



D.C. PREPARES TO HOST SECTOR'S 23RD ANNUAL CONFERENCE

Mailers Local M-29 (CWA Local 14201) President Mark Pullium and Bob Stevenson, President of Columbia Typographical Union 101-12 (CWA Local 14200) will serve as co-hosts when the 23rd Annual Conference of the Printing, Publishing & Media Workers Sector convenes on June 20th at the Washington Hilton Hotel. The Sector's offices and meeting rooms will all be located at the Washington Hilton. CWA's Convention follows on Monday June 22nd and 23rd. The CWA Legislative Conference will take place June 24th through the 26th.

Delegates will deal with normal housekeeping business at the conference as well as a special resolution in support of the Employee Free Choice Act.

Washington offers a wide range of diversions for visitors to the city—many of them family-friendly and cost-free.

HUNTER PHILLIPS LONGTIME MAILER COORDINATOR RETIRES

Veteran Sector staffer R. Hunter Phillips retired on May 1, 2009, after 18 years on the Sector staff and more than 44 years in the industry.

A Viet Nam vet, Phillips joined Washington Mailers Local M-29 in 1963, serving his apprenticeship at the Washington Daily News. After his discharge from the Air Force, he worked for the Detroit News, returning after one year to work for the Wall Street Journal and the Washington Post.

Phillips was appointed to the Sector staff in 1991, with primary responsibility for coordinating mailer local unions. In 2002, he was promoted to the post of administrative assistant to the president. He was a troubleshooter for some of the Sector's most difficult negotiations. Phillips headed up the negotiating team for Washington Post Mailers. In 2008, He worked with the Pittsburgh Mailers (Local M-22) and Printers (Local 7) to successfully complete negotiations with the troubled Pittsburgh Post-Gazette.

Phillips lives in Occoquan, VA, with his wife Patricia.



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CWA

Sector News

Printing
Publishing
and Media
Workers

2008 Annual Report of the President

As we all know by now, the destructive anti-regulation policies of the Bush Administration and its Republican allies in Congress put the national economy into a tailspin, invited gross speculation by Wall Street and opened the floodgates to enable the greediest and most unsavory financial players to plunder the banking and finance sectors. These policies made a handful of people very wealthy while they destroyed jobs and lives, and undermined every domestic industry.

TO THE MEMBERS OF THE PRINTING, PUBLISHING & MEDIA WORKERS SECTOR, CWA



Bill Boarman, Sector president

Most economists recognized in the earliest years of the Bush Administration that the U.S. economy was weak and vulnerable in the hands of a political leadership that was both inept and corrupt. Growing inequality between the wealthiest 1% of the population and everyone else was certain to eventually produce a collapse that was deeper and more profound than any economic crisis since the Great Depression.

The result was that all the lifelines that average Americans depend upon have been seriously compromised. The extent of the damage is breathtaking.

The Labor Department reports that 5.7 million U.S. jobs were lost since December 2007 when the recession began through this past April. Prof. Lawrence Summers, chairman of the President's Council of Economic Advisors, says \$50 trillion worth of wealth was destroyed, some \$7 trillion of lost wealth came about because of the declining value of stocks; \$6 trillion in diminished housing values. And, the end is not yet in sight.

America's working people have been hardest hit—losing personal savings, pensions, IRAs, 401-ks and home equity. Those losses were compounded for many with the actual loss of a home to foreclosure and a job to bankruptcy.

We are often reminded that even though things are bad, they are not as bad as they were in the Great Depression when unemployment reached a peak of 25%. (Today, U.S. unemployment is 9.4%.)

Against this backdrop, your union continues to battle on behalf of our members and their families to restore stability in employment, wages, benefits and living standards.

Printing employment has flatlined—with substantial job losses in the newspaper industry and inconsequential growth in commercial printing and publishing. A number of factors have complicated this problem. The continued growth of the internet has taken its toll in demand for ink-on-paper products while the newspaper industry is confronting a precipitous challenge brought on by the perfect

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Growing inequality between the wealthiest 1% of the population and everyone else was certain to eventually produce a collapse. America's working people have been hardest hit.

storm of deep recession, dramatic drops in advertising revenues, and accelerated outsourcing and offshoring of pre-print and composing room work.

While all of those elements added to the financial woes of the newspaper industry, probably the biggest reason that so many newspapers are in financial trouble is the amount of debt that big chains created buying and selling overpriced properties to gain a competitive edge. Sam Zell, who engineered the deal to take over the Tribune Company with a cash investment of less than 2% (\$315 million), just didn't have the resources to take on the \$13 billion in debt that went along with the transaction.

