

# Senior Employees "Screwed" by BP

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(Image: <u>BP logo</u>, <u>business stress</u> via Shutterstock; Edited: JR/TO)

In early September US District Judge Carl Barbier <u>found BP guilty of gross negligence</u>, or "more reckless and extreme behavior" for their 2010 Gulf of Mexico oil disaster, which was the single largest marine oil spill in US history.

Barbier, who is based in New Orleans, wrote that the oil giant had taken measures to cut costs despite obvious safety risks, and mentioned that some of BP's decisions "evince an extreme deviation from the standard of care and a conscious disregard of known risks."

BP now faces a penalty of as much as \$4,300 for each barrel of oil spilled, exposing the oil company to an additional \$18 billion in fines. That is nearly quadruple the maximum civil fine had the finding been simple negligence.

Barbier's decision prompted the UK government to <u>tell US Supreme Court judges</u> that decisions to authorize payments to people who were not injured by the spill raises "grave international comity concerns by undermining confidence in the vigorous and fair resolution of disputes."

Given the number of UK citizens, government employees or otherwise, who have a massive financial stake in BP's financial well-being, the UK government's interest in the outcome of BP's US court case is obvious.

In a court brief dated September 4, the UK government <u>said</u>, "The lower courts' rulings have dramatically expanded" BP's "scope of liability far beyond anything that would seem to be appropriate under our shared common-law traditions or that anyone would reasonably expect."

Yet several long-term senior BP "SOHIO" employees who are incensed at what they believe is BP's attempt to short-change them on their pensions are enraged by the company's willingness to engage the UK government's assistance in avoiding fines in the United States, whilst ignoring the pleas of US-based senior employees for the company to honor their pension plans.

For more than half a year, at least 450 BP America employees have described BP as a company that is reneging on their pension plans by up to 75 percent, lying about it, and actively working against them in order not to pay them retirement benefits that were promised.

Russel Stauffer worked for BP in Houston for 32 years, but left in 2012 in "disgust."

"I quit the company as 'head of finance for the Gulf of Mexico,'" Stauffer told Truthout. "I had a sweet job, but I could no longer stand the injustice and lies at work."

Fritz Guenther, a BP employee and United Steelworkers Union member working in Alaska, who has worked for BP for 35 years, said he and his colleagues are "currently fighting to get back the pension plans that BP promised us in writing in 1989."

But now the UK government's decision has him "severely pissed off."

"Where was the UK government in 1989 when BP stole, yes stole, over half of its American workers pensions," Guenther told Truthout. "Yeah, it's all well and good to screw your American workers but when the shoe is on the other foot the UK government feels the need to step in? Hey UK government, where were you when your beloved BP was putting the boots to its American workers?"

### "Fighting Back"

Guenther said he and his colleagues are "currently fighting back to get the pension plans that BP promised us in writing in 1989."

Guenther, Stauffer and other previous and current BP employees, with whom Truthout spoke, are frustrated because they all belonged to Standard Oil of Ohio (SOHIO), a company <u>BP bought</u> outright in 1987 and made the cornerstone of its new national operation, BP America. At the time, BP promised these new employees in writing that their pension plan would maintain equal value to the old plan, or would even increase in value.

According to Guenther and several other current and former long-standing BP employees, in 1989 BP converted its US-based workers to a "new and improved" retirement plan.

"But four years ago we realized that over half of our pensions were missing," Guenther said. "When we brought this to BP's attention they quit talking to their own long-term employees."

According to these BP employees who spoke with Truthout, to date over 450 BP America US employees have filed "code of conduct and ethics complaints" with the BP Ombudsman Judge Stan Sporkin.

Following a two year investigation, in which, according to the employees, BP repeatedly lied to the judge and even hired two of the ombudsman's investigators to stop the investigation, Sporkin concluded that what BP did to their pensions was, according to Guenther, "wrong on every level and BP 'needs to take bold action' to correct this for some of their longest serving, most loyal employees."

