



December 22, 2021

Brothers and Sisters,

2021 has been a long year with the Covid 19 pandemic that has no end in sight, weeks of downtime due to the global semiconductor chip shortage, and the uncharted future with the transition of the auto industry to electric vehicles. Through all these concerns and changes, Tonawanda Engine Plant has persevered and performed very well. In a little over a year since it was announced that Tonawanda would be receiving an \$83.9 million dollar investment with the addition of another Heavy Duty Block Machine Floor (Mod # 7), the project is nearly completed at this time. It is great to see the new jobs already being filled in that area as our members are training and certifying the equipment every day. This new area is scheduled for start of regular production in February/March 2022.

Temporary Layoffs – The Gen 5 Assembly line will be down on all 3 shifts the first week of 2022(January 3rd -9th) due to one half of the automatic piston stuffer installation project taking place. The second half of the automatic piston stuffer installation project will take place in July 2022. This will also cause members in GSC to be placed on Temporary Layoff at this time as well. These layoffs will be done using our Temporary Layoff Language as it is written in our Local Agreement. There will be members working across the shifts during this week in Gen 5 Assembly and these members will be notified by management. Everyone else at in the plant is scheduled to return January 3, 2022.

Our Plant has yet again built upon our great reputation for delivering the highest quality engines by meeting all our quality metrics except for 12 Months in Service Warranty. This metric is only red due to purchased parts supplier quality issues involving the Lifters, Valves, and MAP sensors that go in our engines. Although this was a big warranty issue for GM, **not one** of these issues are a reflection on the workmanship of our brothers and sisters here at TEP.

Our members have done an excellent job by building approximately 450,000 engines while dealing with the global supply chain issues of 2021. Tonawanda Engine Plant is a huge part of GM's Truck Dominance Vision now and into the future with our 5.3, and 6.2 light truck/SUV engines. Our Tonawanda exclusively built 6.6 Heavy Duty Engine puts even more emphasis on how important our plant is to General Motors Truck Dominance Vision.

Continued on back

Tonawanda Engine Plant is green to the plant budget for the first time since 2017. We are scheduled to beat our budget to the tune of approximately 2.5 million dollars for 2021. Our Cost Per Unit has improved by \$28.00 in 2021 from our 2020 performance. We have reduced our scrap totals by 2 million dollars from 2020 by focusing on our quality every day. In addition, we have recovered roughly \$700,000 in cost recovery from our suppliers for their nonconforming parts.

These are results that do not need an explanation, which is exactly what it takes to be recognized by General Motors as a great plant. This performance is what it takes to be in the running to be awarded new work and goes a long way to keep Tonawanda part of GM's future. This is all a result of the hardworking and dedicated membership of UAW Local 774. I am confident that we are in a great position for the future and hopefully we will see what is next for Tonawanda in early 2022.

In closing, I would like to wish everyone a Merry Christmas and a Happy New Year on behalf of the leadership of UAW Local 774. Enjoy the Holiday season with your family and friends during this much needed break from the plant. We have been through many ups and downs over the last 12 months, but we have continued to deliver the world's best engines as we always have done here at Tonawanda Engine Plant.

In Solidarity,

Mike Grimmer



Approved for posting:-
/s/Wence Valentin III ,President
UAW Local 774



Opeiu-153