BANKRUPTCIES FORCE CONCESSIONARY BARGAINING

A score of venerable daily newspapers have been driven into bankruptcy over the past year, including the Chicago Sun-Times, both Philadelphia dailies, and the Rocky Mountain News in Denver, along with dozens of lesser-known dailies. Newspaper chains that were among the "high-flyers" in the 1990s—including the Tribune Company, McClatchy, Media General, Gannett, New York Times Co. and others—now face the prospect of cutting away major chunks of their publishing empires, terminating some operations and selling others, or filing for bankruptcy.

When analysts comb through the debris, one thing is certain: they will find that the unions of the newspaper industry—our Sector, The Newspaper Guild and the others—accepted more than our share of the load in trying to sustain this industry. It's impossible to affix financial figures to the hits we have taken in contract concessions, but virtually every troubled newspaper still publishing today is doing so because its workers and their unions have cooperated to keep the doors open. No other component of the publishing industry—not the vendors, paper suppliers, equipment manufacturers, and certainly not the banks and creditors—can make that claim. If not for the negotiators from the Printing Sector and their peers at the table from our sister unions, the Philadelphia Inquirer and Daily News would be out of business, as would the 35 or more properties of the Journal Register Company, many of Gannett's publications, the Denver Post, the San Francisco Chronicle, the Boston Globe, the Chicago Sun-Times and many, many others.

We all know the value of hindsight, but I thought it was particularly informative to read a critique of the publishing industry by Time Magazine last Spring, that pointed out, since the 1990s, newspaper executives were pre-occupied with keeping the unions down and fighting against increased postal rates while the internet stole their business. So much for entrepreneurial genius.

UNPRECEDENTED COLLABORATION AMONG MEDIA SECTORS

In early January of this year, with assistance from the CWA Strategic Industry Fund, the Sector joined with NABET and the Newspaper Guild in an unprecedented leadership conference to explore the finances and the future of employment in the news industry—publishing and broadcasting—and discuss how we might collaborate in bargaining, organizing and representation of media workers. We entered into that conference with modest expectations and the understanding that solutions to a problem that has been festering for more than a generation will, by definition, require a long-term com-

Your union continues to battle on behalf of our members and their families to restore stability



The mailers' message was carried throughout the city on moving billboards.

mitment to continued cooperation. The Sector will continue to work with NABET and the Guild as opportunities arise to address these issues.

BRUISED, SORE, BUT READY FOR THE NEXT BATTLE.

Those words best summarize the experience of the Sector, our members, locals and officers over the past year. We have all gained a greater appreciation for the old saying: "That which does not kill me makes me stronger." However, there are easier and better ways to get stronger.

Two topics that will dominate our time at the 23th Annual Conference are the Employee Free Choice Act and the status of the Negotiated Pension Plan. Those same two issues consumed a great deal of our time and attention over the past year as well.

THE NEGOTIATED PENSION PLAN (NPP)

Your Negotiated Pension Plan took some severe hits in this recession, but in comparison to peer groups and market indexes, the NPP's experience wasn't as bad as it might have been. While the NPP's 2008 return was a -26%, the S&P Stock Index declined 37% for the year.

Despite the downturn in investment earnings, as of December 31, 2008, the NPP was 70 percent funded based on assets of \$730 million and estimated liabilities of \$1.07 billion. The value of liabilities was estimated using the actuaries' assumed interest rate of 7.5%.

Even though the stock market declined even further early in 2009, it has turned positive for the year to date. The NPP recorded a positive 1% return on its investments for the five months ended May 31, 2009.

Your NPP board of trustees has monitored the situation throughout this crisis. In March 2009, the trustees acted to protect the fund by adopting a series of changes that will save the fund \$17.9 million

Ready for the next battle

over the next 12 months, and \$10.2 million a year thereafter. Some of the changes the trustees were forced to adopt will be painful, but necessary to protect the NPP's ability to pay earned benefits.

