

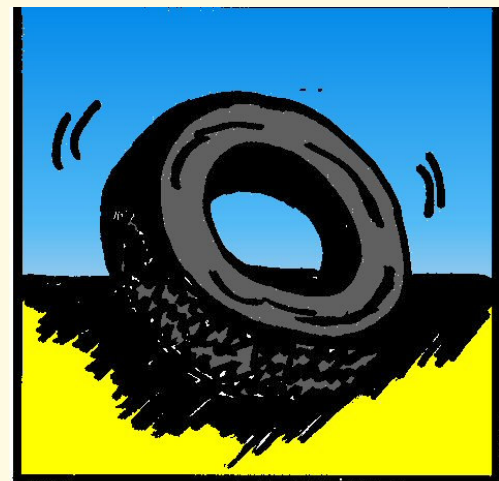


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- Global Report -



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Overview

The tyre and rubber sector is one of the most oligopolistic industries in ICEM jurisdiction. The 3 largest tyre producers have together a market share of 53 %.

With our global report concerning the situation in the various sectors of the rubber industry, we would like to give all our member organizations an overlook into the economic position, possible developments in the different markets and their effects on the working community and therefore on the life of employees and their trade unions.

In doing this there have already been some obvious major developments. The observed tendency in all sectors of the industry is to shift production to so-called "cheap wage countries" but this is masked by the strongly increasing demand for rubber products, especially tyres, triggered by the expected boom from China which started in the mid nineties.

Rubber companies supplying the car industry, within the framework of the "just in time" principle, are frequently found in the direct vicinity of car companies. However, meeting punctual delivery times for the various and very flexible quantity demands are often unrealizable. Exactly in this segment of the rubber industry it can be seen that within companies there is an ever increasing combination of rubber components with metal parts and the most sensitive electronics as well as textiles and fabrics.

Owing to this fact, the interfaces between individual branches of these related industries are becoming more fluid. In many countries and regions, trade unions are organized according to branches; therefore with the clarity of industrial boundaries becoming increasingly less lucid, representative coordination for employee rights between individual trade unions is more necessary than ever before, both nationally and internationally.

This report also deals with the price development of raw materials which have strongly increased since 2005 with no end in sight.

In addition to this, the on-site daily work demands on trade unions are also covered in detail in the report. Wage negotiations, strikes or plant closures are already a well known aspect; however the dispute concerning the use of contract and agency labour is becoming more urgent. Experiences in the past have shown that in areas where committed worker representatives have tried to organize this new employee group, they have been pressurized by the employers with a severity previously unknown.

Using individual examples, the report gives examples where company managements have closed plants claiming that the profits were not high enough, some of the employees continue management on their own and are able to thoroughly guarantee long-term employment.

As far as that goes, the report gives encouragement and ideas for the trade union's frontline struggle.

1. Raw materials

In the rubber industries it seems reasonable to divide the raw materials into two groups:

- 1) natural rubber harvested from plantations whose crop like that of other natural product is influenced by environmental impacts such as floods, droughts or pests, and
- 2) elastomer groups or synthetic rubbers whose source material is crude oil. This group is used in many industries and applications and has developed into more than just an alternative to natural rubber.

World production of synthetic rubber has been higher than that of natural rubber since 1960. The proportion of elastomers currently comprises 60% of the world's rubber production.

1.1. Natural rubber

Whilst worldwide natural rubber consumption amounted to 5 million tons in 1990, it rose to 7 million tons in 2004. If this trend continues in similar vein, a supply of 9.6 million tons against a demand of 12 million tons could lead to a serious shortage in 2010.

The Hevea tree from which almost all natural rubber originates requires a growth period of 7 years before it can be tapped for the first time. A tree can only be tapped for a limited period of time; trees older than 35 years must be cut down. Against this background it becomes clear that even if existing plantations are extended or new plantations are created, the expected demand will not be met on time.

Even today, small shortages arise through crop failures or bad weather conditions. This applies particularly to Thailand, Malaysia and Indonesia which generate around 70% of the world's natural rubber production. The world's largest rubber plantation is however in Liberia (Africa). A lawsuit has been filed in the US charging the operator with inhuman and degrading working conditions at the plantation. A more detailed account of this lawsuit will follow further on in this report. The outcome of the lawsuit could have repercussions for the amounts of natural rubber offered on the market.

For several years now, the tyre industry processes more than 60% of natural rubber and has thus become the driving force and decisive factor in the rubber industries. The proportion of natural rubber in the individual tyre types does vary however, with Goodyear specifying that the polymer proportion in truck tyres consists of approximately 80% of natural rubber whilst the proportion of natural rubber in car tyres only amounts to around 27%.

Natural rubber will always be important to the rubber industry, since it has not yet been possible to manufacture synthetic rubber that has properties comparable with natural rubber.

The following example shows the difficulties of trying to detect a trend: At the end of May 2005, Goodyear's Manager Joe Gingo stated that his company would increase

its investments in research in order to gradually replace natural rubber with synthetic rubber. This would make Goodyear more independent from rubber shortages expected in 4 year's time. Only a few weeks later, the Japanese tyre multinational Bridgestone announced that the company would increase its natural rubber quota to counterbalance the increasing costs for synthetic rubber as a result of the sharp rise in oil prices over the past year.

The following table provides an overview of the development of production figures, demand and price development of natural rubber over the past years.

Year	2002	2003	2004
Natural rubber production (in 1000 tons)			
Latin America	160	172	187
Africa	359	355	378
South-East Asia	5663	6199	6795
Rest of Asia	1209	1288	1332
<i>Total</i>	<i>7350</i>	<i>7986</i>	<i>8640</i>
Natural rubber consumption (in 1000 tons)			
North America	1266	1225	1290
Latin America	425	473	516
European Union	1182	1336	1307
Rest of Europe	156	180	196
Africa	115	118	122
Asia / Oceania	4312	4635	4901
<i>Total</i>	<i>7540</i>	<i>7966</i>	<i>8333</i>
Supply / Demand ratio (in 1000 tons)			
<i>Total</i>	<i>-190</i>	<i>20</i>	<i>307</i>
Natural rubber stocks (in 1000 tons)			
<i>Total</i>	<i>2060</i>	<i>2004</i>	<i>2311</i>

Year	2003	2004	2005
Natural rubber prices per ton			
SICOM, RSS3 in S\$	1879	2187	2500
New York, TSR20 in US\$	1120	1350	1535

Source: Rubber Statistical Bulletin from International Rubber Study Group (IRSG), 2/2006

Even if there are still sufficient natural rubber resources, there cannot be any doubt that delivery bottlenecks for several types of natural rubber already occurred during the last quarter of 2005. The price increases during past months particularly reflect this development. In January 2006, the price for natural rubber in Japan rose to its highest level in 21 years. This became even more apparent at the New York Stock Exchange, where the price for 1 kg TSR20 rose in a short space of time to over US\$ 2.00, the highest since the collapse of the Brazilian rubber market in 1914!

