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Exposé on court interpreters wins Broun

Mercury News pair share $1,000 prize

Silver Spring, Md.—Reporters Miranda Ewell and David Schrieberg of the San Jose Mercury News have won TNG's 1989 Heywood Broun Award for a unique three-part series on "untrained, unethical and unskilled" court interpreters who jeopardize justice in California courts.

Ewell accepted the $1,000 award at a luncheon honoring the winners Jan. 23 at the National Press Club in Washington.

Schrieberg, who recently left the Mercury News, could not attend because he was preparing to depart for Mexico City, where he will be a correspondent for the Sacramento Bee.

Citations will go to the Mercury News and five contestants who received honorable mention after 136 entries were scrutinized by judges Jan. 20.

The winning series, titled "Lost in Translation" and published Dec. 17-19 by the Knight-Ridder daily, won high marks from the judges for "meticulous reporting" and for embodying "the spirit of Broun's concern for the underdog and the underprivileged."

"Their series dramatically illustrates the failure of the legal system to accommodate the needs of non-English speakers," the judges said in a joint statement.

"The language barrier to a fair trial is a problem that risks getting worse as the immigrant and non-English-speaking population grows in the U.S."

In an emotional acceptance speech at the luncheon, Ewell said "the lives of too many new Americans and others depend on" fair treatment in the courts for the interpretation problem to be ignored.

Ewell, who was born in Beijing and came to the United States when she was 2, found jailhouse interviews for the series the most wrenching.

"It was very difficult ... being an immigrant who speaks English asking an immigrant who doesn't speak English how it feels to be at the mercy of other people's voices" in court.

"David and I wanted the story to make a difference, and you've helped us in that process by awarding us this tremendous prize," she said.

Shortly after the series appeared, the Judicial Council of California, which oversees the state's courts, put the interpreter topic on the agenda for its spring meeting, Ewell said.

The five honorable mentions, listed alphabetically, were:

- George Gombossy and Lynne Tuohy, the Hartford Courant, for developing from a single court reference evidence of systematic abuse of defendants' civil liberties, whose conversations with their lawyers were monitored

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MARIANNE KEFFER ZWEIG/Washington-Baltimore Guild

BROUN AWARD CO-WINNER MIRANDA EWELL, CENTER, POSES WITH TWO OF JUDGES
Flanking Ewell: Jennifer Lewington, Globe and Mail, left, and Dale McFeatters, Scripps Howard.

40 in Hawaii get $45 'automation upgrade'

Honolulu—Minimum pay rates for four groups of inside classified phone-sales employees are upgraded by $45 a week over the next 20½ months under an agreement between the Hawaii Guild and this city's dailies to compensate them for entering line copy directly into the typesetting computer.

The upgradings, together with raises contained in a new 45-month contract ratified last fall, will produce increases in the top minimums for three of the jobs totaling $182.40 a week in 42 months and put the rates among the highest in the Guild. The increases for the fourth job total $143.23 a week.

The 40-plus persons affected work for the Hawaii Newspaper Agency, the joint publishing arm of Gannett's Star-Bulletin and the Persis chain's Advertiser.

The upgradings were bargained under a provision of the Hawaii Guild's contract with the agency that calls for negotiations when "new or modified equipment, machines, apparatus or processes" are introduced which "alter the job content of existing job classifications."

Talks on the upgradings began last spring when management notified the Guild it had reached an agreement with the Hawaii Typographical Union-CWA ceding jurisdiction over line-copy computer input and the company was assigning it to the Guild-covered employees. The Typographical Union retained input of display copy.

The Guild agreed its members could start performing the new tasks in April. The settlement reached in December provided lump-sum payments of $500 to each employee in lieu of retroactivity.

The upgrading increases come in increments of $25 from Jan. 1 and $10 each on Sept. 17 this year and Sept. 16 next year.

For each of the four affected job classifications' top-minimum rates it produces the following, in combination with the increases under last fall's settlement:

Sr. telephone salespersons — Up by $25 from Jan. 1, to $630.09; up by $45.12 on Sept. 17, to $675.21; up by $47.19 on Sept. 16, 1991, to $722.40; up by $19.63 on Sept. 14, 1992, to $742.03; and up by $12.40 on March 15, 1993, $754.43 a week.

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N.Y. Daily News sets up 'strikebreaker newsroom'

New York—The New York Daily News is converting a former Sears warehouse in Secaucus, N.J., into a "scab newspaper site" by duplicating its downtown newsroom for possible use during a strike, New York Guild leaders have learned.

The facility, outfitted with computer equipment for reporters and editors, has been created "to train strikebreakers in an attempt to scare the Daily News staff," New York Guild President Barry Lipton charged.

The Guild and the nine other unions in the city's Allied Printing Trades Council are entering talks with the News for new contracts to cover some 3,000 employees, including more than 700 represented by the Guild. Current contracts run out March 30.

Tension has been high at the Manhattan-based tabloid since publisher James Hoge several months ago began making public, hard-line statements on negotiations, stating forcefully that the News will keep publishing if there is a strike.

Dubbed "Fort Jim Hoge" by angry Guild members, the "strikebreaker newsroom" in Secaucus is surrounded by barbed wire fence with guards at the gates demanding identification and the password for entry. It has been likened to a facility used in 1986 by Rupert Murdoch to bust Fleet Street newspaper unions in Great Britain.

Murdoch's modern printing complex, contemptuously called "Fortress Wapping" by unionized English workers, is surrounded by a water-filled moat and coils of barbed-wire fencing in London's former dock area.

The New York Guild's publication, "frontpage," reported that Hoge, in a move "as subtle as a sledgehammer," took representatives from all News departments on a tour last year of the Wapping facility. Hoge reportedly was impressed with automated mailroom technology and other "efficiencies" of the Murdoch operation.

Guild leaders believe the Secaucus site eventually will include both news and composing rooms, with equipment for strikebreakers

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Guild ready, but not looking for 'war'

New York—The New York Guild is not looking forward to escalating the "war of nerves" currently under way between the New York Daily News' management and its union-member employees.

The Guild and the other unions, however, are ready for a strike or lockout "if one is forced upon us," said New York Guild President Barry Lipton. "But none of us is looking for this so-called 'war'."

Union leaders and members say News publisher James Hoge initiated the "war rhetoric" in an effort to divide the unions and their members and turn public opinion against them.

