



Political Involvement

by Ray Pomeroy

The Maryland Legislature convenes its 421st session on January 11, 2006.

One of our foremost concerns is overriding Governor Erlich's veto on the Fair Share Health Care Act. Called by some the "Wal-Mart Bill"

Maryland's House of Delegates voted 82 to 48 to approve the bill that would require all businesses in the state with more than 10,000 employees to spend at least 8 percent of their payroll on health benefits for workers (or, alternatively, donate the funds to the state's Medicaid program). Wal-Mart, with 15,000 employees, is the only known company that does not already spend at least 8 percent on health care for employees.

The chief operating officer of Wal-Mart Stores in the United States Eduardo Castro-Wright stood next to Governor Ehrlich when he signed the veto in Somerset County, Maryland the Governor chose to support big business over workers and their families, who are denied affordable health care.

You, the members, can help by contacting your representatives and telling them that you support this legislation. You can find out who your representatives are and how to contact them on Maryland's website at www.maryland.gov. There are numerous links on the site with all sorts of good information including a link to the Legislature's website.

This is not the only political battle you should be paying attention to this year. There are a number of political races this year the most important of which may be the one for Governor. That election is on November 7, 2006.

Governor Erlich, as the incumbent, will most likely be the republican candidate and there are a number of people running for the democratic nomination, the two best known being Martin O'Malley, Mayor of Baltimore and Doug Duncan, Montgomery county Executive. Either of those candidates would be much better for labor interests than Erlich. The primary, if you are a registered democrat, is on September 12, 2006. CWA has not yet endorsed either candidate but will no doubt support whichever one wins the primary.

They Won't Stop at Three Billion Dollars!

by Ray Pomeroy

On December 5th Verizon Communications announced that they would freeze the guaranteed pension plan covering 50,000 of its managers and expand their 401(k) plans instead. The company hopes that this move will save them approximately \$3 billion over the next ten years.

"This restructuring reflects the realities of our changing world," said Verizon's chief executive, Ivan G. Seidenberg. "Companies today, including many we compete with, are not implementing defined benefit pension plans or subsidized retiree medical benefits."

Stephen Kamman, an analyst with CIBC World Markets who covers telecommunications equipment companies, like Lucent, said, "This is the beginning of an American crisis."

Verizon's 200,000 retirees and its 105,000 current union employees will not be affected by the change. But in cutting retirement benefits for about a quarter of its work force, Verizon may be setting the stage for concessions it may hope to gain from its unionized

workers in the next round of negotiations.

Verizon's managers will receive pension benefits more in line with those given to the 53,000 workers at Verizon Wireless, which is not unionized. Few of MCI's workers are unionized and employees there are offered only 401(k) retirement plans.

Verizon will freeze the defined benefit plans of its managers after June 30, 2006. Managers will also receive an additional one-time contribution to their pension plans equal to the amount Verizon would have contributed during an 18-month period.

Verizon pays 50 to 80 percent of the health care premiums for retired workers who worked 15 to 30 years at the company. After July 1, workers with fewer than 15 years at Verizon will never become eligible for the retiree health benefits, though they will have the option of paying for a health plan themselves.

What about the decision makers? Do they

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Why is it important for you to be involved in politics? Why is the Union involved in politics?

One reason is anything that we have in our contracts can be wiped out in an instant by bad legislation.

Going from there things get a little more complicated. From here we can tie some things together including Organizing. Taking the so-called "Wal-Mart Bill" for instance. How does that affect the average member? First there is the obvious fact that if those folks are relying on the government for health care you are paying for it, that money could be better spent elsewhere. Next, when a socially responsible company like Giant food (represented by UFCW) has to compete with a "Wal-Mart" it puts pressure on them to cut costs somewhere and let's face it labor is the biggest expense most companies have. You get a domino effect and after a while everybody falls. Then, when a company that competes directly with the ones our members work at, such as Comcast, see Wal-Mart treating employees the way they do, with the apparent

support of our governor, they get ideas. When their cost structure, which is already lower than Verizon's, can be pushed down even more it puts pressure on you the members at contract time.

You have only to read the article *They Won't Stop at Three Billion Dollars!* in this issue to see that Verizon management claims to be trying to keep up with the competition, and there is no doubt some truth to that. That's also where organizing ties in. Numbers are power plain and simple, YOUR power. You see, you are the Union. If we get a Comcast or a Cavalier organized and get a decent contract negotiated it not only helps those workers it helps you. It takes some of Verizon's power away at the bargaining table. When they sit across from our bargaining team and we also represent the competitions workers and know what their labor costs are then we've knocked a leg out from under them. Organizing new members also gives our voice more power in the political field. When your numbers are big enough even the politician that doesn't see eye to eye with you starts to listen a little.

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President's Point of View.....

Denise Burns

2006 is going to be a very busy year. We have many challenges to protect our livelihoods.