A comparison of natural rubber and synthetic rubber prices which have risen by over 30% over past years as a result of the high increase in oil prices yields a ratio of over 110%.

However, this ratio only arose in the second half of 2005. Until then, prices had been so low over the course of many years that the countries of origin tried several times without success to increase natural rubber prices. At present, market researchers unanimously agree that an end to the increase in rubber prices is not anticipated.

1.2. Elastomers (synthetic rubber)

Even though the manufacture of synthetic rubber accounts for the majority of annual output, it has not been marketed for very long. More and more new application areas for the various elastomers emerged and synthetic rubber production was expanded accordingly, particularly in North America, Western Europe and Japan. Some of the best-known commercially relevant synthetic rubbers are listed below.

Year	2002	2003	2004
Synthetic rubber production (in 1000 tons)			
North America	2300	2344	2409
Latin America	614	644	674
European Union	2723	2755	2871
Rest of Europe	1018	1175	1232
Africa	68	77	74
Asia / Oceania	4180	4426	4721
<i>Total</i>	<i>10900</i>	<i>11448</i>	<i>11974</i>
Synthetic rubber consumption (in 1000 tons)			
North America	2123	2152	2139
Latin America	659	689	795
European Union	2616	2657	2623
Rest of Europe	819	925	931
Africa	98	109	104
Asia / Oceania	4294	4725	5138
<i>Total</i>	<i>10740</i>	<i>11339</i>	<i>11846</i>
Supply / demand ratio (in 1000 tons)			
<i>Total</i>	<i>160</i>	<i>109</i>	<i>128</i>
Synthetic rubber stocks (in 1000 tons)			
<i>Total</i>	<i>3090</i>	<i>3273</i>	<i>3401</i>

Source: Rubber Statistical Bulletin of International Rubber Study Group

Various kinds of synthetic rubber with a variety of physical and chemical properties can be made from the polymerization of a variety of chemical raw materials (monomers), and have consequently found numerous applications throughout industry.

The following table compares the various kinds of synthetic rubber and areas of application:

Name	Tarmac admixture	Shoes	Adhesives	Technical goods	Tyres	Contact surfaces	Plastic admixture
eSBR		X	X	X	X	X	
sSBR	X	X	X	X	X	X	
BR		X		X	X	X	X
NBR		X		X			X
EPDM	X			X	X		X
IIR			X	X	X		
CR	X	X	X	X			
TR	X	X	X				X
Latex	X	X		X		X	

ESBR = emulsion-styrene butadiene rubber
 SSBR = solution-polymerized styrene-butadiene rubber
 BR = polybutadiene rubber
 NBR = acrylonitrile butadiene rubber
 EPDM= ethylene propylene diene monomer
 IIR = butyl rubber (isobutene isoprene rubber)
 CR = polychloroprene rubber
 TR = polysulphide rubber

Source: International Institute of Synthetic Rubber Producers, Inc. (IISRP)

- ✓ On a quantitative basis, **polybutadiene (BR)** rubber is the second most important synthetic rubber. In 1999 consumption amounted to 1.953 metric tons. More than 70% of its output is primarily used in the tyre industry (IISRP figures). BR is mostly used in side panels and on contact surfaces of tyres.
- ✓ **Butyl rubber (IIR)**: Approximately 650 metric tons are processed every year mostly for the production of inner tubes for cars, bicycles etc.
- ✓ Its chemical resistance to many liquids, oils and chemicals make **nitrile rubber (NBR)**, particularly the fairly new development of hydrated nitrile rubber (HNBR), well suited for applications in the automotive industry, in mechanical engineering and in oil production. Hydrated nitrile rubber was first commercially manufactured in 1984 and is currently produced worldwide by only two manufacturers (Zeon Corporation, Japan and Lanxess, Germany and USA).
- ✓ Due to its strong physical properties **polychloroprene (CR)** is an extremely versatile synthetic elastomer. This material has become widely known as neoprene. Approximately 300 metric tons are manufactured every year. Only a few companies worldwide manufacture this product.

According to IISRP, the figures for 2000 are as follows.

Name of manufacturer	Country	Capacity
DuPont DOW (today: DuPont Performance) Elastomers	USA	100,000
Bayer AG (today: Lanxess AG)	Germany	65,000
EniChem(today Polimeri; plant closure in 09-2005)	France	40,000
Denki Kagaku Kogyo	Japan	48,000
TOSOH	Japan	30,000
Schowa-DDE (now: Schowa-Denko)	Japan/USA	20,000

The manufacturing industries in the United States, particularly the automotive industry in the New England states, are currently experiencing a delivery bottleneck. The reason behind this is the production stop of a French manufacturer as well as production downtimes in American facilities which have not yet been able to resume production as a result of the devastating repercussions of hurricanes Rita and Katrina last year. The largest manufacturer, DuPont Performance Elastomers (DPE), the only US supplier besides Lanxess, is particularly affected. Their facility in Louisville, Kentucky, is said to be the only DPE plant still working efficiently.

The Louisville plant is one of the few unionized DuPont manufacturing sites in the United States. Since DuPont in the USA is proud not to negotiate with unions, this exception must surely rankle; at least this seemed to be the impression conveyed to the representative trade union USW and others when DPE Management recently reaffirmed to the United Steelworkers International Union (USW) its decision to close its Louisville, Kentucky neoprene manufacturing plant in December 2006. This decision comes at a time when other manufacturers in the US may be forced to close their plants as a result of a severe shortage of neoprene. However, DuPont Performance Elastomers have now decided to reschedule the closure of their Louisville plant to March 2007.

Another solution to the delivery bottleneck might be to abandon any plans to impose punitive tariff duties on CR from Japan. This would greatly assist the manufacturers in the New England states. It would however not solve the issue of the threatened closure of the Louisville plant.