The Guild has accused Hoge of "planting stories" heralding a major battle with the unions, and has suggested he is trying to "build up his tough-guy image" as con-

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Two will seek IEB seat 3

2 Mercury News reporters take Broun Award

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by Connecticut state police.

- John Hall and Steve Goldberg, Media General News Service Washington bureau, for stories documenting numerous discrepancies and omissions in the U.S. Navy's account of the fatal explosion aboard the USS Iowa.
- Michael Lacey, the New Times, Phoenix weekly, for writing, in the judges' words, "compelling columns exposing persistent bigotry in many forms in Arizona."
- Bill Moushey, the Pittsburgh Post Gazette, for graphically depicting the inadequate medical care and its consequences for inmates of Pennsylvania's prisons.
- Dennis Pfaff, the Detroit News, for a thorough, detailed examination of the impact of industrial pollution on that city's poor.

Ewell, 41, developed the idea for the winning series while she was covering the trial of a Vietnamese defendant. With the backing of Mercury News Metro Editor Jonathan Krim, she and Schrieberg, 35, began what proved to be the first extensive research on California court interpreters.

"It was clear early on this was an important story that had never been told before," Ewell said.

The pair talked to dozens of judges, attorneys, prosecutors and interpreters; they called every superior, municipal and federal court in the state to gather information, she said.

In remarks at the luncheon, Jennifer Lewington, one of the judges, said the series "made a difficult story very understandable in human terms" and that specific examples "really hit home for the judges."

The painstaking research took nearly nine months, and Lewington said that commitment constituted "a remarkable tribute to the editors of the paper."

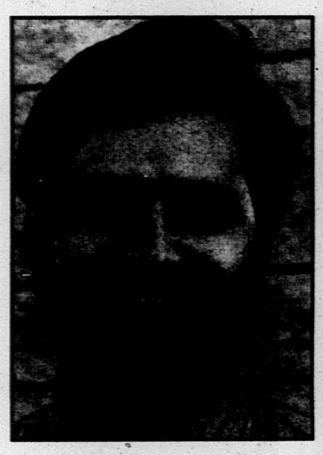
Ewell, who has studied Chinese and Japanese in college, conducted the interviews of Asians done for the series; Schrieberg, who is fluent in Spanish, those of Hispanics.

About 80 percent of the foreign-language cases in California involve Spanish speakers. The rest involve about 80 other languages, including those spoken by rapidly growing groups of Vietnamese and other Southeast Asian immigrants.

The Mercury News hired federally certified interpreters to assist the reporters and "monitor what was going on" during trials.

The result of the nine months' work was a series that began:

"In the nation's largest immigrant state, thousands of defendants and witnesses who don't speak English are at the mercy of incompetent interpreters, their only link to understanding events in the courtroom.



David Schrieberg
1989 Broun Award co-winner.

"Day after day, untrained, unethical, and unskilled interpreters throughout California distort testimony, give legal advice or sometimes simply don't translate what occurs in court.

"While the state has many qualified interpreters, many others mangle the notion of fairness at the heart of the American legal system: that a defendant be allowed to tell his story in his own words and hear what his accusers say against him.

"At stake is justice for thousands of people. Bewildered defendants, unable to understand attorneys arguing their fates or judges pronouncing sentence, sit trapped in silence. Or, in some cases, bad interpreters bungle the prosecution's case and criminals are freed, only to commit new crimes."

The series went on to show, among other things:

- There is a shortage of certified interpreters in California and that even unqualified interpreters were in short supply.
- When interpreters make mistakes, almost no one knows.
- State tests of interpreters are almost meaningless.
- Courts offer such low wages for translators that attracting qualified people is difficult.

A reporter at the Mercury News since 1984, Ewell is a graduate of Smith College in Northampton, Mass., and has studied at Princeton University and the University of California at Berkeley.

Schrieberg worked at the Mercury News from 1984 through 1989. A graduate of Georgetown University in Washington, D.C., he was a fellow in the Journalists in Europe Program and a reporter at the since-closed Albany (N.Y.) Knickerbocker-News.

First given in 1941, the prestigious Broun Award honors journalistic work in the spirit of the acclaimed New York columnist who founded the American Newspaper Guild in 1933 and served as its first president until his death in 1939.

His columns and his causes manifested his concern for the underdog and the underprivileged, a tradition the award seeks to perpetuate.

The entries came from 27 states and Canada, and from 62 newspapers, 5 magazines, 4 radio stations and 2 television stations.

The judges were (in addition to Lewington, Washington bureau chief for the Toronto Globe and Mail) Scott Armstrong, president of the National Security Archive, Washington; Marianne Means, Washington columnist for Hearst Newspapers and its King Features syndicate; and Dale McFeatters, Washington columnist and managing editor of the Scripps Howard News Service.

McFeatters substituted for a previously announced judge, Dan K. Thomasson, Scripps Howard vice president for news, who was called away on an emergency.

A former Peace Corps Volunteer, McFeatters has been with Scripps Howard in Washington since 1969 and previously worked as a reporter for the Birmingham (Ala.) Post Herald and the Pittsburgh Press.

Harry Ryan of New York, a former TNG vice president, chaired this year's Broun Award competition.

SUNDAY SPECIALS
CHILD CARE SAFETY
WEST
VIETNAMESE
San Jose Mercury News
Serving Northern California Since 1851
Final Edition
How court interpreters distort justice
Incompetence fouls witnesses' testimony
LOST IN TRANSLATION
Dark side of Mexico's drug war
Federal

WINNING SERIES ON DISPLAY AT JAN. 23 BROUN AWARD LUNCHEON
Five honorable-mention entries also were available for examination, second-guessing.

She lost job backing 'underdog'

Washington—Well before she co-authored the 1989 Broun Award-winning series, Miranda Ewell had taken a stand in championing the underdog — in one case, her immediate supervisor.

During the early 1980s, while a reporter at an Oakland, Calif., weekly, Ewell wrote an expose about a suburban police chief. Although the story received high praise as "one of the best stories" the paper ever did, the editor got fired for running it, Ewell said after receiving the Broun honor Jan. 23.

About a dozen staffers, including Ewell, walked out in protest of the firing and demanded that the editor be reinstated. He wasn't, and the staffers, in turn, were fired themselves, she said.

