



July 15, 2015

Steve Jones, Chief Executive Officer
Universal Protection Service
1551 N. Tustin Ave., Suite 650
Santa Ana, CA 92705
sjones@universalpro.com

Via email and U.S. Postal Service

MARY KAY HENRY
International President

MICHAEL P. FISHMAN
International Secretary-Treasurer

KIRK ADAMS
Executive Vice President

GERRY HUDSON
Executive Vice President

EILEEN KIRLIN
Executive Vice President

VALARIE LONG
Executive Vice President

ROCIO SÁENZ
Executive Vice President

Dear Mr. Jones:

We are writing today to inform you that the union has downgraded the responsible contractor status for Universal Protection Service (UPS) from Green to Yellow in all California markets where you are currently rated. Yellow status indicates that “problems indicated require (immediate) attention,” whereas a Green status reflects that the contractor “follows responsible contracting practices.”

The downgrade stems from the failure of statewide UPS management to implement a plan to mitigate serious issues affecting employees, including allegations of wage theft, discrimination, harassment, retaliation and unfair labor practices.

The goal of our responsible contractor program, as is the case with other similar programs adopted by local, state and federal government agencies, is to improve working conditions, lower worker-turnover, improve training standards and generally improve positive security outcomes for security officers, contractors, managers and owners. Under our system contractors are rated as responsible if they follow the practices outlined below:

- Responsible Contractors compensate their workforce at or above prevailing wages and benefits including health insurance, compensated days off and other benefits.
- Responsible Contractors seek to maximize continuity at workplaces, prioritize worker safety and promote continuous improvement in the quality of their workforce.

SERVICE EMPLOYEES
INTERNATIONAL UNION
CTW, CLC

1800 Massachusetts Ave., NW
Washington, DC 20036

202.730.7000
www.SEIU.org

SEIU to Steve Jones, UPS; re: Contractor Responsibility Downgrade, 7/15/15, Page 2

- Responsible Contractors respect and encourage the right of their employees to bargain collectively.
- Responsible Contractors provide employees with a bonafide complaint/grievance procedure.
- Responsible contractors support the environmental and energy efficiency policies of building owners.

As you know, the union has been working with UPS security officers in Silicon Valley to improve working conditions. Unfortunately, UPS denies many of its officers an opportunity to succeed, paying them such low wages that many workers struggle to get by, and some must rely on government assistance. UPS' workers and public documents indicate that UPS' track record includes:

- **Wage Theft Allegations:** Since 2008, UPS has been forced to pay over \$1.7 million in back wages to settle three class action lawsuits filed by employees who charged the company with wage theft. The company also settled over a dozen cases for complaints related to the company's alleged failure to pay owed wages or provide legally required meal and rest breaks. In 2015, multiple Silicon Valley officers have filed wage theft claims with the California Department of Labor Standards Enforcement, but UPS has not made officers whole.
- **Allegations of Discrimination and Harassment:** Since 2008, UPS has reached settlement agreements in at least 11 lawsuits related to sexual harassment, discrimination and wrongful termination.
- **Unfair Labor Practice:** In March 2015, UPS was accused of intimidating and threatening Silicon Valley workers seeking a voice on the job.
- **Alleged Retaliation:** Michael Johnson is one of the brave security officers at UPS working to improve service jobs in tech. Michael has spoken out publicly several times, most recently in an in-depth KQED profile entitled "Working Class Struggles in Silicon Valley." Immediately after Michael and his co-workers delivered a message to the owner of their building demanding better working conditions, UPS removed Michael from his position. Michael and was 'offered' a job that would give him a pay cut of \$6 an hour.

Silicon Valley security officers and their chosen union, SEIU USWW, have reached out to UPS management including you to discuss these concerns on multiple occasions, only to be met with repeated obfuscation and delay. After months of repeated unreturned phone calls and emails, security officers, union staff and allies attempted to meet with the UPS Silicon Valley Regional Manager in April 2015, only to be directed to contact yourself or your corporate counsel. A June meeting between the Union and UPS took

SEIU to Steve Jones, UPS; re: Contractor Responsibility Downgrade, 7/15/15, Page 3

place, but required multiple phone calls and emails from USWW leadership, requests from key clients and other stakeholders, and a May 18, 2015 presentation by the Union regarding UPS' record to CalPERS to alert them to our concerns. Unfortunately UPS failed to address these issues in a timely manner after our recent meeting last month.

We have sent notice of the downgrade to all relevant parties. If you have any questions regarding this downgrade, feel free to contact the undersigned.

Respectfully,

A handwritten signature in black ink, appearing to read 'Adam Weisberg', written over a horizontal line.

Adam Weisberg
Security Campaign Director, SEIU
614-312-0276