✓ **Nitrile rubber (NBR)**, a copolymer of acrylonitrile and butadiene, is a very versatile material due to its composition and the relative amount of the monomer units. Its physical and chemical properties make the variety of applications areas for NBR seemingly endless. According to the IISRP study, world consumption should rise to 368 metric tons by 2005. Major producers of NBR include

- Lanxess (with facilities in Canada and France)
- Girsal (Mexico)
- Hyundai (South Korea)
- JSR Corporation (Japan)
- Kumho (South Korea)
- Nantex (Taiwan)
- Nitriflex (Brazil)

- PetroChina (China)
 - Petroflex (Brazil)
 - Polimeri Europa (Italy)
 - Zeon Chemicals (with facilities in Japan, U.K. and USA)
- ✓ **Styrenic block copolymers (SBC)** are the largest volume-TPE, with annual global consumption reaching 1,200 metric tons. As a result of its special properties, SBC is frequently used as an additive material in order to improve the flexibility or the process characteristics of the end product.
- ✓ **Fluoro rubber (FPM)** is a fluorocarbon elastomer with high chemical and thermal resistance frequently used as sealing material. It can be heated to over 200 °C. Major producers of FPM include
- DuPont Performance Elastomers
 - Dyeon
 - Ausimont
 - Daikin
- ✓ **Polyolefin Elastomers (POEs)** are a relatively new class of polymers developed in the early 1990s, with a global demand of 200 tons. Since POEs have proven their viability in flexible plastics applications and use in a variety of industries, this volume should double by the mid-2000s.
- ✓ **Emulsion styrene butadiene rubber (ESBR)** is by far the most commonly employed synthetic rubber in the world. Emulsion SBR grades find their application as multi-purpose rubbers in nearly all sections of the rubber industry, mainly in the manufacture of tyres and rubber goods such as conveyor belts. The table below lists the major producers of ESBR today and their respective facilities. The information is derived from a report by the International Institute of Synthetic Rubber Producers (IISRP) which bases its figures on data provided by its members.

Company	Facility	Capacity in tons
Ameripol Synpol Co.	Port Neches, TX	235,000
Bayer Rubber Inc.	Sarnia, Ontario	20,000
DSM Copolymer Inc.	Baton Rouge, LA	150,000
Goodyear Tyre & Rubber Co.	Houston, TX	267,000
Industrias Negromex SA	Altamira, Mexico	92,000
Petroflex	Caxias, Brazil	196,000
	Triunfo, Brazil	65,000
Bayer SA	La Wantzenau, France	80,000
DOW Chemical	Pernis, Holland	85,000
	Schkopau, Germany	91,000
Dwory SA	Oswiecim, Poland	104,000
EniChem SpA	Hythe, UK	120,000
	Ravenna, Italy	90,000
Karbochem Ltd.	Sasolburg, RSA	32,000
Hyundai Petrochemical	Daesan, Korea	60,000
JSR Co.	Yokkaichi, Japan	215,000

Zeon Co.	Tokuyama, Japan	190,000
Korea Kumho PC	Ulsan, Korea	180,000
SINOPEC	Beijing, China	80,000
TSRC	Kaohsiung, Taiwan	105,000

Source: International Institute of Synthetic Rubber Producer

- ✓ **Ethylene-propylene rubbers and elastomers (also called EPDM and EPM)** continue to be one of the fastest growing synthetic rubbers having both specialty and general-purpose applications. Sales have grown to 870 metric tons in 2000. Regrettably, newer figures are not available.

2. The tyre industry

Tyre production is closely linked to the development of the global automotive sector. The massive rise in raw material costs during the last two years has reduced company profitability. On the whole though, companies were able to absorb the impact by raising their prices. The economic situation for companies operating in the dollar market benefited only marginally from the weakness of the US-dollar.

The automotive industry's development worldwide developed very inconsistently, with winners and losers in all markets. While notably fewer cars were sold on the US market and the sale of vehicles manufactured by large corporations such as General Motors and Ford fell sharply, immediately impacting the development of the sales turnover in the OE segment, the number of tyres sold in Japan, for example, increased by 13.9%. The largest Korean tyre manufacturer Hankook reported an increase in the sale of tyres of 8.7% in 2005, which can be mainly attributed to still rising sales figures in China. Among the ten largest tyre manufacturers, Hankook was the only one able to improve its worldwide ranking in 2003, pushing Japanese corporation Toyo Tyre to tenth place. Other than that, rankings 1 to 13 remained unchanged over the past several years.

The tyre market is dominated by three companies, which together are selling more than the half of all tyres in the world. The third company has twice as much sales as the number four in this market. Depending on this oligopolistic structure brand names are very important. Because of this nearly all big tyre companies want to have a step in the door in the original equipment (OE) market. Selling the tyres directly to the car producer is a very poor business and not really profitable. But the replacement market is enormously profitable and if the driver likes the tyres already on his car he normally wants to buy the same brand when replacement is necessary.

A lot of the car tyre makers have produced high performance tyre in the developed countries and the less expensive and complicated tyres in developing countries, but this kind of division of labour is changing. In Central and Eastern Europe, in Latinamerica and in Asia more and more mostly subsidiaries of the MNC's are able to produce high performance tyres as well. Even when there are some car production sites just around the corner.

Economic developments in 2004

In 2004, the value of global tyre sales rose by 15%. This was due to an increase in sales of approx. 1% as well as price and exchange-rate changes, in particular the weak dollar. The overall turnover amounted to 92 billion US Dollars, with 12 tyre manufacturers achieving total revenues of 1 billion US Dollars, thus covering 81% of the world market.

Ranking	Companies	Turnover 2004 (only tyres)	Head Office
1	Group Michelin	17,888.20 Mio \$	France
2	Bridgestone Corp.	16,750.00 Mio \$	Japan
3	Goodyear Tyre & Rubber Company	15,150.00 Mio \$	USA
4	Continental AG	6,100.00 Mio \$	Germany
5	Pirelli S.p.A	4,043,50 Mio \$	Italy
6	Sumitomo Rubber Industries Ltd.	3,150,00 Mio \$	Japan
7	Yokohama Rubber Co. Ltd.	2,863,80 Mio \$	Japan
8	Cooper Tyre & Rubber Co.	2,081.60 Mio \$	USA
9	Hankook Tyre Co. Ltd.	1,902.50 Mio \$	South Korea
10	Toyo Tyre & Rubber Co. Ltd.	1,618.10 Mio \$	Japan
11	Kumho Tyre Co. Inc.	1,562.00 Mio \$	South Korea
12	Grandtour Tyre Pte. Ltd.	1,045.00 Mio \$	Singapore

Source: Rubber & Plastics News

Industrial sector investments

There has been a significant increase in investment activities in the tyre industry in recent times. The European Rubber Journal provides the following overview:

Period	Total investment sums
2001-2002	1.6 billion US \$
2002-2003	1.2 billion US \$
2003-2004	2.0 billion US \$

The most important and largest investments announced in 2004 are detailed below.