Judge sees a new 'Miranda' right

Washington—In a reference to the U.S. Supreme Court's 1966 landmark decision requiring authorities to read criminal defendants their "Miranda rights" before questioning, Broun Award judge Scott Armstrong wryly suggested that this year's winning series could make some legal history, too.

San Jose Mercury News reporters Miranda Ewell and David Schrieberg wrote about a lack of qualified court interpreters in California, and how that jeopardizes the right to a fair trial for many who cannot understand or speak English.

"The rights that David and Miranda have talked about are incredibly important, and I would predict that the courts in California first and then probably the rest of the country will soon have a warning, which will be known as the 'Miranda and David warning'," Armstrong said during the luncheon honoring the winners Jan. 23 at the National Press Club.

Benefit raised $345 in Cleveland pensions

Cleveland — The Cleveland Guild has negotiated sweeping changes in a pension plan covering Plain Dealer employees that will raise the top benefit by $345, to $1,395 per month, and reduce the service time for vesting and top-benefit eligibility.

The changes, approved Nov. 15 by the Joint Pension Board that oversees the plan, are effective retroactively to Jan. 1, 1989, and affect only those retiring after that date.

Under the new rules, it takes 30 years' employment to qualify for the top benefit, instead of 35, and the vesting period is five years, instead of 15.

The changes affect 280 current employees, according to J. Stephen Hatch, Cleveland Guild executive secretary. The top benefit for about 200 already retired employees is $1,050.

The board also approved a plan to deposit funds into individual accounts, by name, for all those in Guild jurisdiction.

An estimated $220,000 from a surplus caused by "overfunding" will be available immediately to start the individual accounts, and $37,000 will be available annually for them, Hatch said.

Detail of the plan have not been decided yet, but the advantages of such accounts generally are automatic vesting and greater control by the individual of how funds are invested.

Guild and management trustees also voted Oct. 31 to notify the main fund's investment manager to immediately begin divesting in any South African securities and to complete it in one year.

. . . Hawaii

(Continued from Page 1)

Telephone salespersons and **classified copy controllers** — Up by the same amounts on the same dates to to $619.45 from Jan. 1; to $664.57 on Sept. 17; to $711.76 on Sept. 16, 1991; to $731.39 on Sept. 14, 1992; and to $743.79 on March 15, 1993.

Asst. copy controllers Up by $25 from Jan. 1, to $585.21; up by $35.12 on Sept. 17, to $620.33; up by $36.59 on Sept. 16, 1991, to $656.92; up by $14.03 on Sept. 14, 1992, to $670.95; and up by $8.85 on March 15, 1993, to $679.80.

Experience required for the top minimum in the first three jobs is five years; in the fourth, four years.

Petitions filed for DonRey employees

Honolulu—The Hawaii Guild petitioned the National Labor Relations Board Jan. 18 for certification as bargaining representative of the two dozen advertising, business, circulation and editorial employees of West Hawaii Today, the DonRey daily in Kailua-Kona on the big island of Hawaii.

Simultaneously, the Hawaii Typographical Union/CWA petitioned to be the union for the paper's one-dozen production employees.

The petitions were supported by union-application cards signed by strong majorities of both groups, reported Roy Kruse, Guild administrative officer.

The employees organized, he said, because they want to be treated at least as well as Guild-covered employees of the Hilo Tribune-Herald, published by the DonRey chain on the other side of the island, just 100 miles away. They are particularly impressed with the high benefit levels in Hilo under TNG's Int'l Pension Plan.

West Hawaii Today promotes itself as one of the five fastest growing dailies in the United States.

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Postmaster: Send address changes to The Guild Reporter, 8611 2nd Ave., Silver Spring, Md. 20910-3327.

News top hits $791 in 40-month pact at Boston Herald

Boston—Minimum weekly pay rates for key news and advertising employees at the Boston Herald are increased by $141.82 and $121.87 respectively — with $47.44 and $52.49 a week retroactive to last March 3 — in new, 40-month Boston Guild contracts with the Rupert Murdoch daily.

The contract for newsroom employees — the second since they came into the Guild in 1985 — pushes the top minimum for artists, photographers and reporters to $791.63 a week for the pact's final seven months. That's $286.37 higher than in the group's final, pre-Guild agreement. The $47.44 retroactive raise puts the rate at $697.25 through June 2.

The contract for commercial department employees — the latest in a series dating from the 1930s — pushes the top minimum for outside advertising solicitors to $840.87 a week for the pact's final 13 months. The $52.49 retroactive raise puts the rate at $771.49 through June 2.

The contracts were ratified by the memberships of the two units Dec. 21, concluding more than 10 months of talks. Guild bargainers were led by Gerald Maraghy, New England Servicing-Organizing Program director, and Thomas Hiltz, Boston Guild administrative officer.

Frustration at the inadequacy of company proposals through the fall — including one to freeze contractual pay rates while distributing "stipends" averaging $30 a week — sent members to the streets with informational signs and leaflets on several occasions [Guild Reporters, Aug. 4 and Oct. 6].

Members had sacrificed both wages and benefits to keep the Herald from being closed when Murdoch bought it in 1982.

Hiltz said the settlement averages approximately $110 for each member of the two bargaining units. He said the company put the total cost to Murdoch's News America chain at $3.8 million over the contracts' terms — more than $4 million when upgradings are included.

The balance of the $121.87 total increase in ad solicitors' top minimum comes in increments of $34.72 on June 3 and $34.67 on July 3, 1991.

The balance of the $141.82 total increase in the reporter top minimum comes in increments of $24.40 on June 3, $23.45 on Dec. 16, $23.17 on July 3, 1991, and $23.36 on Jan. 1, 1992.

During the contract's term, the key newsroom top moves $19.95 closer to the Guild's goal of parity with the ad-solicitor top.

Several benefits were added or improved under both settlements, including:

- A so-called "125 plan," to enable employees to pay their portion of health-insurance and dependent-care costs through tax-exempt payroll deductions, was added.
- A "401(k)" tax-deferred savings plan, was added.
- A provision for payment of half the cost of books and materials was added to an existing tuition-reimbursement agreement.

Under the commercial-department contract, the company's pension contribution was increased by $4.80 a week, to $26.50 per employee.

Under the editorial-department contract, Columbus Day and Veterans Day were added as paid holidays, giving newsroom employees parity with commercial employees at nine holidays a year.