We are trying to bargain with Cavalier to get a first contract. We finally have a meeting with them after seven months. First contracts are difficult but they are more difficult with a small group. We all need to support the technicians out of Hanover. When you see any of them tell them you support them in bargaining. Since stalling us with bargaining Cavalier has hired more contractor technicians and they outnumber our technicians.

The bulk of the Cavalier people are located in Richmond and they are trying to organize. We support them in their efforts. It will help us with bargaining if we can get a larger group organized.

Since the merger of AT&T Wireless with Cingular we have seen some changes. Where will the company go in 2006? We know they are upgrading, expanding and combining the two networks to enhance service in the area.

We are building our case on the unrealistic quotas for the sale representatives. We will continue to process individual grievances. In 2006 we **must** increase participation from the members. We have a couple of volunteers for stewards, we need more.

Prepare for the fight of all fights in 2008 with Verizon. We will be gearing up for mo-

bilization to start in 2006. We have much at stake. Benefits and pensions will be the hot topics for active employees and retirees. I am sure you know about what is happening at other companies and now with Verizon management's pensions and benefits. Be prepared, it is going to take a united force to resist the corporate greed of today.

Verizon Wireless is a company that we must organize. It is essential to our long term existence. We will continue, in this local, to do all we can to organize the locations in our jurisdiction. The Telecommunications Industry has and will continue to evolve. We must do the same if we are to remain in this industry.

There were pioneers before us that fought battles to get us where we are today. We must fight the battles to maintain what we have and to move forward into the future. We will be reaching out to every one of you to participate in mobilization actions.

Our February meetings will be the start of our discussions on what our actions will be. Please attend; northern area February 6 at 6:30 in Annapolis and southern area February 7 at 6:30 in LaPlata.

"What can Labor do for itself? The answer is not difficult. Labor can organize, it can unify, it can consolidate forces. This done, it can demand and command." Eugene Debs 1949

Cavalier Bargaining line 866 900-2107

Retirees Corner

We had a wonderful luncheon at Pirates Cove on December 13. Officers for 2006 were sworn in. President-Ronnie Lyons, Vice President-Dwight Hooper, Secretary-Sonny Jordon and Treasurer-Sandy Neal. Congratulations and good luck for the coming year!

The next meeting is January 9. See you there.

To date for the 2006 year we have 26 members and counting. We welcome all new members and hope to see more of you at the meetings.

RMC meetings are held on the second Monday of every month. Unless otherwise noted all meetings are held at the Local 2107 office at 2441 Holly Ave, Annapolis and begin at 10AM.

Attention AT&T Retirees

The CWA, IBEW and AT&T Corp. reached a tentative agreement today on a new Contract. The Contract expires on April 4, 2009. The following are some highlights that affect current and future retirees.

ACTIVE AND RETIRED EMPLOYEE MEDICAL BENEFITS

- No changes in the plan in 2006. No additional out-of-pocket for the retirees in 2006.

- No premiums shall be charged for the life of the agreement.

Beginning in January 2007:

- There are some increases in Plan deductibles in the non-network Point-of-service plan; medical co-payments (for example \$20 for each doctor's office visit, \$75 for an

(see ATT on page 3)

(Pension from page 1)

lose their pensions? Not likely, they have contracts just like you do, only fatter.

What's that you say, contracts? For management? Yes, a contract. The top executives at any large corporation have contracts. They think nothing of sitting down and negotiating contracts with 'golden parachutes', lavish perks, outrageous compensation and retirement plans.

What are the "realities of our changing world" as they apply to Ivan? We won't know until the 2006 proxy statement comes out.



Ivan "Scrooge" Seidenberg

Let's all face it though, if the man does lose his pension, what's it mean to him? Here are the 2004 numbers for Ivan from the AFL-CIO Executive Pay Watch website:

In 2004, Ivan G. Seidenberg raked in \$17,267,020 in total compensation including stock option grants from Verizon Communications.

From previous years' stock op-

tion grants, the Verizon Communications executive cashed out \$671,900 in stock option exercises.

And Ivan G. Seidenberg has another \$6,254,400 in unexercised stock options from previous years.

When you're pulling that kind of money in you can't possibly be spending all of it. Ivan could in all likelihood retire today and live the life of a Robber Baron until he dies without any pension. But he has one.

What does it all mean to you the member?

Think of the caliber of person that the company will be attracting to be your next supervisor, or the attitude your current one might suddenly have. Think of what your bargaining team will be up against in 2008.

We are expecting a battle on health care in 2008 as well. It will be a tough contract to bargain and it's up to you to be ready for it.

"Retirement security is very important for our members, along with health care, so in bargaining, we work hard to safeguard these benefits," said Candice Johnson, spokesperson for Communications Workers of America.