- The Russian SIBUR Group plans to invest **US \$ 300 million** over an unspecified period in their facilities in Omsk, Yekatarinburg, Volhzsk, and Yaroslavl to modernise and increase their production.
- Continental plans to invest **US \$ 183 million** in the construction of a new tyre plant in Camacari in Bahia / Brazil. Production is scheduled to start this year.
- Toyo Tyre intends to spend **US \$ 150 million** to expand their car and commercial vehicle production facility in Bartour County, Georgia / USA.
- Kumho Tyre plans to invest **US \$ 130 million** to increase their current production capacity at their facility in Nanjing /China by 2008.
- Continental has plans to invest **US \$ 122 million** at production start-up in their new tyre plant in Brazil with the aim to increase their capacities by 2008 and to create 1,000 new jobs in Bahia.

- **Pirelli** is going to invest **US \$ 115 million** worldwide to equip their heavy goods vehicle production facilities with MIRS (Modular Integrated Robotic System).
- **Bridgestone** intends to invest **US \$ 106 million** to boost their OTR capacity in Hofu, Japan.
- **Michelin** plans to invest **US \$ 100 million** in an unspecified project in China.

A closer look at all the investment plans of the large tyre manufacturers for 2004 reveals the companies' different investment priorities. Whereas *Michelin* tops the list as expected with a total of approx. US \$ 450 million, *Continental* unexpectedly stays well ahead of *Bridgestone*, with investments amounting to a total of US \$ 389 million compared to *Bridgestone's* US \$ 300 million. Financially struggling *Goodyear Tyre & Rubber Company* appears much further down the list in 10th place with investments amounting to US \$ 32.2 million!

China – Market and Challenges

The growing demand in China's markets has worldwide repercussions. This is also evident from the fact that China overtook the United States in 2003 as the world's largest rubber consumer. In addition, numerous global tyre companies managed to improve their overall performance as a result of the steadily growing demand in tyres, although more and more Chinese tyre manufacturers are now among the 75 largest tyre and rubber companies. China has become the world's largest exporter of truck tyres into the US market. In its 2004 Annual Report, the *European Rubber Journal* states that 16 Chinese companies are already among the TOP 75, with three of them among the top 20. Another indication of the growing competitiveness of Chinese tyre manufacturers is that 120 Chinese companies were issued a DOT-code in 2004 (compared to just 45 companies in 2000), certifying compliance with all Department of Transportation tyre safety standards and entitling them to export to the United States.

Nevertheless, a number of Chinese tyre plants are owned by MNC companies or are a joint venture between a Chinese company and a foreign company. *Goodyear* has a facility in Dalian, *Bridgestone* has three facilities in Shenyang, Tianjin and Wuxi, *Hankook* has two facilities in Jiaxing and Huaiyin. *Continental* will invest 300 Mio US\$ in a new tyre plant in China. The number 12 of the tyre makers, the Singapore-based *Grandtour Tire Ptd Ltd* runs 7 sites in China. Although most of the tyre production in China is exported it is expected that in the relatively near future the majority of the tyre production will be needed for the domestic market.

A separate look at the US market shows that due to the worldwide division of labour, the number of employees declined from 87,100 to 68,700 between 1997 and March 2004, while the proportion of imported tyres doubled between 2001 and 2004. The steady increase to 100 million imported tyres into the US inexorably continues with a double-digit rise of annual growth figures (*Source: Rubber & Plastics News, July 2005*). The proportion of imported tyres in the replacement tyre business has in the meantime risen to 35%.

Continuous growth in Central and Eastern Europe

Similar to Asia, the development in Central and Eastern Europe is also in a state of flux. While some of the large tyre manufacturers have moved a significant proportion of their production to Eastern Europe (with the German manufacturer Continental as the strongest example) or increased their present production capacities, others such as Michelin or Hankook have contracted to build a new tyre production facility in Hungary in 2005. In the so-called "automotive triangle" (Czech Republic, Slovakia and Hungary), where automotive companies such as VW/Skoda or Audi maintain their production facilities, the proximity to customers is of great strategic importance. Since all experts assume that the automotive market in Central and Eastern European countries will continue to grow, tyre production in those countries is still on the rise.

New Global Player

Other aspects also point to world market changes. The Russian company Amtel, for example, acquired the Dutch tyre manufacturer Vredestein Banden B.V. for € 195.9 million. The new company, named Amtel-Vredestein, is now in the possession of three tyre production facilities in Russia and one in the Netherlands.

One still open question is the development of the domestic market in Russia. When the car and truck manufacturing industry is increasing, then it will be a good sign for the Russian tyre plants, the present domestic replacement tyre market and possible export alone cannot be a strong push for the Russian tyre companies.

Tyre manufacturers in the Southern Hemisphere also demonstrate that multinationality should not be considered purely as a prerogative of Western Europe, the US or Japan. Accordingly, the second-largest Indian tyre manufacturer Apollo Tyre acquired Dunlop Tyres International in South Africa and Zimbabwe for US\$ 200 million. Since the Indian tyre market is not yet growing at the same rate as the Chinese market, some tyre manufacturers are accessing foreign market segments, strengthening their position on world markets by increasing their productivity.

India has in the same way as Russia an unclear forecast. Both markets are dominated by presently domestic companies and the increasing demand for tyres is less strong than in China or some other parts in the world.

Niche growth in individual tyre segments

In addition to the different developments in the various areas, individual segments of the tyre industry are also affected. By 2008, independent experts expect ongoing bottlenecks in the production of OTR tyres for off-road vehicles. Since mining activities in many areas are to be expanded further during the next few years, a rise in the demand of earthmover tyres is expected. Tyre manufacturers can react quite differently to the increased demand, either by investing in the respective areas, or by consolidating their tyre production and selling off individual segments.

Goodyear, for example, sold its farm tyre business to the US Company Titan Tyre Corporation, and Continental North America has so far made three attempts to sell its off-road (OTR) tyre business.

The concentration on core business segments and the sale of non-core operations to achieve the required financial consolidation also plays a role. How short-sighted management decisions can turn out to be is clearly demonstrated in the case of Continental Tire North America (CTNA). CTNA announced at an early stage in 2005 that it would sell its OTR business in Bryan, Ohio. The German Roesler Group was initially elected as partner, followed by Titan International. Now, in the spring of 2006, the investment group Pensler is being presented as a potential partner. Since the facility in Ohio is unionised and the representative union USW has yet to negotiate a successorship agreement before the sales contract becomes legally binding, the transition period was protracted.