The editorial department's old Hearst Corp. pension plan also is to be merged into TNG's Int'l Pension Fund, which, together with an 80-cent-a-week increase in the publisher's pension contribution (to $25), will more than double the available pension benefit, the Guild reported.

Solidarity picket for new Guild pact in Duluth

More than 120 persons from the Lake Superior Guild, other unions and community organizations march outside Duluth News-Tribune Jan. 5 in show of support for Guild quest for equitable new contract with Knight-Ridder chain daily. Old pact expired Dec. 31.

Company demands include a wage freeze for ad salespersons, 1.5 percent annual increases for others, large increases in employee payments for health insurance, restrictions on grievance rights and a ban on sympathy strikes.

In conjunction with demonstration, Guild members withheld bylines and wore buttons (below, right) proclaiming "Improve my attitude ... Improve my contract!" — a reference to a company survey of employee attitudes last year.

Noon hour marchers included members of the printers, mailers and pressmen's unions, Duluth Central Labor Body, State, County & Municipal Employees, Communications Workers, Operating Engineers, Sheet Metal Workers, Laborers, Maintenance of Way, Paperworkers and Hotel, Motel & Restaurant Employees unions; plus the Homeless Coalition, the Women's Coalition and the Broad-based Community Organizing Project.

ELLEN SMITH/Lake Superior Guild

Four days later, Guild members distributed leaflets at John Beargrease Sled Dog Marathon headed "Morale at News-Tribune goes to the dogs."

Providence selects Schick

Providence, R.I.—Timothy F. Schick, president of the Albany Guild the last three years, has been elected the new administrative officer of the Providence Guild.

Schick succeeds Christine M. Mulligan, who held the position for two years before joining the staff of the Bakery, Confectionary & Tobacco Workers Int'l Union in July.

Schick

A reporter at the Albany Times Union, Schick was active in the Albany local for more than eight years, including three years as treasurer and two on the executive board.

He helped organize the Glens Falls unit in 1984 and was instrumental in obtaining a first contract there. Schick also negotiated buyouts worth a half-million dollars for Guild-represented drivers who lost their jobs in the 1988 closing of the Knickerbocker News.

TNG honored Schick last year by naming him winner of the 1989 Guild Service Award for local leadership. Last summer, his local hosted TNG's annual convention.

Schick also worked in Memphis, where he was the Memphis Guild's Member of the Year in 1981. He began his new duties in Providence on Jan. 15.

Cleveland approves temporary dues hike

Cleveland — In an effort to liquidate a burgeoning legal bill of $13,000 from arbitrations and other actions, members of the Cleveland Guild have approved a temporary one-year dues increase.

The increase, effective Jan. 1 through Dec. 31, adds 25 cents per week for those earning less than $300 per week, $1 for those making $300 to $525, and $1.75 for those earning $525 or more.

Members without a current contract, including newly organized members, are exempt. All money collected under the increase, expected to be about $20,000, stays in the local.

An additional 0.77 percent in retroactivity is to be paid for every week the new benefits are not in place, under both contracts.

Both new contracts also obligate the publisher to provide safe and healthy workplace conditions and set up a joint Guild-management health and safety committee, which is to meet at least quarterly.

Both settlements also provide for representatives of the units and the local to meet at least quarterly with top management, including the publisher, to raise employee concerns outside the ambit of the contract.

Other increases and resultant top-minimum pay rates include:

Circulation, general and **accounts receivable clerks** — Up by a total of $70.91, to $489.26 a week, in increments of $30.54, $20.20 and $20.17.

Janitors, secretaries, stenographers and **telephone operators** — Up by $81.49, to $566.80, in increments of $35.09, $23.21 and $23.18.

Inside classified solicitors — Up by $82.15, to $566.80, in increments of $35.38, $23.40 and $23.37.

Computer operators and **circulation distribution clerks** — Up by $90.32, to $623.18, in increments of $38.90, $25.73 and $25.69.

Programmers — Up by $119.23, to $822.63, in increments of $51.35, $33.96 and $33.91.

Circulators and **head bookkeepers** — Up by $119.23, to $822.63, in increments of $51.35, $33.96 and $33.91.

Editorial assistants — Up by $74.19, to $379.98, in increments of $24.82, $12.77, $12.27, $12.12 and $12.22.

Library clerks, editorial secretaries and **stenographers** — Up by $88.13, to $491.95, in increments of $29.48, $15.17, $14.58, $14.40 and $14.51.

Copy editors, rewrite, editorial writers and **picture, political affairs and other editors** — Up by $143.59, to $801.50, in increments of $48.03, $24.71, $23.75, $23.46 and $23.65.

Columnists, drama critics and another group of editors including **ass't city, ass't sports** and **ass't news editors** — Up by $145.36, to $811.38, in increments of $48.62, $25.01, $24.04, $23.75 and $23.94.

Sports, news and **city editors** — Up by $154.87, to $864.46, in increments of $51.80, $26.65, $25.61, $25.30 and $25.50.

The minimum for beginning reporters also is increased by $141.82, to $640.55 a week effective Jan. 1, 1992, in the same increments as the reporter-top increase. The retroactive increase puts the beginner's minimuim at $546.17 through June 2.

Duehring, Thibeault announce for VP seat

A contest to fill the TNG vice presidency from Region 1, the U.S. Northeast, has been set up by leaders of two New England locals — Manchester's Thomas J. Thibeault and Andrew Duehring of Providence — announcing that they will seek the office this summer.

The vice presidency has been vacant since December when David M. Rousseau of Manchester resigned after accepting a union-exempt management position at the Manchester Union Leader [Guild Reporter, Dec. 8]. He had started his third term in October.

Under TNG's Constitution, nominations for the remainder of the office's two-year term will be made at TNG's 1990 Convention in New York City in June. A contest will be resolved in a referendum by the membership in 10 states late in the summer.

Thibeault

Duehring

Duehring, 56, is vice president of the Providence Guild and his bid for the TNG vice presidency has been endorsed by his local.

Thibeault, 38, is in his second term as president of the Manchester Guild and also is chairperson of the New England Servicing-Organizing Program.

Duehring, a picture editor on the Journal-Bulletin and a Guild member since 1963, also has served his local as a shop steward, chairperson of its membership and grievance committees and as a delegate to TNG conventions in 1988 and 1989.