Regarding BP's consistent claims that the company has done everything possible to compensate those impacted by its disaster in the Gulf, coupled with the company enlisting the UK government to come to its aid regarding the recent court ruling against it, Guenther had strong words.

"I am so damn sick and tired of hearing about poor, poor BP everyone is after them," he said. "How about you guys in the media do a report on how BP stole its US workers' pensions and has continued to ignore them?"

#### Wanting Answers

Sarah Fujimoto and her husband both retired from BP in April 2014, after 37 and 36 years of service, respectively.

"We have been through the good, the bad and the ugly with BP," she told Truthout. "All we want is what we were promised for our retirement, not just for ourselves, but for all of the employees [in our situation]."

Fujimoto said that she has been involved in the issue for four years now, and added, "We want answers [from BP]."

Instead, she said all they've received is "a bunch of fluff."

She provided Truthout with examples of this.

- -We (the Ombudsman's office and BP) will be meeting again in a month, then it takes two-three months for any sort of an update and the updates say nothing.
- -We will be meeting again in another month, then months pass and we get nothing of substance.

Fujimoto said she recently phoned BP's Ombudsman's office for an update on the situation, and was told, "There will be an update issued in the next couple of weeks."

She concluded with the hope, after she and her beleaguered colleagues have been patient about the matter, that "BP needs to step up to the plate and do the right thing for their long-standing loyal employees. BP needs to honor their code of conduct. No more smoke and mirrors, no more shell games, just do the right thing."

However, given BP's track record in fully compensating those impacted by their oil disaster in the Gulf, in addition to what other former long-term BP employees have told Truthout, Fujimoto's hopes for BP to do the right thing appear fantastic.

Kirk Wardlaw worked for BP for 31 years before retiring over the pension issue two years ago.

He'd known of the pension disparity for more than 15 years and knows of more than 50 of his former colleagues who were disgruntled over the issue as well.

Wardlaw told Truthout that BP's actions over this issue show that BP is "a company that doesn't keep their word," in addition to being "unwilling to step up and do what's right unless required by law or forced to do it."

The employees are accusing BP of not following their own <u>code of conduct</u> as it is outlined on the company website, where it <u>states</u>, "We say what is true" and "We do what is right."

BP's former senior engineer Wardlaw <u>offered a warning</u> to people in the Gulf of Mexico who have filed compensation claims with BP.

"Those depending on BP to 'do the right thing' in the Gulf of Mexico should be aware of BP's unfair and callous treatment of some of their own employees, failure to adhere to their own

code of conduct, and the willingness to hide behind a standard of 'we did what was technically legal,'" he said.

Truthout asked BP when the company would reach a conclusion about the pension issue in question, if the company planned on making a public statement, and if the company's UK office was aware of the pension dispute.

#### BP responded:

BP has listened to and understands the concerns of our SOHIO employees and has cooperated fully with the Office of the Ombudsman's investigation. With the Ombudsman's report on the matter now complete, we are reviewing the findings and will share our position on the matter with these employees shortly.

#### Changing the Rules

Another long-term BP employee, who still works for the company, requested anonymity out of fear of retaliation by BP.

He pointed out that BP's British employees have never had their pensions taken away, and when the terms for new employees were changed in 2009, existing British employees were grandfathered into their pension plan and kept their existing plan

"But when BP was accused of violating their code of conduct in 2014, BP responded by rewriting their code of conduct," the current employee told Truthout.

Guenther remains incensed at both his company's response to the pension dispute as well as how the company only takes care of its own regarding certain issues, as evidenced by the recent UK government actions regarding the "gross negligence" ruling.

"BP continues to ignore us and to date has not provided us with any updates and, at best, the ombudsman continues to stall any resolutions," Guenther said of his current situation.

"The ombudsman report concluded that what BP did was wrong and that they need to take bold actions to correct this. So far BP has done nothing even though they have had the report in hand for over six months," he said.

His concluding thoughts about the company he works for was stark:

"Every time I see one of BP's 'Commitment to America' ads I want to vomit."

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