President’s Report

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It has been a promising and remarkable fiscal year. The Sector and its members have held strong convictions in making true change happen, and the momentum continues to build in every corner.

Our Local leaders and members recognized the Sector had to change, but change is not easy. It takes courage. Our Local leaders have shown the necessary courage. Again, Albert Einstein’s words ring true, “The world as we have created it is a process of our thinking. It cannot be changed without changing our thinking.”

We have collectively changed to adopt an organizing strategy, to stop the losses and begin to grow. We have changed our thinking and realized that locals merging within the Sector makes sense and gives us greater strength and capabilities. We have changed the way we negotiate contracts and address the challenges that face us in bargaining. We have made positive changes time and time again, and with our collective voices and effective communication, I know that we will continue moving forward into the next fiscal year.

One of the areas that we will be working on in the coming year is coalition building. The importance for locals to build coalitions within their communities cannot be stated enough. This is critical on so many levels. If we are having problems at the bargaining table, we can call on our partners. But it also goes beyond bargaining. We need to educate our members on the importance of coalition building and keeping strong alliances with our partners year round, not just during bargaining.

Another area is succession planning. There are times we have seen our members suffer for no other reason than lack of proper planning. The Sector staff will be reaching out to each local in the coming year to evaluate or help create a strategic leadership development plan. This will ensure that the local’s responsibilities, vision and goals are unaffected with retirements or other changes. This not only gives our members peace of mind, but it gives stability to our locals.

Brothers and Sisters, we must continue to adapt, change and find creative ways to address the challenges of today, organize the unorganized, and secure a better future for tomorrow. I am honored to supply all of you this report for your consideration.

Organizing

The Organizing Cooperative has taken great steps in addressing our need to organize the unorganized, and we will continue to put organizing first. When we first set out in implementing the Cooperative, one of the goals we had, and continue to have, is at minimum, to end the fiscal year (June 1 – May 31) with as many members as we started the year with, or more.

This may seem trivial, but it’s not. In looking at the decline in membership over the last several years, we averaged anywhere from an eight to 13 percent decline each year. According to the latest data available as of the printing of the Sector News, we ended this year with positive membership growth.

The growth in membership is due to a number of reasons. First, delegates to the 26th Sector Conference unanimously endorsed a plan to continue funding our organizing efforts by using the resources of the overfunded Segregated Fund. This allowed the organizers to continue to work with our locals and develop comprehensive organizing strategies in each area. Part of having a successful organizing program is to have “boots on the ground and constantly looking at new ways to organize.

Second, our locals embraced merging with other Sector locals. This has allowed a greater geographic area for our organizers to focus, and also a greater enforcement of the label rules. Both of which have brought in new members.

Though we ultimately experienced an election loss at All American Hose, we have had organizing successes in Harrisburg, New Castle, Boston, Las Vegas, Pittsburgh, New York and the greater Detroit area.

We must continue to organize and keep the impetus on moving the Sector forward on a positive track. Each year is a new opportunity for all of us to learn from our experiences and continue the push to organize even more than we did the year prior.

Contract Enforcement and Negotiation Briefs

As stated previously, contract negotiations and contract enforcement have always been pivotal in representing the membership. Each year we process numerous grievances, most of which are settled prior to an arbitration hearing. Why? Because our employers know that once our locals file for arbitration, they have the full backing of the Sector and we are prepared to take the case before an arbitrator. This applies significant pressure on employers, and will often induce a settlement.

Unlike many other unions, the Sector and CWA pay all costs of arbitration and legal assistance that are approved by the Sector in advance. Employers cannot drain the finances of the locals’ treasury until they can no longer enforce their contractual rights; instead, each local has the strength of the International behind them not only in contract enforcement, but in contract negotiations.

Bucking the trend in today’s U.S. labor climate, Sidney Typographical Union #81 ratified a five-year contract with ACCO Brands, setting the stage for the possibility of additional work being consolidated into that plant. Buffalo Mailers Local M81 ratified a three-year contract with the Buffalo News covering approximately 145 employees. The new contract kept in place 100% paid health insurance, small improvements to working conditions and the grievance procedure.

