

Brown Urges DHL Parent Company to Review Alternate Proposals to Keep Jobs in Ohio



Brown, Ohio Delegation Call on Deutsche Post World Net to Review Competing Proposals before Merging Operations with UPS

June 16, 2008

WASHINGTON, DC—United States Senator Sherrod Brown (D-OH) today called on the parent company of DHL, Deutsche Post World Net (DPWN), to evaluate proposals that would keep jobs in Ohio before finalizing its agreement to consolidate operations with United Parcel Service (UPS). Brown, along with Senator George V. Voinovich and eight congressional colleagues, urged German-owned DPWN to give full consideration to competing proposals. These include proposals offered by existing DHL contractors operating in the region that could prevent some 8,000 jobs from being lost in southern Ohio.

“DHL should give full and fair consideration to alternate proposals that would keep jobs in Ohio,” said Senator Brown. “DHL has enjoyed a strong partnership with the state of Ohio, the city of Wilmington, and Ohio companies. I strongly encourage Deutsche Post to honor this partnership by reviewing competitive proposals before making a final decision.”

German-based DPWN announced a tentative agreement on May 28 to consolidate operations with UPS. In addition to a direct job loss of more than 8,000 jobs, this could result in an indirect loss of 30,000 jobs in Southern Ohio.

In a letter to Jurgen Weber, chairman of the Supervisory Board of Deutsche Post, Brown specifically referenced competitive proposals from ABX Air and ASTAR to DPWN. These proposals, from airline carriers currently operating in Ohio and with DHL, could keep jobs in Ohio while remaining competitive.

A copy of the letter is below:

June 16, 2008

Jurgen Weber
Chairman Deutsche Post World Net
Charles-de-Gaulle-Str. 20
53113 Bonn
Germany

Dear Mr. Weber,

We are writing regarding Deutsche Post Works Net's (DPWN) recent announcement of its agreement in principle with United Parcel Service (UPS) to handle North American operations. We appreciate the visit by Mr. Mullen and his colleagues to apprise us of the reasoning behind this agreement. However, we ask that you allow incumbent carriers to present alternative proposals to DPWN before making a final decision.

As you know, the State of Ohio, the city of Wilmington and Clinton County have enjoyed a strong partnership with DHL. Our commitment has been reflected in investments provided to the company valued at more than \$400 million. The Wilmington air park is the largest employer in the six-county area, and air park employees are drawn from 45 of Ohio's 88 counties. The economic impact of a possible loss of more than 8,000 jobs, and an additional 30,000 downstream jobs, would be devastating to Southern Ohio.

We understand that you gave a proposal from ABX Air some consideration, but to our knowledge there was no negotiation over that proposal. We also understand that ASTAR is prepared to present a proposal that would be competitive with the proposed UPS arrangement, and still keep jobs in Ohio. Given the tremendous investment by the governments and people of Ohio, we believe the company has a moral obligation as a good corporate citizen to undertake a meaningful assessment of that proposal before taking an action that will affect the livelihoods on tens of thousands of our citizens.

In light of the risks and circumstances described above, we believe DPWN needs to give genuine consideration to alternative proposals from incumbent carriers. We would welcome the opportunity to help facilitate such presentations and find a solution that enables DHL to thrive while treating Ohio workers and communities fairly.

Sincerely,

Senator Sherrod Brown
Senator George V. Voinovich
Representative Michael Turner (OH-3)
Representative Jean Schmidt (OH-2)
Representative Zack Space (OH-18)
Representative Betty Sutton (OH-13)
Representative Tim Ryan (OH-17)
Representative Jim Jordan (OH-4)
Representative Steven C. LaTourette (OH-14)
Representative Charles A. Wilson (OH-6)

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