Thibeault, chief darkroom technician at the Union Leader and a Guild member since 1977, also has served his local as secretary, vice president, on several bargaining committees and as a delegate to six TNG conventions.

A delegate of his local to the Manchester Central Labor Council, he also was one of four presidents who formed the Newspaper Unions Unity Council in Manchester last year.

Region 1 encompasses Delaware, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Vermont and parts of Connecticut, New Jersey and New York State.

ESOPs—Could be more than just a capitalist tool?

By Bartlett Naylor

DID 1989 MARK the dawn of corporate socialism in the United States? Last year a remarkable number of corporate giants ceded significant ownership to employees through employee stock ownership plans (ESOPs). In January workers at Procter & Gamble acquired 20 percent of the company. Lockheed, the weapons giant, sold employees a 17-percent stake in February. The Tribune Company, Boise Cascade, Cabot Corp., Whitman, J.C. Penney and others have joined the trend. So have Colgate-Palmolive, 3M, Xerox, Delta Air Lines and Southwestern Bell. United Airlines was nearly bought by a consortium made up of the pilots' and flight attendants' unions and management.

The workers, however, are hardly taking over corporate America. Nor did these companies turn to employee ownership out of new-found concern for their workers. The new ESOPs are gambits used by management primarily to fend off hostile takeovers and to cut the costs of benefit plans. In some rare cases workers manage to gain some financial rewards and some say in company affairs through an ESOP, but in many instances ESOPs are — to use the phrase coined by Corey Rosen, executive director of the National Center for Employee Ownership (NCEO) — just "MESOPs" for management.

INVENTED IN the 1950s by a maverick San Francisco economist named Louis Kelso, the ESOP was envisioned as both a practical and ideological concept. In practice, it was a means for a Bay Area publisher to sell his business to his employees[1]. But Kelso, who was advising the publisher, also claimed it would empower workers and improve productivity.

Congress gave ESOPs a boost through a series of tax breaks in the 1970s. Most important, banks that lent employees the money to buy the stock got a 50-percent tax break on the interest income. This break was effectively repealed as of October 1989.[2] Corporations, however, still can deduct from income the dividends they pay on employee-owned stock, unlike the dividends they pay to outside investors.

Latest defense against hostile takeover bids

These tax breaks spawned a respectable, though unspectacular, growth of ESOP plans. Through 1988, some 10,000 plans covered about 10 million workers, according to the NCEO, although the vast majority of these employees owned only 1 or 2 percent of company stock.

Fueled by takeover fears, the trend is accelerating. The big ESOP has become the latest defensive measure against a hostile takeover bid. The laws of Delaware, where about half the Fortune 500 companies are incorporated, effectively prevent a raider owning less than 85 percent of the shares in a company from taking control. Without that stake, the buyer is barred from merging or divesting any of the target company's divisions for three years. Since most hostile bids are debt-financed, and this debt is repaid by selling off the assets of the target, this requirement provides a formidable defense against takeovers. By putting at least 15 percent of its shares in the hands of friendly employees, a Delaware-incorporated company can thwart a raid.

THIS ARTICLE is reprinted from the Jan. 22 issue of "The Nation," with permission of the writer and the magazine. Bartlett Naylor is a senior analyst with the Investor Responsibility Research Center, a Washington think-tank for corporate social issues. He formerly was head of investigations for the Senate Banking Committee.

It is reprinted in keeping with a directive by TNG's 1989 Convention that TNG "continue to investigate Employee Stock Ownership as an alternative to the corporate terrorism that often arises from the sale of newspaper companies, as well as a tool to fight the growing monopolies of chain ownership."

Polaroid showed the way. In the summer of 1988 it became the object of a hostile bid by Shamrock Holdings Inc. (Shamrock's money comes from Roy Disney, nephew of the animator. Disney got the boot from the Magic Kingdom following a raid by Saul Steinberg.) In defense, the camera maker placed 14 percent of its stock in an ESOP, later expanding this share to 22 percent. Shamrock contested the move, but in January 1989 the Delaware Chancery Court ruled for Polaroid. General counsels at other corporations under threat of takeover clearly read the opinion.

The Tribune Company's ESOP[3] came amid reports that the acquisition-minded Bass Group held a stake. Raider Harold Simmons held a potentially predatory position in Lockheed when the missile maker announced its employee ownership program. Procter & Gamble faced an identical fate when the diaper maker and soap company unveiled its employee stock plan. Dunkin' Donuts blocked a bid by Kingsbridge Capital Group in May by putting 16 percent of its shares in an ESOP.

ON THE surface this trend may seem a boon to labor. Labor, as much as management, despises takeovers, which often lead to job losses. Anti-takeover laws have glided through state legislatures with joint labor-management support. AFL-CIO chief Lane Kirkland likened takeover artists Carl Icahn, T. Boone Pickens and James Goldsmith to the Visigoths who sacked Rome.

But are workers who buy into their own companies obtaining the benefits of ownership? Not quite. Even if employees own a controlling share of the business, management discourages their participation. Moreover, employees are paying for the stock, usually involuntarily, out of their pension funds.

Owning a piece of the company seldom comes free. At Polaroid, for example, the employees accepted (they did not vote on the plan) a 5-percent pay cut and a 3-percent reduction in pay-scale increases set for April 1. They also gave up $6 million in corporate matching funds from the company's pension plan. As part of the deal, a profit-sharing retirement bonus worth $2 million was eliminated. All this money will pay off the $285-million loan that management arranged for the workers so they could buy just under 20 percent of the company's stock. Employee representatives at Polaroid, which is not unionized, fought the pay cuts even though they backed the ESOP and the effort to fight Shamrock. As long as Polaroid stock rises, this arrangement might turn out to be a good deal for them. But if the price drops, Polaroid workers will lose the money and security they once had.

Employee seats on the board seldom provided

Tribune employees are also exchanging their benefit plans for stock.[3] Existing benefit plans will be phased out over 10 years so that all but the senior employees will find that the stock is their major retirement savings. (Trustees of conventional pension plans are prohibited by law from putting all the money into one stock because of the risk.) At almost all these companies, employees do not actually pocket the dividends. They go to the lender to pay off the loans used to buy the stock.