Negotiations began between Local 14177 and the New Era Cap Company in February. After preliminary discussions between the two parties, the union and the company have exchanged proposals and continue to work towards a fair and equitable new agreement. Dolush Mailers Local 82/CWA 14733 reached a three-year agreement with Hibbing Daily Tribune editorial unit. Wage increases ranging from one and a half to two percent the first year, and one and a half percent increases in 2015 and 2016. Mileage was increased by 48.
The Sector’s finances are in a stable position. In conjunction with the Laws and Finance Committee, the decision was made to change our investment strategy to maximize greater returns, yet minimize our risks. This decision has paid off and helped increase our return on investment. This decision was made after our annual audit, so the returns will not be shown in this report, but will show in next year’s report. We will monitor these investments and make any changes if warranted. Please look at the accompanying audit report that was performed by Gorfine, Schiller & Gardyn, P.A.

**Negotiated Pension Plan**

In 2013, the NPP had very strong investment performance with an overall return of 17 percent, earning $114 million. Total assets were $777 million as of December 31, 2013 compared with $730 million as of December 31, 2012. The Plan’s investment categories had the following returns in 2013:
- **U. S. Equities:** 34.7%
- **International Equities:** 19.6%
- **Fixed income:** -1.0%
- **Real estate funds:** 11.7%
- **Hedge funds:** 8.3%
- **Commodity fund:** -10.2%

The return on investments for the first five months of 2014 is approximately 4 percent.

The actuarial valuation as of January 1, 2014, is not yet complete, but the actuaries estimate that the NPP is 77 percent funded as of that date, based on the asset market value of $777 million. There have been no changes to the Rehabilitation Plan adopted by the NPP Board of Trustees in March 2010.

**Employer Contributions and Withdrawal Liability**

Although mandatory contribution increases are not required under the NPP Rehabilitation Plan, decreases in contribution rates or the exclusion of covered employees are not permitted. Contributing employers are entitled to request an estimate of their withdrawal liability, which The Segal Company, actuaries for the NPP, will prepare for a fee of $750.

The NPP collected $16 million in withdrawal liability payments in 2013.

**Investment Changes**

The Board of Trustees uses an investment consultant, Gallagher Fiduciary Advisors (GFA), to help oversee the investment managers and assist with investment policy and asset allocation. GFA is an objective advisor with investment, financial and fiduciary expertise. Based on GFA’s recommendations, three new investment managers have been hired during 2013 and 2014 to address the current challenging investment environment. The Loomis Sayles Credit Long/Short Fund was added to provide better return opportunities in the current low interest rate environment and if interest rates rise. Blackrock Strategic Income Fund replaced the Pimco Global Bond Fund. Oaktree Real Estate Debt Fund was added to diversify the real estate investment allocation.

**New NPP Trustee**

In June 2013, Daniel Murphy was appointed as a Management Trustee. Mr. Murphy brings a wealth of experience and a strong background to the NPP Board. He is Vice President and Deputy General Counsel for New York Daily News. Mr. Murphy replaced Mr. Stephen Spolar.

**Passings**

Kenneth Prairie, long time Sector and CWA District 9 Staff representative, passed June 8, 2014 (see accompanying article); George E. McDonald, former President of NY Mailers Union No. 6 (see accompanying article); Hubert “Hubie” Smith, 75, passed March 19, 2013, officer for Central Illinois Typographical Union 177/CWA 14406; Edward “Eddie” Shonk 1931-2013 passed March 1, 2013, officer for Chicago Typographical Union No. 16/ CWA4408; and Paul Lehrer, Executive Committee, for Chicago Typographical Union No. 16/CWA 14408, passed 3/14/13.

**Summary**

In closing Sisters and Brothers, our Local leaders, the membership and staff of this Sector have made tremendous strides over the past 12-months in improving all facets of representation, organizing and building a stronger movement.

I want to thank each and every one of you for all of the hard work you do day in and day out, in representing the members of this Sector. I also want to thank the Sector staff for their hard work and dedication. It is collectively that we have made a difference for our members, and I am not only humbled, but also honored to be part of this great family. SM
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<th>REVENUE, GAINS AND OTHER SUPPORT</th>
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<td>in fair value of investments</td>
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<td>NET ASSETS</td>
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<td>End of year</td>
<td>$5,493,215</td>
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**Representative's Round Up**

**Ron Miller**

New Era 14177 - Meetings were held in between the local's negotiating committee and the company. Some progress has been made in the negotiations with some language being resolved and the parties exchanged their first proposals for economics. Both parties felt that the other committee’s proposals were not complete, so future meetings were scheduled for June and a contract extension was signed covering the month of July.