Among the changes that became effective on May 1, 2009 were:

- *A new benefit calculation factor of 1.0%* taking effect on May 1, 2009 for all future benefits—down from the previous rate of 2.5%. This change does not affect benefits earned or contributions paid before the May 1, 2009 date.
- *As of May 1, 2009, the Fund* will not pay withdrawal benefits, lump sum disability benefits, or certain lump sum death benefits.
- *Disability award pension payments* will not be paid to participants who have been awarded a Social Security Disability pension with a date of entitlement on or after May 1, 2009. However, vested participants who have been awarded Social Security disability benefits, could be eligible for an early pension even if they lack the 20 years of service credit normally required for an early pension.
- *The NPP also tightened up on* our administrative expenses and reduced the number trustees to six with the departure of Martin Dillon, our senior management trustee, to reduce operating costs.

Your NPP trustees paid close attention to the advice of our actuaries, attorneys and investment consultants employed by the Fund. Our losses were eased somewhat by decisions not to rebalance with equities, spinning off some risky bonds and increasing our investments in Treasury notes. Because of this hands-on approach the NPP was able to remain flexible and responsive to outside pressures while maintaining our paramount objective to protect the viability of the fund.

Over the course of the NPP's 42 years we have been in up-and-down markets before. When the Fund had substantial surpluses the trustees elected to distribute "bonus" checks—a 13th check—during the good years. As a Defined Benefit Plan we don't reduce earned benefits when times are tough and we will always reserve the right to distribute surpluses whenever the Fund has an adequate cushion to pay all future anticipated obligations and benefits. Defined Benefit pension plans have become rare in recent years as employers shift costs and responsibilities to workers. However, the stability of your benefits under the NPP, as compared to what has happened to workers in defined contribution plans, illustrates quite clearly why a Defined Benefit plan is more secure and reliable. We have seen numerous employers suspend matching payments to defined contribution plans, or unilaterally terminate plans. Meanwhile, the value of defined contribution plans have dropped dramatically with the losses in the stock markets.

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www.cwaprintshops.org



Employee Free Choice Act and the status of the Negotiated Pension Plan will dominate our time at the 24th Annual Conference.

Table: NPP Benefit Formula Over the Years

1967-69: 1.0%	7/89-12/91*: 2.15% Retroactive to 7/87
1/70-12/72: 1.0%	1/92-1/96: 3.0%
1/72-12/73: 1.5%	1/92-1/96: 3.0%
1/74*: 1.7% Retroactive to 1/67	2/96-6/98*: 3.0% Retroactive to 7/87
1/77-12/83: 1.0%	7/98-1/99*: 3.25% Retroactive to 7/98
1/84-6/85: 1.3%	1/03-4/09: 2.5%
7/85-6/87: 1.7%	5/09: 1.0%
7/87-6/89: 2.0%	

Your NPP will survive this crisis, and rise again as the overall economy recovers.

Employee Free Choice Act

Thanks to all the PPMWS locals that have continued to go above and beyond the call to participate with CWA and the AFL-CIO in pressing for enactment of the Employee Free Choice Act. You should all be proud that we scored well above our quota for phone calls, petition signatures, participation in rallies and other campaign activities. This battle is far from over, so we will be pressing you again to do more as the fight goes on.

Opposition to enactment of the Employee Free Choice Act comes from predictable sources—big business and the right-wing conservatives who do their bidding. Cloaked in hypocritical "concern" over the "democratic right" of workers to a "secret ballot election," they argue that working Americans will suffer irreparable harm if employers are barred from badgering, threatening and intimidating individual workers and work units when they seek union representation.

No surprise there, but it is surprising that some esteemed U.S. senators have been intimidated and hoodwinked into opposition to the legislation based on these phony arguments.

We all like to think that the U.S. Senate, the so-called "deliberative body" of government, is a bastion of wisdom, thoughtful consideration and debate. If they have been paying attention at all to what has happened to the U.S. economy over the past year, clearly members of the Senate would understand why the overwhelming majority of working Americans would choose union representation if only they had the clear and unfettered right to do so. Unfortunately, the law of the land throws up all manner of obstacles when workers try to organize a union. Those who are not familiar with the process (most members of the U.S. Senate would fit this category since only a very few have ever been in what you and I might call a real job) might assume that the workers get together and secretly cast their "ballots"—yes or no—on the question. Wrong!

Even before the National Labor Relations Board sets up an election the employer knows who the key supporters of the union are. According to a just-released study by Prof. Kate Bronfenbrenner at Cornell University, more than half of all employers routinely interrogate and intimidate workers when an organizing drive gets underway. Bronfenbrenner also found that: 54% of employers threaten workers; 57% threaten to close the enterprise rather than negotiate with a union; 47% threaten cuts in wages and benefits; and 34% fire workers involved in the drive. The most significant obstacle to winning is the role reserved for bosses and employers in that process. Over the 80-plus years since the Taft-Hartley Act went into effect, big business and the courts have created gaping holes in what was intended to be a law to balance the rights of workers in the workplace.