CWA Local 2107 always urges our members to save up for contract expiration and this time is no different. You can see how Verizon treats it's employees that don't have a contract and it will be a huge surprise if they don't come after our members' pension in 2008.

CEO Doesn't Like the Benefits at VZ Wireless!

Keeping in mind that Verizon management is basically being downgraded to Verizon Wireless Benefits, we are re-running this article, edited for length, from CWA that was originally published in early 2005.

Verizon Wireless offers "high earnings potential" and "terrific" benefits. It's so terrific, in fact, that Verizon Wireless CEO Dennis Strigl is going back onto the Verizon Communications payroll.

For 2003, Verizon Wireless CEO Denny Strigl got an \$875,000 salary, a \$3,293,600 bonus, and \$1,005,400 in perks including personal use of company jet, car and chauffeur, New York City apartment, golf club memberships, and his free cell phone. That's a total of \$5.2 million -- not including \$12.6 million in stock options.

So benefits at Wireless are good enough for workers, but not the CEO?

The company said the change was necessary "in order to align Mr. Strigl's benefits as CEO of Wireless with those of other executive officers of Verizon." Top execs at Verizon Communications are making out better than Dennis Strigl so it's only natural that he wants his too.

Verizon executives can negotiate legally binding contracts with the company. Contracts guarantee their terms of employment, re-

irement and severance. Mr. Strigl's benefits "package" is worth \$5.2 million not including \$12.6 million in unexercised stock options — \$875,000 salary, \$3,293,600 bonus, \$1,005,400 in perks including personal use of company jet, car and chauffeur, New York City apartment (eliminates the commute from his New Jersey residence), golf club memberships, and his free cell phone.

Why doesn't the company improve all employees' benefits at Verizon Wireless? Verizon Wireless insists that it is a separate company from Verizon Communications, so Wireless employees shouldn't expect the same benefits as their union-represented coworkers at Verizon Communications.

The truth is, Verizon Wireless tries to distance itself from Verizon Communications when it comes to workers having rights, but when it comes to executive compensation it's all one big, happy family. At Verizon, 66,000 workers are members of the Communications Workers of America, and they are covered by a contract — something Verizon doesn't want its Wireless workers to have.

The moral of the story? Verizon Wireless employees cannot count on executives to give them better benefits. Joining together and getting a union contract is the key.

<http://www.aflcio.org/corporatewatch/>
click on the paywatch link.

CWA Triangle

(ATT from page 2)

emergency room visits (non-admit)); out of pocket maximums, and prescription drug copays.

- There will be a new deductible of \$50 for retail prescription drugs.

- Maintenance medications must be filled by mail order after the second refill.

There are other plan changes that will be discussed in the full bargaining report.

The triangle symbolizes the three major programs of the union. None can stand alone. If the triangle is broken on any side, sooner or later it will be broken on every side.

Representation, day-to-day contract administration and collective bargaining, is the base of the triangle. Yet the other two sides - organizing and community and political action - are just as critical to our strength.

Unless we build our union through effective organizing inside existing bargaining units, and by organizing unorganized workers and adding new units, we will continue to be disappointed at the bargaining table. Similarly, unless we have effective community and political action programs, we will not have the kind of popular and legislative support we need to bargain effectively.

Sympathies to:

Jack Goette on the death of his mother
The family of retiree Lelia Stelzer

Community Services

Thanks to everyone for a GREAT Poinsettia and Craft Sale.

The Local raised \$1,617.09 for the CWA Charity of Choice, The Pediatric Aids Foundation.

Union Plus Legal Service

1-888-993-8886 or www.unionplus.org/legal.

Cingular Wireless

NetBenefits 877-421-5225
Prescription Service Caremark 800-388-2085
VSP Vision Care 800-524-0910
Dental DHMO Cigna 888-010-5225
Tuition Assistance 866-242-6587
Disability MetLife (STD or LTD) 888-430-2630
EAP 800-287-9009
Pensions and 401K 877-421-5225
FMLA 877 421-5225
Payroll 800 345-6211

Dates to Remember

Membership meetings

NO membership meetings in December
01-09 Northern area 6:30 pm
Cancelled Southern Area
02-06 Northern area Annapolis 6:30 pm
02-07 Southern area LaPlata 6:30 pm

Other Meetings

01-19 Baltimore Metro Council meeting 7:00 pm
Other
01-23 Health and Safety Conference Call
01-23 MD State & DC AFL-CIO meeting 10:00 am

Verizon

Medical, Prescriptions, Dental & Vision issues relating to payment of bills, providers, directories, medical necessity of services, forms, plan questions, retirees:

John Petrini 800 627-0200 Fax: 610 566-3123
FMLA, SADP, CORE issues:
Bill Sonnik 888 571-7218 Fax: 304 264-4189
Retirees:
Sue Anderson 888 324-4969 Fax: 973 691-0865

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