Boise Cascade and Whitman raised the stakes of the ESOP-for-pension swap when they kicked in health benefits as well. If you get sick after retiring from Boise Cascade you will need a few shares of company stock to pay the doctor. Company representative Scott Lamb said the timber firm will establish a "floor price" to protect employees against any precipitate fall in price and will use a "safer" form of stock. "We sent all our employees a letter stressing that we're not dropping the health plan overnight, it's being phased out." Besides, he adds, there are always Medicare payments from the government.

Just what the floor price will be is crucial, especially given soaring health-care costs. The prospect of selling stock to pay for heart surgery may not provide the same peace of mind that traditional insurance does. "This is symbolic of the erosion of the private sector safety net that we've worked so hard to build," laments Meredith Miller, benefits expert at the AFL-CIO.

Another troubling feature of the new ESOPs is the conspicuous absence of employee participation on boards of directors.

TRIBUNE Company Chairman Stanton R. Cook explained in a press release that the company's ESOP expands "our long-standing philosophy of uniting employee and shareholder interests." Placing worker-shareholder representatives on the board is not part of the Tribune plan, however, according to representative Martha Lindeman. "We already have five employees on the board," she said, referring to the presidents of various Tribune subsidiaries.

Polaroid did invite an employee to join its board, but it picked Marian Stanley, head of marketing and research, who is practically an executive.

The case of Pacific Enterprises demonstrates that some companies are ready to fight employee-owners who want to exercise the traditional prerogatives of shareholders. Employees at Pacific control about 21 percent of the stock. The board and officers, by contrast, control only 1.5 percent. Sam Karl Weinstein, regional director of the Utility Workers Union of America, which represents many of the employees of Southern California Gas, the principal subsidiary of Pacific Enterprises, sought one of 15 seats on the board. Pacific Enterprises outspent Weinstein $260,000 to $35,000 in the campaign for employee-owner votes.

Chief Executive Officer Richard Farman, speaking for the company, noted, "I do not believe that a union leader can serve on the board without placing himself in the position of creating a conflict of interest." Director of Investor Relations A.M. Foster stressed that each members of the current board is "far more qualified" than Weinstein. Foster said that Weinstein, an employee respresentative, can hardly claim the status of directors such as former Atty. Gen. William French Smith, who serves on many other boards as well.

"I haven't put anybody in jail, but I know more about the gas business than he does," responds Weinstein, who lost the election.

THE RESPONSE to the current wave of ESOPs demonstrates the double-edged character of the concept. Liberal politicians and a growing number of unions see employee ownership as a way to save jobs and stem the tide of plant closings in basic manufacturing. This group probably equates employee ownership with control. At the opposite end of the ideological spectrum conservative economists, investment bankers and corporate consultants see ESOPs and employee ownership as ways to increase productivity and are often eager to substitute the promise of stock appreciation for higher wages.

Trade wage hikes for promises of stock growth?

Despite the loss of the ESOP tax break, stock ownership plans are still the weapon of choice for managers who are threatened by raiders. The repeal of the deduction simply means that the cost of defense has gone up, not that it is obsolete. Recently Chevron Company, fearing a potential acquisition move by Pennzoil, adopted a $1-billion plan, which is one of the largest in history.

Labor will continue to push for truly

(Continued on Page 5)

[1] The Palo Alto (Calif.) Times. The paper, now the Peninsula Times Tribune, was sold late in 1977 to the Tribune Co. At the time, 72 percent of the paper's stock was held in trust for employees and 28 percent actually was held by active or retired employees.

[2] One of several 1989 changes in ESOP law restricts the interest exclusion to loans for ESOPs that own more than half a company's stock and in which stock-voting rights are passed through to participants in the ESOP.

[3] The Tribune Company ESOP, announced in November 1988 and expanded in April 1989, covers an estimated 8,000 of the chain's employees in the U.S. It is restricted to those who are not covered by union contracts, unless a union contract requires ESOP coverage of the employees it covers. With the April expansion, the ESOP held approximately 10 percent of the company's stock. "A substantial portion of the ESOP's cost will be funded through changes in other employee benefit plans," the company's announcement said.

SOME OF PARTICIPANTS IN MULTI-LEVEL, INTER-UNION SACRAMENTO SESSION
Right: United Farm Workers President Cesar Chavez. Above, from left: Becky Bisbee and Jim Wasserman, Modesto and Fresno Guild-unit chairpersons; TNG Representative Gene Bryant; Wayne Cahill, special Guild staffer in Tacoma; Joseph Uehlein, AFL-CIO-IUD special projects director; TNG Representative Robert E. Bruner; Tom McGrath, director, Teamsters Newspaper Drivers Division; Bill Boarman, president, CWA-Media Workers Sector.

Funds still sought for Polish union

Silver Spring, Md.—It is not too late for Guild locals and members to contribute through TNG to the international effort to help the Polish Journalists Assn., the independent union that late last year regained the freedom to openly serve its members.

The aid effort was launched in early December when the Int'l Federation of Journalists called on its affiliated unions and their members to help raise funds to provide the PJA such basic equipment as desks, typewriters and copying machines — and offices in which to use them. They all were confiscated in 1982 when the PJA was outlawed.

The IFJ suggested $6,500 as the Guild's share of the effort [Guild Reporter, Dec. 8]. Through Jan. 10, just over $400 had been received at TNG headquarters: $100 from the Albany Guild, $25 from Peoria and $250 from San Jose, plus individual contributions totaling $35 from three members of the Sacramento, St. Louis and Twin Cities locals.

Checks — clearly marked for the Polish Journalists Assn. — should be made out to The Newspaper Guild and sent to 8611 2nd Ave., Silver Spring, Md. 20910. TNG will forward the funds to the PJA.

McClatchy talks 'vital' to all labor, 30 at Sacramento meeting are told

Sacramento—Success in the struggle of the Guild and other newspaper unions for fair new contracts at four McClatchy dailies "is vital" not only to those unions and their members but "to the labor movement as a whole," an AFL-CIO official said here Jan. 17.

"And we shall prevail," said Elmer Chatak, secretary-treasurer of the AFL-CIO's Industrial Union Dept.

He was presiding at a meeting of the Newspaper Co-ordinating Committee (NICC), which brought together more than 30 international, regional and local leaders of four unions that represent employees at McClatchy dailies in Sacramento, Modesto, Fresno and Tacoma, Wash.