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President's Report

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Litigation/ Arbitration

In Easton, Pennsylvania, the Sector's Local 222, representing workers at Cadmus Specialty Printing, affirmed the value of their arbitration process by winning reinstatement for an employee who had been dismissed over absenteeism. The union also won a series of expedited cases—including a \$75,000 back pay award—to wipe out a backlog of cases to establish a clean slate between the union and management.

Collective Bargaining

In sharp contrast to the trends in private sector negotiations, PPMWS Local 101-12 (CWA Local 14200) reported a breakthrough agreement for Government Printing Office personnel that yielded an 18% retroactive pay hike over the life of the agreement along with a \$500 signing bonus. The contract maintains the traditional 40-hour week and secures a 10 percent night shift differential. In the final year of the agreement, base wage for night side personnel at top scale is \$82,000, plus overtime. Health care, pensions, holiday and vacation provisions all remained the same. The GPO bargaining team

credited assistance from the office of the Sector President as well as Rep. Robert Brady (D-PA), then chair of the Congressional Joint Committee on Printing.

Meanwhile, in the same city, Washington Post Mailers represented by Mailers Local M-29 (CWA Local 14201) remain frustrated in their long battle to win a new contract at the Washington Post. The unit marked its seventh year without a pay increase last May.

New Units

Congratulations to the leadership of Local 14177, New Era in Derby, NY, for their role in winning representation for another company unit in Demopolis, Alabama. After Local 14177 secured a neutrality agreement from company officials, workers at the Demopolis plant voted 202 to 66 for the union. An organizing team that included former Local 14177 President Jane Howald and leaders from locals in CWA District 3 helped convince the workers that they could count on CWA representation.

Community Service

Plaudits to Central Illinois Local 177 (CWA Local 14406) for their continuing support of a longstanding scholarship program. At the time it was established (1995) the local's endowment of \$60,000 was the largest ever to Sangamon State University, a school that has since been absorbed into the University of Illinois system.

Union Printers Home

The Union Printers Home continues to operate as a full-service senior care facility with an occupancy rate of between 95 and 100% throughout the year. The Home employs some 150 care-givers, food service personnel, housekeeping and laundry service, clerical and maintenance workers under the supervision of Administrator Connie Miller. The home, which occupies 27 acres in the heart of Colorado Springs with a breathtaking view of Pikes Peak, honors printers, mailers and veterans, providing assisted living and skilled nursing services for residents. Recently awarded a VA Contract, the Home was given a 5-Star rating by the state of Colorado in January 2009.

Finances

The Sector's finances are sound. Balances below reflect unaudited totals for the period of January 1 through December 31, 2008.

Operating Fund: Ended the year with a balance of \$771,267.02. Total receipts for the period were: \$32,023.71; expenditures were: \$112,184.25.

ITU Segregated Fund: Income: \$32,758.36; benefits paid: \$10,380.88, distributed among 25 recipients (members or beneficiaries). End of year fund balance was \$831,249.77.

Strike Fund: Income of \$169,722.77; expenditures: \$63,046.98. Strike Fund balance at the end of 2008: \$4,520,170.00. Final strike expenditures for M-29 were \$50,209.52.

Summary

On a personal note, I want to extend my deepest appreciation to the members, officers and staff personnel who have been so gracious and understanding. It's been just a little over one year since the death of my wife. Your expressions of sympathy and support have given me the reservoir of strength to continue our work.

Over the past year, we bid farewell to three retiring members of our Sector's staff: Lee Thompson, Hunter Phillips and Al Rudy. Each, in their own way, contributed enormously to the past success of our Sector and we will miss them. To all the members of the staff, local officers and members of the Sector, thanks for your work over the past year.

Our union has survived through one of the most difficult periods of our history. With the election of Barack Obama and a progressive majority in Congress, I am confident that the incredible changes that we have helped bring about will redound to the benefit of our members, the labor movement in general and all American working families for many years to come. However, we must recognize that this is just the beginning of a long process to rebuild our movement and restore America's middle class. Although our goals have come into sharper focus, we must remember that the future is in our hands and we must continue to work hard, pull together and commit ourselves to solidarity, united behind the principles of collective bargaining and the values of the labor movement. Remember, too: Our work is always a struggle; we must never let it become a burden.

Bill Boorman

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