Roesler bailed out first, followed by Titan International. In business circles rumours were circulating that this was not due to negotiations with the union but a result of CTNA protracting the negotiations deliberately to profit from OTR tyre sales for as long as possible. This seems to make sense insofar as a supply bottleneck in OTR tyres to the automotive industry became apparent during the course of 2005. CTNA has now found another potential investor for the facility. The Board's short-term thinking with regard to investment returns obviously prevented investments in the site in order to take advantage of chances provided by the market in the medium term.

In the meantime other tyre manufacturers have announced that they will expand their capacities in the US and in their native countries (Bridgestone, Michelin North America, Yokohama Rubber and Goodyear).

New technologies

The new run flat tyre technology is the latest innovation in recent years, a tyre with extra sidewall reinforcing rubber that can support the weight of the vehicle in the event of pressure loss and can typically be driven with no air pressure for many kilometres at speeds of up to 80 km/h. Michelin is offering another alternative. Called the PAX system, the Michelin development is comprised of a hard rubber or plastic ring inside the tyre (between wheel rim and tyre) so that the tyre actually rides on in the event of a flat until one reaches the nearest garage. The cumbersome change of tyre and the need to carry a spare can be dispensed with. This not only leads to a sizeable reduction in car weight but also to lower fuel consumption.

In October 2005, Michelin announced that it would transfer its "Durable Technology" (MDT) to the manufacture of truck tyres and would invest € 400 million in the required equipment during the next few years. With this new development tyres receive a better tyre profile and different tyre architecture. Despite constant tread abrasion, the tyre profile regenerates itself constantly due to the so-called "water-drop" lamellae, thus guaranteeing constant tyre adhesion over the entire service life of the tyre. In addition, the three-dimensional design of the tyre profile strengthens the long-life cycle and grip of the tyre.

An innovative technology winds up a 400 m-long steel wire almost endlessly.

As a result, the tyre is lighter, lowering the axle weight of a truck to 130 kg. At the same time, it can be driven twice the number of kilometres and is also able to bear a 400 kg higher load (figures for a 7-ton truck).

Another development in the commercial vehicle sector is the introduction of wider tyres. Hankook North America recently presented a 30-inch wide tyre to the public. On the whole, though, this development is expected to discontinue soon since the tyre width is subject to restrictions not only in production but also in the long-term safety of the tyre. Other extremely wide tyres for trucks include the Michelin models X One.

A change in the rubber mixture for tyres can make a big difference. The bigger companies use this for the production of so-called 'green tyres'. Green tyre means a lower rolling friction and as a result the cars with green tyres need less fuel (Michelin expects about 3 %).

Bridgestone announced recently the invention of a tyre with several chambers. That tyre has a much better riding quality than Tyres with only one-chamber-tube.

In January 2006, the Japanese company Toyo Tyre opened a new tyre manufacturing facility for US \$ 180 million in White, Georgia/USA. The new Georgia facility will manufacture tyres using Toyo's highly-automated and proprietary tyre production system Advanced Tyre Operation Module (A.T.O.M.), a manufacturing technique already applied in a facility in Japan. It completely dispenses with tyre builders, thus enabling a tyre production facility to operate with only a third of the customary number of employees. This will present a great challenge to the respective unions worldwide with regard to representing the interests of their members.

This is not a totally new invention. Michelin started with its C3M-technique, other tyre manufacturers followed like Bridgestone's BIRD and Pirelli's MIRS systems. Goodyear and Continental also have their own system to reduce the need of space and workforce. The new systems required only 10% of the space than an old production sites. The future will show whether it is possible to produce tyres in the same factory as the cars are produced.

2.1. The Big Three

The market share of the Big Three in the tyre industry amounts to over 53%. The number four has only half of the sales volume of the number three, a good example of how oligopolistic the structure of the sector is. This warrants a short sketch of their company profiles. All three companies are active worldwide, whereby Michelin is almost exclusively a manufacturer of tyres whilst Bridgestone and Goodyear Tyre & Rubber also manufacture other rubber products. With regard to the sale of rubber worldwide, Bridgestone takes up third place, followed by Goodyear at eleventh place.

2.1.1. Michelin

Company head office:	Clermont-Ferrand, France
Internet address:	www.michelin.com
Employees:	127,000 (in 2004)
Facilities:	74 in 19 countries
Rubber plantations:	6 in Brazil and Nigeria
Market presence:	in 170 countries
Sales :	€ 15,590 million (+ 3.6 % in 2005)
Profit:	€ 889 million (+ 35.9 % in 2005)

Michelin sold 194 million tyres in 2004, 53% (+0.7%) in Europe including Russia, 33% (-1.6%) in North America and 14 (+ 0.8%) in other regions.

The largest European tyre facility in the group is located in Olsztyn, Poland. This seems to be a trend followed by many tyre manufacturers. German Continental AG's Otrokovice site in the Czech Republic, for example, is now the largest tyre production facility in the world.

Michelin's withdrawal from the Formula 1 tyre business last year was an extraordinary event after the fiasco at the US Grand Prix, when 11 teams could not take part in the race as a result of Michelin recalling their tyres at short notice amid safety concerns. Until then Michelin had dominated this area, with Bridgestone only supplying Ferrari and a few other racing teams. After Bridgestone is now penetrating this prestigious domain, Michelin seems to have overcome its PR disaster.

The expansion of Michelin's earthmoving tyre facility in Lexington, South Carolina for US\$ 85 million is one of the large investment decisions of recent months. The production in Lexington will be doubled, particularly as a result of the growing demand in the mining tyre market.

2.1.2. Bridgestone

Company head office:	Tokyo, Japan
Internet address:	www.bridgestone.co.jp
Employees:	113, 699 (2004)
Facilities:	140 facilities, with 47 tyre production plants in 25 countries
Rubber plantations:	at least 5 in China, Thailand, Indonesia and Liberia
Market presence:	in more than 150 countries
Sales:	€ 18.9 billion = + 8.2 % (2005)
Profit:	€ 1.27 billion = + 58.0 % (2005)

The high gain is largely due to one-time profits in connection with company pensions.

In 2005 the proportion of proceeds of sales was as follows: Japan 36.5%, USA 36.4%, Europe 11.5% and other regions 15.6%.

Despite the high profit, the year 2005 was also the year in which Bridgestone Firestone North American Tyre reached a settlement of its legal dispute over the Firestone tyre safety recalls in 2001 with the US automotive manufacturer Ford Motor Company and agreed to pay Ford US\$ 240 million. The tyres were linked to accidents with an off-road vehicle manufactured by Ford involving several fatal accidents. This is, however, not seen as an admission of guilt on the part of Bridgestone. So far, Ford has always lost any lawsuits in American courts with the families of the victims. Bridgestone has already spent US\$ 440 million on recall-related costs. However, Bridgestone's Head Office has accrued enough reserves over the last few years so that the business figures are not unduly influenced.

