



TEAMSTER *News*

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UPS ADMITS DRIVER BUYOUTS VIOLATE TEAMSTERS CONTRACT IN CENTRAL REGION

Buyout Scam Withdrawn in 13 States After Teamsters Overwhelm UPS with Grievances

(WASHINGTON) – United Parcel Service (UPS) notified the International Brotherhood of Teamsters on Tuesday that it was withdrawing its latest driver buyout scheme in Central Region states after nearly 37 local unions filed grievances against the parcel giant for shamelessly violating the UPS Teamsters contract. This action will greatly undermine the company's illegal pursuit of buyouts in other regions under the National Master Agreement.

The Teamsters Central Region encompasses 13 states from Nebraska to Ohio and is home to more than 68,000 rank-and-file Teamsters working at UPS. The latest buyout, which the company calls the Driver Choice Program (DCP), had asked drivers to accept a one-time lump sum payment in exchange for legally committing to never work for UPS again, to waive their rights to union representation, and to sacrifice a career's worth of strong union wages, employer-paid health care, and guaranteed retirement benefits.

"By pulling out of more than a dozen states, UPS has conceded that its buyout programs are illegal. They are scams designed to fuel corporate greed. These programs violate the Teamsters contract and UPS knows it," said Teamsters General President Sean M. O'Brien. "The Teamsters strongly urge UPS to take the next right step and dismantle its Driver Choice Program across the country. If UPS fails to do right by the men and women who deliver its packages and generate its billions in profit, the Teamsters will pursue our grievances nationwide and defeat UPS in arbitration. We are prepared to do whatever it takes to protect our members' rights."

In court filings earlier this year on the illegality of the DCP, the Teamsters detailed at least six violations of its National Master Agreement by UPS in the rollout of the buyout program, including direct dealing of new contracts with workers, elimination of union jobs when UPS contractually agreed to establish more positions, and erosion of the rights and privileges of union shop stewards.

These violations have been cited in grievances against UPS filed by rank-and-file Teamsters since the DCP was rolled out last month. The union has also pointed to contract language in the UPS Teamsters Central Region Supplement — one of 44 regional supplements to the UPS Teamsters National Master Agreement — that restricts UPS from directly offering incentive programs that are not voted on and approved by employees and the union.

Until this week, the DCP was being directly offered to all drivers at UPS regardless of length of service and outside of negotiations with the union, irreparably damaging the Teamsters' right to representation. The letter of separation that workers would be forced to sign by management to complete enrollment in the program would be irrevocable, further damaging the union or any individual worker's ability to grieve or arbitrate the terms of separation.

The scope of UPS's latest buyout scheme is much broader than the payoff presented to workers last summer, when UPS marketed payouts to more tenured drivers nearing retirement. The earlier program, which UPS called the Driver Voluntary Separation Program (DVSP), was widely rejected by Teamsters nationwide, many of whom took to social media to shred and set fire to the insulting financial package offered by UPS to leave the company.

While recent payoffs dangled in front of workers have been larger, the DVSP and DCP programs are unmistakably similar. Grievances over contract violations inherent in the DVSP program are expected to be heard before an arbitrator in May.

"UPS's actions to walk away from its own buyout program is an admission of guilt, plain and simple," said Teamsters General Secretary-Treasurer Fred Zuckerman. "UPS wants to offload as many well-paid drivers as possible to boost its corporate earnings. The executives currently running UPS have no regard for the health, well-being, or future financial security of their workforce. The Teamsters are here not just fighting UPS to do the right thing but fighting for a better quality of life for the hardworking people who move America."

UPS CEO Carol Tomé was paid at least \$23 million in 2025, outearning average UPS employees by a pay ratio of 345-to-1. While UPS Teamsters have been offered insulting payoffs to walk away from the company twice in the last year, UPS awarded \$38 million bonuses to senior managers in May to stay with the company, reporting at the time that awards of up to \$1 million each were necessary to "retain and motivate [UPS's] management team during a critical transition time."

Founded in 1903, the International Brotherhood of Teamsters represents 1.3 million hardworking people in the U.S., Canada, and Puerto Rico. Visit [Teamster.org](https://www.teamster.org) for more information. Follow us on X [@Teamsters](https://twitter.com/teamsters) and on Facebook at [Facebook.com/teamsters](https://www.facebook.com/teamsters).

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