed ratification vote. Reuter's reports the UAW has not engaged in a sustained strike in decades, but this vote may push the Union in that direction. That is one option that is on the table. Alternatively, the Union might target one of the other Big Three automakers, Ford or GM, for getting an agreement and deal with Fiat-Chrysler later. In fact, it appears as though Ford may be the UAW's next target, and the UAW's stance and tactics might be even more aggressive with Ford. Two days ago, UAW Vice President Jimmy Settles gave Ford a five-day strike notice for the company's F-150 plant in Kansas City, MO. The notice follows disagreements that arose during bad contract negotiations. This move by the Union preempts agreement on a national agreement, and certainly raises the stakes, especially given the fact that the F-150 pickup is Ford's most profitable vehicle. In order to go through with a strike at the F-150 plant, Settles would have to obtain permission from UAW President Dennis Williams, but clearly this interim step demonstrates the Union is seeking to increase the pressure on Ford. We will continue to monitor this situation as any strike could have significant implications for not only the Big Three, but the whole auto-supplier supply chain.

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