In 2005 Bridgestone announced its intention to invest US\$ 100 million in the construction of a synthetic rubber production facility in Guandong/China.

A US federal lawsuit filed in 2005 accused Bridgestone/Firestone of employing their workers in virtual slavery at the Bridgestone/Firestone rubber plantation in Liberia. In several newspaper reports workers described their working conditions on the largest plantation in the world as anything but humane. As a result, most of the 6,000 rubber plantation workers came out on strike in February 2006 to demand better working conditions and higher wages. After a one-week strike it was announced that all parties had come together with the intention of finding a sustained improvement in the working conditions of the workers.

The outcome of the negotiations remains to be seen. The same applies to the lawsuit in the United States. The ICEM needs to establish contact with the union which briefly affiliated to ICEM some years ago however reports on the strike in Liberia also indicate that the workers are not happy with their union, alleging that union leaders are working too closely with plantation management.

2.1.3. Goodyear Tyre & Rubber

Company head office:	Akron, Ohio / USA
Internet address:	www.goodyear.com
Employees:	over 80,000 (in 2005)
Facilities:	99, with 44 tyre plants in 28 countries
Rubber plantations:	0, the last ones were sold in 2005
Market presence:	in almost all countries
Sales:	US\$ 19.70 billion = + 7 % (2005)
Profit:	US\$ 228 million = + 50 % (2005)

The proportion of tyres sold in 2004 was as follows: North America (48.6%), European Union (27.7 %), Eastern Europe, Middle East and Africa (7.9 %), Latin America (7.7%) and Asia-Pacific (8.1%).

The business figures of 2005 show the best result for Goodyear since 1998. After making a deficit for six successive quarters, the first quarter of 2004 finally showed a profit. The financial problems continue to burden the company's budget, with high loan paybacks and insufficiently secured company pensions being the main liabilities. Some employee benefits were cut back over recent years following difficult negotiations for the representative United Steelworkers' Union (USW).

Since 2003, Goodyear has closed three of its tyre production facilities: Huntsville, Alabama/USA (1100 employees), Guatemala (approx. 50 employees) and Wolverhampton UK, over a period of 5 years.

With US\$ 21 million, hurricanes "Katrina" and "Rita" put additional financial strain on the operating results. Due to the ensuing damages, Goodyear was forced to reduce its production output in North America by 30%.

In September 2005, Goodyear's Chairman and CEO, Robert J. Keegan announced savings of up to US\$ 250 million during the next three years to turn around the company's financial performance. According to Keegan, the turnaround efforts also include closing down expensive tyre production facilities, although he would not name figures or any of the affected countries.

In December 2005, Goodyear purchased the remaining 50-percent interest in joint venture South Pacific Tyres (SPT) with operations in Australia and New Zealand.

2.2 Continental AG – a special case?

Company head office:	Hanover, Germany
Internet address:	www.conti-online.com
Number of employees:	80,586 (2004)
Plants:	100, of these 29 are tyre plants in 18 countries
Sales:	12,597.4 Mio. € = + 9.2% (2004)
Profit:	1,096 Mio. € = + 28.2 % (2004)

"Conti", the name the company calls itself internally, was once a take-over candidate at the beginning of the nineties but developed further in the following years, however not to the advantage of the employees or their trade unions. The closure of supposedly non-profitable plants in Austria, Belgium, Sweden, USA and Germany caused painful job losses and the company management has increased pressure on their employees in Germany, having filed for a 40-hour-week, and maintained wages with no increase, even although they worked at a profit. This was the situation in the recent dispute at the car tyre plant in Hanover-Stöcken 2005/2006.

No other tyre company in Europe has transferred its production to so-called "cheap wage countries" so consistently and almost without compromise. In 1993 Conti took over the Czech Barum Tyre plant in Otrokovice. In the meantime it has become the largest tyre plant in the world with a production rate of 18 million tyres last year and 27 million tyres planned for 2006. This would be 17 times the production of 1993. 80% of the tyres are exported.

The focal point of the dispute in Germany was the way in which the Conti management attempted to close the profit-making site (2005: 40 million € gross profit) suddenly and after an agreement had been reached about job guarantees. Whilst Conti withdrew tyre production from Germany, Michelin, Pirelli and Goodyear are doing exactly the opposite and investing in new technology and additional jobs at German locations.

A number of demonstrations with simultaneous works meetings were held at all German locations and the united protest of the European Works Council, in which employee representatives from all European countries are represented, resulted in an agreed solution which stopped the planned closure of the location in Hanover-Stöcken as well as guaranteeing the production and the jobs up to the end of 2007. After this time, the company will offer alternative jobs to the affected employees.

For the first time, these protests were made jointly by the IG BCE union and the IG Metall union, thus forming a united front. For some years now, Conti has developed the strategy of presenting itself as a system provider for the car industry, instead of only supplying tyres, complete axles are built into cars in a VW plant. Electronic companies were taken over, ABS systems and similar systems provided.

The question whether this is necessary on an international scale is certainly answered by the reaction of the company management in two other examples. In spring

2005 the management at the South African plant in Port Elizabeth expected the trade union NUMSA to agree to additional weekend shifts in order to achieve lower wage costs compared to the other Conti plants. As the shop stewards and their trade union pointed to the existing labour contract at a meeting and to a clause whose framework could apply, the company management did not seem satisfied and refused to pay the additional weekend bonus and dismissed some employees without firstly consulting the trade union, thus going against South African law. In both cases NUMSA won the case in court which did not however prompt the company management to reinstate the dismissed employees at that time.

At the end of 2005, the Conti head office in Hanover stated that they would use the wage negotiations, scheduled for April 2006 with the American trade union USW at the plant in Charlotte, North Carolina, to decrease labour costs by 35%. The trade union was given the "opportunity", to decide the division of the massive cutbacks between wage cuts and health insurance cuts with the company insisting that the 32 million US\$ reduction was not negotiable. One can only call this form of dispute blackmail and a "slash and burn" policy.

With no immediate agreement to this by the union, the company management announced in the press that a total of 513 jobs were to be axed in two stages (almost half the employees). Adding fuel to the flames, Conti declared that lower wage reductions (10%) would be implemented at its US plant in Mount Vernon which does not have any trade union representation and, at the same time, stated that it intended to invest 60 to 70 million US\$ for modernization of this plant. The USW had tried more than one time to organize the Mont Vernon plant, but have failed to overcome vicious anti-union campaigns mounted by the company at each attempt.

