



RELATED PRACTICE AREAS

Collective Bargaining
Labor and Employment
Labor Relations
Union Avoidance

RELATED TOPICS

Union Strikes
Labor Agreements
Labor Negotiations
United Auto Workers (UAW)

UAW Goes Medieval On The Big Three: What Does It Mean?

September 25, 2023 | [Labor And Employment](#), [Labor Agreements](#), [Union Organizing](#)



**David J.
Przybylski**
Partner

By now, virtually anyone following the news knows that for the first time in its long history, the [United Auto Workers \(UAW\) union initiated a strike](#) against all “Big Three” American car manufacturers based in Detroit – Ford, General Motors, and Stellantis (aka Chrysler) – at the same time. The UAW came in with aggressive proposals – such as 40 percent wage increases, elimination of tiered wage structures, and lighter work schedules – and to date has not shown much willingness to significantly come off those proposals.

The significance of not only the strike but the way it is unfolding cannot be overstated. Let’s take a look at some of the notable developments so far. First, the rhetoric – namely from UAW President Shawn Fain – and the avenues through which it has been channeled has been very aggressive. Even before the strikes commenced, Fain launched a [public communications campaign trashing](#) (literally!) company bargaining proposals: On a Facebook livestream he threw a proposal from Stellantis in a garbage bin after verbally shredding it.

The harsh tone and detailed picking apart of proposals being made at the table are a significant departure from what we usually see in negotiations, including at the Big Three. In addition, Fain – especially relative to the presidents of some of the other big unions – is harnessing the powers of instant and mass communications made possible via social media in new and powerful ways.

Rest assured, this will have a trickle-down effect in other labor agreement negotiations around the country – including outside the auto industry and outside of agreements involving the UAW. The enthusiasm and buzz being generated by the UAW's actions are palpable among organized workers nationwide right now; I've had two separate unions (not the UAW) in two separate negotiations (not in the auto industry) in the last few weeks make reference to the UAW's efforts.

Second, the UAW has taken a creative approach to this strike. Namely, it is striking all three companies but not doing an "all-in" strike that takes all workers out at once across all three. The union [calls it the "Stand Up Strike."](#) Through this strategy, the UAW is targeting specific plants for a strike while leaving others operational. This approach has two benefits to the union: 1) it allows it to slow the cash burn on their strike pay bank (estimated to be north of \$800 million) and 2) it allows the union to keep the companies guessing as to which plants the UAW may bring offline next – creating operational inefficiencies and uncertainty.

This [mirrors a successful strategy](#) used by flight attendants in the 1990s that leveraged a favorable labor agreement. The approach seems to be working for the UAW, at least in part, as it has already seen some [significant movement from Ford](#) since the advent of the strike.

Depending on how this ends up, we may be seeing a new blueprint for strikes against employers with large, nationwide bargaining units. That will make work stoppage contingency planning all the more important as part of standard negotiations prep.

Finally, for anyone who has been on a car lot in recent years, they know, generally, inventory, pricing, and bargaining opportunity with sales staff is nowhere close to where it was pre-2020. The pandemic shutdowns wreaked havoc on the auto supply chain and it still has not fully recovered and regained its footing. If these strikes are prolonged and continue to expand, those [issues are certain to be exasperated](#) – at least for the American Big Three. In other words, even higher car prices and even fewer choices are likely on their way.

The UAW's unprecedented strike actions and relentless public relations campaign against the Big Three have huge implications not just for them and the auto industry, but also for the general labor relations landscape (especially bargaining strategy and demeanor) and the American consumer. We'll see how this lands in the end. Stay tuned.