**New York Typographical Union #6/14156** - A couple meetings were held in East Boston at Cigoto Graphics. This is a newly organized shop. The contract calls for a five-year agreement with wage increases in each year.

**Pittsburgh Typographical Local 771/14827** - At Reading Eagle no meetings were held the month of May because a mail ballot was held for the company’s last proposal on the table. The company had insisted that the negotiating committee take the company’s last proposal to the members for a vote, despite the chapel committee’s insistence that it would fail. Members voted against the proposal by a large margin and the two groups are back in bargaining. Meetings will continue in late June and July.

**Linda Morris-Cooley**

St. Louis CWA 6300 Print Media Sector reached a seven-year agreement with Brown Printing in Jefferson City that includes an annual wage increase of two percent or $3.00 per hour, whichever is greater until Jan. 1, 2015. In that contract year, the annual increase then becomes 2.5% or a $.35 per hour increase. The contract also calls for overtime after 40 hours, including counting paid time off, personal and vacation days as days worked. Language was also added that the company could temporarily withhold an employee’s wage progression for disciplinary probation, which would be subject to the grievance procedure.

Peoria Mailing’s 98/CWA 14431 reached a four-year agreement with wage rates for Journeyman remaining the same and a slight increase for the part-time mailers of $.25 an hour. A training program is being established with specific guidelines. Part-time mailers can receive premium pay for work that requires a higher degree of competency and responsibility and they can receive a bonus if they achieve a perfect attendance, figured on a monthly basis.

St. Louis Mailing’s 3/CWA 14620 Terre Haute M10 Chapel reached an extension agreement until 2015 with McCormack Printing located in Tipton, Ind., with increases in wages.

St. Louis Mailing’s 3/CWA 14620 reached a five-year agreement with Pressort, Inc., continuing its wage freeze but increasing contributions to the NPP by a quarter percent each year for four years. The contract terms began June 1, 2014.

CWA 44000 reached agreements with three Cincinnati shops. T & W Printing reached its contract for a year. Peerless Printing reached a three-year deal with three percent increases in each year.

**Detroit Typographical 18/CWA 14503** President Tom Grenfell and organizer Norm Stachulski organized a four person commercial shop in Elyria, Ohio - Allan Kenard Printing, Inc.

Detroit Typographical 18/CWA 14503 was informed by Gannett Media Newspaper that they are moving production from the Lansing State Journal to a facility near Grand Rapids that is not owned by Gannett called Advance Central Services. The Union and the company are in effects bargaining.
Ken Prairie, longtime Typo rep, dead at 86

Ken Prairie, a veteran California-based CWA staff representative who helped newspaper printers through strikes, mergers and technology upheavals, died at his home on June 8. He was 86.

Family members said he was diagnosed with pancreatic cancer in March. He continued to work until just a few weeks before his death.

His five decades in the union trenches of the newspaper business spanned an often heart-breaking period of technological transformation and industry change, which wiped out composing room jobs in city after city.

“He saw the whole story, from cold type to the situation today where it’s all on computer screens,” said Duane Beeson, the veteran Oakland labor lawyer and a frequent ally.

Mr. Prairie began learning the printer’s craft when he was in high school, and he served as an apprentice at The Ojai, his Southern California hometown weekly, until he and an editor started a competing weekly in 1951. After selling his interest to his partner, he worked in composing rooms for several newspapers including the Santa Paula Chronicle, the Ventura County News, the Santa Barbara News Press and the Ventura Star Free Press.

He was active in Ojai town politics as well as union affairs from his earliest days in the printing trade. He was the President of the Ventura Typographical Union from 1956 to 1960, when he took on an assignment for the International Typographical Union in Los Angeles.

A year later, he became a regular ITU representative. When the union merged to become the Print Sector of CWA, Ken became a CWA staffer, starting in 1987, and remained on the union staff, working in the field, mostly in California, Hawaii and Nevada, until his illness curtailed his ability to travel.

He was still making calls even from home as long as he was able.

“The Printing Sector and the labor movement lost a great man without a suit on,” passing,” said Dan Wasser, president of the sector in CWA headquarters in Washington, D.C. “He had such love and compassion in everything he did, and we all learned a lot from him. He will truly be missed. Our thoughts and prayers are with his family.”