To limit the irresponsible behaviour of the company management it is imperative that all affected trade unions and locations come into contact with each other in order to coordinate a common procedure.

3. Other rubber industries

In addition to the tyre industry, there are other rubber industries dependent on the car sector. The first 13 places of the 50 largest "non-tyre rubber companies" are all taken by sub-suppliers to the car industry. From the top 50 there are 39 belonging to this category.

Other areas of this industry include the manufacturers of synthetic rubber which, provided that they do not belong to typical rubber companies such as Bridgestone or Goodyear, primarily are companies in the chemical sector. Examples of this are: BASF, DOW Chemical, DuPont or Lanxess, just to mention a few.

Another industrial sector is the production of gloves, e.g. in the medical field such as operation theatres in hospitals and also for such items as condoms. Both of these are application areas with prospective growth. However, due to the expected bottleneck for natural rubber by 2010 at the latest, even these areas of industry will be affected because the multi-national tyre companies will remain the largest consumer and will, if necessary, be able to pay the higher prices as opposed to most middle-sized companies who produce rubber gloves and condoms.

In the rankings for 2005 there should be considerable changes caused by the takeover of the German Phoenix AG in October 2004 by the German Continental AG. Up until now, Conti was rated 6th and Phoenix 15th. Both sales proceeds together produce a larger sum than the current No. 1 of the French Hutchinson SA Group. But time will tell whether this simple addition can be maintained because in February 2006 Conti sold the previous Phoenix affiliated company Stankiewicz, a company specializing in noise insulation, to the Dutch company Equity-Funds Gilde.

The current debate in the area of synthetic rubber concerns the USA. The Italian company Polimeri closed its French production subsidiary for chloroprene due to problems in the supply of chlorine. Another production location belonging to the US Company DuPont Performance Elastomer was badly damaged in the hurricane last year and the production temporarily stopped. There are only two remaining manufacturers nationally, Lanxess Corp. and the DuPont Performance Elastomer plant in Louisville, Kentucky. This one is slated for closure at the end of 2006 although there is a product demand on the American market.

Lanxess as well as DuPont Performance Elastomer exclusively supply their regular customers. The result of this is that many sub-suppliers, especially in New England, end up empty handed and are forced to close their companies during the following months. Owing to the fact that DuPont Performance Elastomer has claimed to have no intention of retracting its decision to close the company, an extension was recently announced for the production in Louisville up to March 2007, the companies on the east coast are urging the USA to lift the penal duties on Japanese chloroprene in order to maintain their production and to guarantee the jobs of their employees.

An ironic fact is that the plant in Louisville is one of the few DuPont plants in the United States that is not only represented by a trade union but also has a valid negotiated wage agreement. Therefore the trade union USW is convinced that this is a political decision of the management which runs contrary to economical considerations.

4. Challenges for trade unions worldwide

4.1 Coordination of activities

As stated many times in this report, an increased international coordinated procedure for trade unions is of growing importance to deal effectively with multi-national companies. While the statutory establishment of European Works Councils in the EC enabled the avoidance of individual locations being played out against each other, due to the fact that company managements have to submit and explain their economic results to these councils, it is still frequent practise to do this at an international level.

In the past the ICEM has tried to reinforce our coordinating function and set up worldwide networks which enable a quick exchange of information thus achieving purposeful action for member organizations.

Up until now two ways were adopted in the rubber industrial sector. With the establishment of a worldwide network, a coordination committee was formed responsible for the exchange of trade union activities and in addition to this reported about national wage negotiations or disputes with company managements in a newsletter.

Another model was the conclusion of a worldwide global framework agreement with the management of the Freudenberg Group. In this agreement, the company management guaranteed the maintenance of fundamental human and trade union rights at all locations.

4.1.1 Global network for Goodyear

The network was formed in March 1999 by more than 100 trade union representatives from 16 countries under the sponsorship of the USW. The network assigned a governing body and published its first newsletter, "Global Solidarity", in 2001 and this has appeared at irregular intervals ever since. In addition to this, trade union representatives from the Asian-Pacific area meet every two years, organized by the Goodyear locations. The last meeting was held in August 2005 in Manila.

The focal point of the meeting dealt with the dismissal of the trade union chairman Anan Pol-ung in the Goodyear plant at Bangkok/Thailand. The management accused him of unionizing contract employees and short-term employees. He was reinstated after protest letters were sent from the general secretary of the ICEM to the local management and a press statement from the ICEM which was published worldwide. Unfortunately attempts to activate the Goodyear network for solidarity action was less successful than hoped; in future such action must be improved.

4.1.2 Global network for Bridgestone

The Bridgestone network was formed on the initiative of 9 trade unions and the first meeting of the governing body convened in Tokyo in April 2001. Since then meetings have been held once every year. The last meeting of the governing body was held again in Tokyo in June 2005 and previous to this in Brazil. The network also publishes a news letter on an irregular basis.

A special challenge in communication within the network is certainly the current dispute concerning the working conditions at the Firestone plantation in Liberia. The case started with an accusation and legal case against Bridgestone-Firestone North America by the International Labour Rights Fund in the USA. Bridgestone are accused of practising slavery on their plantations in Liberia. It is very difficult to gain an accurate overview of the situation on the plantation owing to the fact that ICEM member trade unions are not officially included in this process, complicated by the fact that the union chairman on the plantation has been reported in the press as not having the confidence of the employees.

4.1.3 Global framework agreement with Freudenberg

The global framework agreement with the company Freudenberg, the No.2 in the non-tyre rubber industry, was signed in July 2000 by the company management, the German IG BCE and the ICEM. Since then it has been renewed once. The objective of the ICEM secretariat is to instigate worldwide activity which brings the agreement to life and helps trade union cooperation expand.

A special challenge for activities is the support for American trade unions in their efforts to unionize Freudenberg locations in the USA, last year there were frequent contacts made by the ICEM and also the IG BCE with the German company management. Generally seen, the present results are unsatisfactory; however we will continue to keep going along this path together with our American member organizations.

Another point is increasing trade union contacts in the area of the European Works Council. For example when a new plant is opened in Central or Eastern Europe, particularly a "greenfield" site, often there is no union representation. In such cases, the European Works Council will help the corresponding trade union establish itself in the new company. In this respect, the ICEM can count on the support of the EMCEF with which all European activities are closely coordinated.

4.2 Safety in the rubber industrial sector

The ICEM and their member organizations organize the majority of all workers in the rubber industry. This requires a great deal of know-how concerning working conditions in the respective rubber companies. It is exactly in this industrial sector that there are many multi-national companies which are subject to strict conditions in their own countries concerning the question of work safety, environment conditions and production safety. It was always ICEM policy that the highest standards should be implemented in each of their plants independent of whether or not this is required by law in the individual country concerned.