All the unions — the Communications Workers, Graphic Communications, Guild and Teamsters — are engaged in contract disputes with one or more of the dailies, many of several years' duration.

Jack Henning, head of the two-million-member California Federation of Labor, told the NICC meeting that he considers the situation at the papers "a vicious, reactionary" one.

Pointing to a growing coalition of community and religious groups urging management to bargain fair contracts at the Sacramento Bee, Henning called for bringing "the moral influences of the community to bear" in the other cities as well.

Inman Perkins, a mailer at the Fresno Bee, accused the chain of practicing "economic genocide" by imposing hours reductions on employees — in one case cutting a worker from a full week to only eight hours.

Perkins nearly died in an auto accident last summer on his way to a second job in San Jose that he needed "to earn enough money to feed my children."

Cesar Chavez, United Farm Workers president, speaking to a NICC luncheon, decried the "hypocrisy" of McClatchy "posing as a great voice of liberalism while depriving workers of their basic rights" to fair union contracts.

Chavez and others accused the chain of imposing so-called "merit pay" systems that discriminate against minorities, women and older employees.

NICC hosted a reception for 100 state legislators and community leaders on the meeting's final day.

In addition to Chatak, international union leaders participating in the NICC sessions included: TNG President Charles Dale; Bill Boarman, president of the Communications Workers' Media Workers Sector; Charles Ellington, GCIU vice president; Thomas J. McGrath, director of the Teamsters Newspaper Drivers Division; and TNG Vice President Larry D. Hatfield.

Paint fumes sicken Duluth news staffers

Duluth, Minn.—News-Tribune management assured a federal occupational safety inspector that no more cabinets would be painted inside the paper's offices after several newsroom employees went home early Jan. 9 with nausea, dizziness and headaches from fumes, the Lake Superior Guild reported.

The painting, of library cabinets, was being done in the newsroom where the ventilation was "clearly inadequate," the Guild reported.

The union contacted city, state and federal officials after discovering labels on the paint cans warning that fumes from the epoxy-based paint "may affect the brain or nervous system, causing dizziness, headaches or nausea."

Another warning instructed those applying the paint to wear eye and skin protection and respirators.

The OSHA-mandated "material safety data sheet," obtained later from the paint's manufacturer, said that short-term effects of overexposure are "severe eye irritation, redness, blurred vision." Symptoms "may include headache, nausea, vomiting, drowsiness and loss of consciousness," it said.

After newsroom employees began complaining of the fumes about 7 p.m., an assistant production manager opened several windows to improve ventilation. It was 10-15 degrees outside. Employees were told they could leave after the first edition went to press at 11 p.m.. The painting was halted about 9 p.m., but the fumes lingered.

Need for VDT rules called urgent

Silver Spring, Md.—The fate of VDT laws in New York City and nearby Suffolk County alongside the continuing increase in repetitive strain injury makes it "more urgent than ever that OSHA develop ergonomic regulations for computer terminals," according to David J. Eisen, TNG director of research and information.

Eisen, who heads an interunion committee seeking a VDT standard from the U.S. Occupational Safety & Health Administration (OSHA), was commenting on laws being struck down late in December that sought to regulate VDT-workplace conditions in private industry in Suffolk County and in New York's city government.

The city measure, adopted unanimously by the city council, was vetoed Dec. 26 by lame duck Mayor Edward I. Koch, who said he was "not convinced terminals pose a serious health risk and that the law "might endanger the business climate" in the city.

The next day State Supreme Court Justice John Copertino struck down a Suffolk County VDT-law that was passed in May 1988. While calling the county measure "well-intentioned" and perhaps "an important first step," Copertino said the county did not have the authority to regulate VDT use, that it resided in the state and federal governments.

ESOPs more than fables?

(Continued from Page 4)

pro-worker ESOPs. One alternative would be to pressure Congress to give tax breaks to companies that have employees on their boards. Employee representatives should not be seen by management as invaders. They are unlikely to champion positions that would scorch the company's share price, since the stock is their retirement nest egg. Once employees gain representation on boards, they could remedy some of the anti-worker provisions in recent ESOPs.

Jack Sheinkman, president of the Amalgamated Clothing & Textile Workers Union, says that as a matter of survival unions must play an active role in shaping ESOPs.

"The industry here is being restructured through leveraged buyouts. We're poker chips in the takeover game, chips that can be thrown away. We've been forced to get involved to protect our membership."

Employee-empowering ESOPs could provide labor with some chips of its own.

PLEASE POST

DONT BUY

PLEASE POST

NATIONAL BOYCOTTS SANCTIONED BY THE AFL-CIO

ACE DRILL CORPORATION
Wire, jobber & letter drills, routers and steelbars
United Automobile, Aerospace & Agricultural Implement Workers of America International Union

AEROMEXICO AIRLINES
Airline passenger and freight carrier
International Association of Machinists & Aerospace Workers

BLUE CROSS/BLUE SHIELD OF MEMPHIS, TN
Carrier of union/health plans
AFL-CIO

BROWN & SHARPE MFG. CO.
Measuring, cutting and machine tools and purrion
International Association of Machinists & Aerospace Workers

BRUCE CHURCH, INC.
Iceberg Lettuce: Red Coach, Friendly, Green Valley Farms, Luchy
United Farm Workers of America

BURWOOD PRODUCTS
Manufacturers of plaques, clocks, and other decorative wall accessories
United Automobile, Aerospace & Agricultural Implement workers of American International Union

CALIFORNIA TABLE GRAPES
Table grapes that do not bear the UFW union label on the carton or crate
United Farm Workers of America

CLARK GRAVE VAULT COMPANY
Copper and steel burial vaults
United Automobile, Aerospace & Agricultural Implement Workers of America International Union

COLT FIREARMS COMPANY
Manufacturers of handguns and rifles
United Automobile, Aerospace & Agricultural Implement Workers of America International Union

CONTINENTAL AIRLINES
Continental airline carrier
International Association of Machinists & Aerospace Workers, Transport Workers Union of America

EASTERN AIRLINES
Continental airline carrier
International Association of Machinists & Aerospace Workers, Transport Workers Union of America

FORT HOWARD PAPER CO.
Green Bay, Wisconsin and Muskogee, Okla-homa. Mardi-Gras, Page, Soft-Knit tissues and napkins, Antique towels, Portrayals, Edon and Dolly Madison tissues
United Paperworkers International Union