“**The Printing Sector and the labor movement lost a great man with Ken’s passing**”

—Dan Wasser, PPMWS President

His dapper attire, well-trimmed mustache and quiet persistence were familiar to generations of newspaper industry labor leaders and management lawyers in the Bay Area and Hawaii.

One of his larger ITU affiliates, the former Bay Area Typographical Union, eventually became part of the Pacific Media Workers Guild, whose current local number, 39521, reflects the merger of the Newspaper Guild Local 52 and BATU Local 21.

Charles Tobias, former president of Local 21 and the Media Workers Guild Typographical Sector, recalled Ken as a professional who always looked the part, even during the heat of such battles as the 1994 San Francisco newspaper strike, when his coat and tie may have been the only ones in the room.

“I never saw him without a coat on,” Tobias said. “His presence at the negotiating table caused the employer to treat our union with respect. I worked constantly with him in major negotiations, where his participation was greatly appreciated, especially during the 1994 newspaper strike.”

Dave Ellis, retired staff representative and former president of the Mailers Union, Teamsters Local 15, negotiated side-by-side with Mr. Prairie on behalf of workers at the Dallas dailies in Texas during the early 1980s.

“He made a tough job look easy — he was the consummate negotiator. Even in the difficult environment of a right-to-work state in the South, he could get a contract,” Ellis said.

He recalled one morning just before a meeting with Times-Herald management, when “Ken spilled coffee on his shirt and insisted on going across the street to buy a new shirt.”

“He was not going to go into that meeting with management, wearing a stained shirt,” Ellis said.

Gloria La Riva, the current head of the Typographical Sector and First Vice-President of the Media Workers Guild, said Mr. Prairie “always had a good story to tell, and the most amazing memory.”

“He knew the names of everyone he ever worked with, decades back. That was extremely useful for the union, because he knew what the issues were in long-ago negotiations, and their evolution and what was useful today. He had enormous experience in negotiating.” La Riva said.

He knew the value of salving wounds and maintaining the fighting spirit during an extraordinarily tough period for all of organized labor, and particularly for union printers, adjusting to the computer era and shutdown of most metro composing rooms.

“My favorite times with him were after a tough time negotiating or some other setback for the union, we’d be sitting in my office and we would just look at each other and say, ‘Let’s go get some ice cream.’ Or coffee. He loved coffee,” La Riva said.

If he ever lost his cool, it didn’t show.

“I know there are many union leaders who worked many more years than I did with Ken, but I never in my years of knowing Ken and later working with him, ever saw him lose his temper,” La Riva said. “I came from that very calm manner that he had, but also that special wisdom he possessed.”

Kenneth Nicklas Prairie was born Oct. 3, 1927, in Ojai, the youngest of three brothers. Survivors include his wife, Dorothy A. (Hobart) Prairie; four children, Susan A. Rosario (Tony), Michael W. Prairie (Hiromi), Bonnie P. Ryan (Kevin) and Lucinda G. Garner; eight grandchildren; one great-grandson; and one nephew.

Family members said he was diagnosed with pancreatic cancer in March. He continued to work until just a few weeks before his death.

He was 86.

Ken Prairie, longtime Typo rep, dead at 86

**Union leader George McDonald, 90, dies**


McDonald served as president and spokesman for the council and held the position of President of New York Mailers Union Local 6, representing workers who count, bundle, and stack newspapers as they come off the presses.

McDonald coordinated a half-dozen strikes, including a bruising 88-day citywide strike in 1978 and a five-month strike against The News in late 1990 and early 1991. The Daily News strike is widely considered a big union victory.

George Edward McDonald was born in Brooklyn on June 20, 1923, to George McDonald and the former Irene Taylor. His father died when George was a child, and his mother remarried.

A formidable athlete, McDonald tried out for the Brooklyn Dodgers in May 1941, soon after he graduated from Brooklyn Technical High School. McDonald enlisted in the Navy soon after the attack on Pearl Harbor, serving in the submarine forces in the Pacific during World War II. When he returned, he married Frances Brady, whose father, Frank got him a job in The Times’s mailroom.

He is survived by his wife and sons George Jr., Michael and John; five grandchildren; and a great-grandson.

According to a New York Times article McDonald, who had gone going to college in his 20s, when he took the mailroom job, began taking college courses at Empire State College, part of the State University of New York, in his mid-50s. He graduated in 1983, at age 60, with a bachelor of science degree in industrial and labor relations and was the class valedictorian.

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