The ICEM has also called for the further development of safety regulations and observes worldwide examinations into special occupational illnesses and environmental stresses at work areas in the rubber industry.

Special health hazards in the tyre industry

Numerous studies have proven that some materials or emissions emitted during tyre production can cause cancer. Such illnesses are recognized as occupational ill-

nesses in some countries and at the same time there exist solutions ranging from reducing employee contact with these materials to complete contact exclusion. Some of the materials which have been proven to cause cancer are:

- Aromatic amines
- Asbestos
- Benzene
- 1.3 Butadiene
- Chlorinated hydrocarbon
- Wood dust
- Ionized radiation
- Nitrosamine

Aromatic amines have been examined for a long time because, according to IAO data, they cause among other things cancer of the bladder attributed to a 20% chemical exposure at the work area. Cancer of the bladder is an occupational illness which can be detected in its early stages.

A special hazard comes from nitrosamines which are created during vulcanization of tyres, also partly contained in the added soot. Even finished-produced tyres emit Nitrosamine into the environment during their complete life cycle.

Further problems concern physical hazards, e.g. noise, heat and monotonous, repetitive movements, which raise questions regarding work sequence.

Another form of illness, which in rare cases is associated to a special chemical, is dermatitis, a special allergic skin reaction to certain materials.

In many countries the average age of workers is increasing, at the same time more shift work is being introduced within the framework of increased utilization of machines and the reduction of wage costs. In addition to continuous operation this has led in some cases to the introduction of the 12-hour shift. This form of work can cause great health hazards for all employees. In some countries there are special conditions for shift workers and there are also positive results from low risk shift conceptions. It is the opinion of the ICEM that this should be implemented in all areas.

Further hazards in the non-tyre rubber industry

In this sector there are a wide range of synthetic rubbers all of which are produced in very different organic solvents. Additionally there are corresponding health hazards of a specific kind due to the application of solvents such as hexane, 1, 1, 1, trichloroethane or heptane.

Another ever increasing factor is the growing allergy problem to natural rubber, in some cases of application connected with skin contact, which can be solved by substituting other materials, e.g. paving with acrylic.

Environmental safety and what the trade unions can do

Finished products and the waste produced in the rubber industry are not only a hazard for employees but also a special danger for the environment, air and ground wa-

ter. Therefore responsible handling of all material in the complete production is indispensable. It is imperative that individual employees be given the corresponding training and that there is cooperation between the worker's representative and the management. The ICEM can, with our international knowledge and contacts, give support if needed and advise individual trade unions on how to establish a committee in the company for working and environment.

4.3 Disputes – 2002 to 2006

Two case examples

In December 2002 the employees of Fábrica Uruguaya de Neumáticos SA (FUNSA) stood before closed company gates. Can it be that after more than 70 years, this traditional company in the industrial area of Montevideo was suddenly insolvent? Without having been given any previous warning, the employees stood there in front of the company gates. Nobody could believe this was happening. This heralded the start of a long hard struggle by the employees to save their jobs. They firstly hindered the transportation of installations. After this, they went from one official location to another until they obtained the chance to open up the plant again.

The will of the employees to hold on proved to be the recipe for the rebirth of this plant. In September 2004 the production started up with 120 employees. Rubber gloves were produced the same as before. In July 2005 the production was expanded to include tyres for agricultural equipment, trucks and cars, by this time there were 170 employees. They have an output rate of 400 tyres per day. By the middle of 2006 the employees, who now are also the owners of the company, will invest in a further expansion which will enable 2000 tyres to leave the company per day and thus create further jobs.

The second case concerns the Mexican tyre company in El Salto, Jalisco. In September 2001 the previous owner, the German multi-national company Continental, stated the intention to close the company because it was unprofitable. The company management did not bargain with the trade union Sindicato Nacional Revolucionario de Trabajadores de la Compañía Hulera Euzkadi (SNRTE). For three years the trade union and its chairman Jesús Torres Nuño fought to maintain the plant location and to save the 971 jobs.

In 2004 Continental finally agreed to transfer half of the company to the employees and the remaining half to the Mexican group Llanti who specialize in tyre sales. The 600 trade unionists who were on full-time strike received back payments of their wages. The company has now been operating since January 2005 and already 100,000 tyres are being produced. However, instead of 12,000 to 14,000 tyres being produced per day, as in previous times, only 3,000 tyres are produced, but a production expansion is being planned.

The successful outcome was acknowledged at the alternative program at the World Economic Forum in Davos this winter. The American ICEM member USW and the German member IG BCE provided assistance and helped in finding a solution that guaranteed a future.

Both examples clearly illustrate that companies can offer jobs and work without striving for more and more profit margins, as preached by the disciples of shareholder value. Responsible company management is unimaginable without the participation of the people affected, i.e. the employees.

International solidarity

The following provides some details on some of the major rubber industry disputes the ICEM has supported:

- *September 2003:* The plans of Bridgestone Australia to lockout employees, to not pay any wage increases and to implement wage reductions are withdrawn. The member organizations LHMU, CEPU and AMWU were able to win this dispute with the support of the ICEM.
- *May 2004:* The Turkish member of the ICEM, Lastik-İş called a strike at 6 tyre plants during wage negotiations. President Erdogan of Turkey proclaimed this strike as illegal and claimed state security was threatened. A Turkish court ruled this as impermissible after protests had been lodged by the ICEM and the EMCEF at the EC and the ILO. Lastik-İş was then able to conclude wage negotiations for its 4000 members in this sector.
- *September 2004:* A strike lasting almost one year ended at the Argentinean Bridgestone Plant. 58 workers who were illegally dismissed were reinstated by the company management and the ICEM member SUTNA acknowledged as the partner responsible for wage negotiations. ICEM supported the struggle of Argentinean colleagues with letters of solidarity and through the Bridgestone network.
- *February 2005:* The regional committee of the ICEM for North America supports the USW members in his forthcoming wage disputes.
- *August 2005:* After a worldwide declaration in the press and direct interventions with the plant manager by Fred Higgs, General Secretary of the ICEM, the illegally dismissed trade union leader Anan Pol-ung was reinstated by Goodyear Thailand.
- *September 2005:* The ICEM draws attention to the yearlong dispute concerning the dismissal of 8 trade unionists from Goodyear Malaysia and the struggle by the member union NUECMRP for their reinstatement.
- *November 2005:* The ICEM supports the demonstration by 1000 employees in Thailand for improvements in the position of contractual employees at the local Goodyear plant.