

Hyatt Calls on Union Leaders to Allow Members to Vote on New Contract So Associates Can Get their Wage and Benefit Increases

□ **CHICAGO (July 18, 2012)** – The Chicago area Regional Director of the National Labor Relations Board has found merit in Hyatt's unfair labor practice charges that Unite Here locals representing Hyatt associates in the Chicago area - Unite Here Local 1 and Local 450 - have bargained in bad faith and made illegal demands during contract negotiations with Hyatt.

For nearly three years Hyatt has been negotiating with Unite Here to secure new contracts for its associates at Hyatt Regency Chicago, Hyatt Regency McCormick Place, Park Hyatt Chicago, and Hyatt Regency O'Hare. In April, the company filed an unfair labor practices charge with the NLRB on behalf of the four Chicago area Hyatt hotels.

In response to Hyatt's charge, the NLRB Regional Director found merit that local Unite Here leaders were bargaining in bad faith by refusing to schedule more frequent negotiating sessions, arriving late and leaving early during scheduled sessions and that the union has engaged in bargaining tactics to pressure Hyatt to obtain other provisions.

The Regional Director also found merit that the following Unite Here proposal was **illegal**:

"Section 7. Strikes and Stoppages: Section A, Subsection (b) reads: Nothing in this section shall restrict or limit in any way... (b) the right the employees or the union to conduct a boycott against the employer or any other entity or to communicate in any way with customers, vendors, directors, officers, lessors, property owners, shareholders, bondholders, lenders or any other person to help other Hyatt workers organize or get contracts. No employee or group of employees shall be disciplined in any way for the foregoing actions or replaced for respecting such lawful picket line."

Hyatt views Unite Here's tactics as proof that union leadership is more interested in furthering its organizing drives at other Hyatt properties rather than reaching a fair contract with Hyatt associates it already represents.

"These bad faith negotiating games are simply a way for Unite Here to avoid reaching an agreement so the union can continue to pressure other Hyatt hotels into accepting its method of forced sign up organizing," said Russ Melaragni, Vice President Labor Relations, Hyatt.

Hyatt has offered Unite Here the same wage and benefits terms the union accepted at Hilton and Starwood properties in Chicago, but Unite Here leaders refuse to accept a contract or to let their members vote on those terms.

"Unite Here leadership has kept our associates in Chicago, who are represented by the union, from getting the pay raises and benefits increases they deserve for nearly three years," said Patrick Donelly, General Manager, Hyatt Regency Chicago. "At the same time, Unite Here has authorized a shocking ten percent dues increase for our associates, to take effect here in Chicago on August 1, rather than considering the 12 percent increase in wage; the 26 percent increase in healthcare, pension and legal contributions; and guaranteed, Hyatt-paid healthcare, which are on the table for their members."

As a result of the Chicago NLRB actions, Unite Here has agreed to enter into a formal settlement agreement that specifies in part, that the union will not engage in conduct prohibited by Section 8(b)(4) of the National Labor Relations Act, or engage in other conduct that frustrates reaching an agreement, or fail to bargain with the employer in good faith and withdraw the illegal proposal as drafted.

Hyatt Recognized as a Great Place to Work

Hyatt hotels in Chicago are repeatedly recognized as some of the best places to work in the city. For example:

- Hyatt Regency McCormick Place was selected by *Crain's Chicago Business* through a survey of associates as a top ten "Best Places to Work" and the #3 "Top Workplace for Women" in Chicago.
- Hyatt Regency O'Hare was listed as #2 in the midsize category in the *Chicago Tribune's* Chicago's Top Workplace 2011

list. Hyatt Regency Chicago and Park Hyatt Chicago were also recognized on this list.

- Hyatt Regency Chicago was named the winner for the Better Business Bureau serving Chicago & Northern Illinois' 2012 Torch Award for Marketplace Ethics, Category II (1,000 – 7,499 associates)

"The satisfaction and wellbeing of our associates is fundamental to the success our business," said Donelly. "Our associates are on the front-line to deliver a great experience to our guests."

Hyatt has held in escrow nearly two years of pay raises for Chicago associates who are Unite Here members, and plans to pay those wages to associates as soon as a contract is ratified.

Hyatt Associates Should Be Allowed To Vote

Unite Here wants Hyatt to accept card check/neutrality, a non-democratic and often intimidating process of gaining union representation by employee signatures. Last year, Hyatt sought Unite Here's agreement to hold secret-ballot elections at four of its properties so Hyatt associates could make a democratic choice about whether to become union members. Unite Here vigorously opposed allowing associates the right to vote. As a result there were no elections.

"We respect our associates' right to be represented by a union, and we have strong relationships with a number of other unions representing our associates. We believe our associates should have the right to say yes or no to union representation in a democratic secret-ballot, rather than being pressured at their homes to sign up," said Melaragni.

"It's time for Unite Here leadership to stop trying to line their own pockets by boosting membership and increasing dues at the expense of our associates. Instead, union leadership should focus on those people they're already paid to represent," said Donelly. "Unite Here should allow Hyatt associates in Chicago to vote on Hyatt's proposal, which includes the same wages and benefits accepted by employees at the other Chicago area hotels."

For more information, please visit www.hyattworkplace.com.

For further information:

About Hyatt Hotels Corporation

Hyatt Hotels Corporation, headquartered in Chicago, is a leading global hospitality company with a proud heritage of making guests feel more than welcome. Thousands of members of the Hyatt family strive to make a difference in the lives of the guests they encounter every day by providing authentic hospitality. The Company's subsidiaries manage, franchise, own and develop hotels and resorts under the **Hyatt®**, **Park Hyatt®**, **Andaz®**, **Grand Hyatt®**, **Hyatt Regency®**, **Hyatt Place®** and **Hyatt House™**. **Hyatt House** is changing its brand identity from **Hyatt Summerfield Suites®**. **Hyatt Residential Group, Inc.**, a **Hyatt Hotels Corporation** subsidiary, develops, operates, markets or licenses **Hyatt Residences™** and **Hyatt Vacation Club®**, which is changing its name to **Hyatt Residence Club™**. As of March 31, 2012, the Company's worldwide portfolio consisted of 488 properties in 45 countries. For more information, please visit www.hyatt.com.

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Katie Rackoff
312-780-5361
katie.rackoff@hyatt.com

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