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## *Auto Workers*

### **UAW's Likely Next President Faces Rebranding Challenges**

Gary Jones, a United Auto Workers regional director, is expected to become the union's next leader, and observers say it's not a moment too soon given the beleaguered union's need to rebrand itself.

The year 2017 has been a tough one for the union. It failed at some high-profile organizing campaigns, and a federal criminal investigation continues into theft of funds earmarked for a training center in Detroit. Jones might be the UAW's best chance for restoring its reputation, those knowledgeable about both the union and public relations told Bloomberg Law.

"Change at the top is an absolutely necessary step" if a company, or in this case a union, wants to change its dynamic, image, and brand after a scandal, Lou Colasuonno, with FTI Consulting, said.

If elected at the union's national convention in June, Jones will succeed Dennis Williams, who is retiring.

Jones was chosen Nov. 30 by the union's Administrative Caucus, a group composed of various leaders within the UAW. The nomination is somewhat analogous to a political party nomination, Marick Masters, a labor professor at Wayne State University in Detroit, told Bloomberg Law.

**Ethics Is Priority** Those who know Jones say he's serious, conscientious, concerned with the ethical conduct of the union, and very knowledgeable of the finances of the companies the union negotiates with, Masters said.

That's important in light of the federal probe into union officials' alleged siphoning of funds meant for a national training center run jointly by the UAW and Fiat Chrysler. The investigation involves former UAW leaders and Fiat Chrysler executives.

Under Williams' leadership, the union has spoken publicly about the training center scandal allegations and against all those involved. The UAW has said that no labor contracts were affected by the former leaders' wrongdoing and that the union has zero tolerance for corruption. It wouldn't comment for this story.

Jones would keep a sharp eye on the union's finances and make sure proper audits are done, Masters said. "Whatever gray areas on how funds exist and how they're used, he'll do his best to make sure that's clarified," the professor said.

**Union Needs to Regain Trust** Public relations professionals believe the union should approach its "rebranding" with new leadership the same way a company would.

"If this were a company, the same principles apply to so-called rebranding: acknowledging mistakes of the past and articulating what changes are being implemented—whether those changes are people, policies or processes, or all of the above—to ensure the organization is successful in fulfilling its brand promise," Stacy L. Bettison, a public relations expert in Minneapolis, told Bloomberg Law.

The first thing a new leader should do upon taking over is attack the scandal and those involved immediately, Colasuonno said. The new person must come down hard on the allegations.

"Damage to a brand doesn't come when the event happens. It really comes in what you do and say after that happens," he said. "If I were talking to Jones I'd say, 'You must focus on this 150 percent. Kill the disease in the crib.'"

**New Story Line** Beyond dealing with the FBI investigation, the union must develop a new narrative for the UAW.

Unions are facing opposition pressure and have been for a long time, Colasuonno said. The recent union election losses at a Nissan plant in Canton, Miss., and at the Fuyao Glass Manufacturing plant in Moraine, Ohio, hurt, but that isn't the full story, he said.

The UAW has seen gains in organizing workers in higher education and in hospitality this year and have continued to re-up member contracts in other industries. The union didn't comment on remarks made regarding image rehabilitation.

"The demise of UAW is greatly exaggerated. Yes, they've lost some tough votes, but the UAW has been able to attract new members and are doing well. That's a story that needs to be told," Colasuonno said. "You need someone who is a communicator and effective story teller. That's the key."

If the UAW doesn't control the narrative, opposition groups will use its losses to denigrate it, he said.

"Their image has taken a beating. There are big challenges ahead. There's a lot of good stuff that's happening and not enough people know about that and the union needs to build on that," he said. "Union members are benefiting from being in the union. He needs to tell that story and get it out," he said.

**Jones a 'Numbers Guy'** Jones was elected director of Region 5 at the union's 36th Constitutional Convention in June 2014. He was first elected to serve as director of Region 5 in a special election held Oct. 19, 2012, in Kansas City, Mo.

In the past, the union has gone with a vice president or secretary-treasurer to fill a presidential vacancy. Jones has not been in a national leadership post, but he has been a member of the union since the 1970s.

"I think the caucus chooses the leadership that they feel they need at the time that they need it," Kristin Dziczek, director of the Industry, Labor & Economics Group at the Center for Automotive Research, said.

The choice "puts somebody who's a numbers guy at the top," she said. That's not just good for the adminis-

tration of the union. It's also necessary during this period when sales are plateauing and manufacturing is leveling off. What's more, the UAW begins bargaining next year in anticipation of the current contracts with the Big Three automakers expiring in 2019.

Three international executive board members are also departing in 2018. UAW Vice President Jimmy Settles, Vice President Norwood Jewell, and Julie Kushner, the regional director for 9A, have indicated they will retire.

BY JACLYN DIAZ

To contact the reporter on this story: Jaclyn Diaz in Washington at [jdiaz@bloomberglaw.com](mailto:jdiaz@bloomberglaw.com)

To contact the editor responsible for this story: Peggy Aulino at [maulino@bloomberglaw.com](mailto:maulino@bloomberglaw.com)