GARMENT CORPORATION OF AMERICA
Work clothes and uniforms
Amalgamated Clothing & Textile Workers Union

HOLIDAY PAPER CUPS
Div. of Imperial Cup Corporation Holiday Paper Cups brand name
United Paperworkers International Union

HOLLY FARMS
Chickens and processed poultry products
International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America

INTERNATIONAL PAPER COMPANY
Producer International and Hammermill bond, offset and writing paper and related products
United Paperworkers International Union

JOHN MORRELL & COMPANY
Meat products: John Morrell, Rath Blackhawk, Nathan's Famous, Tobins First Prize, Hunter, Tom Sawyer, Krey, Partridge, Rodeo, Scott Petersen, Bob Delmar, E-Z Cut, Table Trim, Golden Smoked, Canron Ribs
United Food and Commercial Workers International Union

JOHN PORTMAN COMPANIES
Shopping malls, hotels, property management companies, real estate development investment
Service Employees International Union

KRUEGER INTERNATIONAL, INCORPORATED
Brand name chairs: Matrix, Poly, Dorsal, Vertebra, Stax, Alfa, Modular. Auditorium and University Seating (for airports and auditoriums)
International Association of Machinists & Aerospace Workers

LA MODE du GOLF CO. OF LOS ANGELES
La Mode and Lady La Mode men's and women's golf apparel
International Ladies' Garment Workers Union

LOUISIANA-PACIFIC CORP.
Brand name wood products: L-P Wormanized, Cedartone, Waterwood, Fibrepine, Oro-Bond, Nodex, Sidex, Ketchikan, Patex, Xonolite
United Brotherhood of Carpenters and Joiners of America and International Woodworkers of America

MOHAWK LIQUEUR CORPORATION
Mohawk labels gin, rum, peppermint schnapps, and cordials
Distillery, Wine and Allied Workers International Union

NAPA VALLEY CO-OP
Bergfeld 1985 (Sauvignon Blanc) wine
Distillery, Wine and Allied Workers International Union

PLYMOUTH RUBBER COMPANY
Insulating material, rubber bands and vinyl products
United Rubber, Cork, Linoleum and Plastic Workers of America

R.J. REYNOLDS TOBACCO CO.
Cigarettes: Camel, Winston, Salem, Doral, Vantage, More, Now, Real, Bright, Century, Sterling, YSL/Rtz: Smoking Tobaccos: Prince Albert, George Washington, Cater Hall, Apple, Madeira Mixture, Royal Comfort, Top, Our Advertiser: Little Cigars: Winchester
Bakery, Confectionery & Tobacco Workers International Union

ROME CABLE CORPORATION
Cables used in mining and construction industry
International Association of Machinists & Aerospace Workers

SEATTLE-FIRST NATIONAL BANK
Withdrew funds
United Food & Commercial Workers International Union

SHELL OIL COMPANY
Subsidiary of Royal Dutch Shell (parent company of Shell South Africa): gasoline, petroleum and natural gas products
AFL-CIO

STERLING RADIATOR
Baseboard heaters for the home
United Automobile, Aerospace & Agricultural Implement Workers of America International Union

UNITED STATES PLAYING CARD CO.
Brand names: Bee, Bicycle, Tally Ho, Aviator and Congress
Retail, Wholesale and Department Store Union

Union Label and Service Trades Department, AFL-CIO-January/February 1990

N.Y. Daily News sets up 'strikebreaker newsroom'

(Continued from Page 1)
to do reporting, editing, photography, typesetting and pasteup.

Printing would be done elsewhere, possibly on News presses currently operating in Brooklyn, Long Island and New Jersey or at alternative non-union plants on a contract basis, they speculated.

News executives openly acknowledged last September that supervisory and non-union personnel (some of them editors) had been sent to the Fort Lauderdale News/Sun Sentinel for training in press operations.

Also during September, Hoge said the News was training people in ways to distribute the paper "under emergency conditions."

Owned by the Chicago-based Tribune Co., the News is the largest metropolitan daily in the United States, with 1.2 million daily circulation.

Tribune executives, however, reportedly are unhappy with the paper's profit picture; Hoge says the paper has lost money in seven of the last 10 years.

Union leaders believe the parent company wants to increase revenue by ruthlessly cutting labor costs or, failing that, to close the paper. There are fears the Tribune will force a lengthy strike in an effort to evade severance and pension obligations.

Hoge has told unions that "inefficiencies in our operation" are keeping the News from "reasonable profitability" and must be eliminated. His claims of "unnecessary manning levels and inefficient work practices" mostly involve press operators and circulation drivers.

The News, in its opening proposal Jan. 14 to the Newspaper and Mail Deliver's Union, already has proposed that work performed by 250 of 670 drivers at the News, be done by private contractors.

Lipton says proposals such as that will be used in an attempt to divide the unions. He expects management to go after "job-security and automation provisions" in the Guild contract, and to propose "dual minimums" for advertising and circulation employees.

The unions closely co-operate in bargaining, although, strictly speaking, they do not bargain jointly. Exchange of proposals between management and all unions is expected to be completed by the end of January.

In 1987, during the last round of contract bargaining, unions in the Allied Council gave the News concessions worth $30 million, including numerous job cuts, in exchange for a commitment by Tribune Co. Chairman Stanton R. Cook to invest $300 million in new plants and presses.

The unions and management agree color-capable presses are needed if the 70-year-old paper on 42nd St. is to survive against New York's three other dailies—the Times, the Post and Newsday.

Last year, the News' daily circulation slipped 6.8 percent, but it is still tops in New York and third highest behind the nationally circulating Wall Street Journal and USA Today.

The Times, which apparently is moving to acquire color presses for Sunday editions, and Newsday both boosted circulation by 2.8 percent—the Times to 1.1 million and Newsday to 700,000. The Post slipped 7.8 percent to 500,000.

Only in recent months has the News begun to acquire sites for new plants, but Lipton is skeptical of their motives. "They simply have acquired assets, which they can resell, maybe at a profit.

"Hoge's behavior is extraordinarily disappointing," Lipton said. "The unions made significant sacrifices in the last contract, but management reneged on their commitment. They have a complete lack of credibility.

"Three years ago, they said new color presses were essential to their survival, and here we are in 1990, and they haven't done a damn thing. Who are they kidding?"

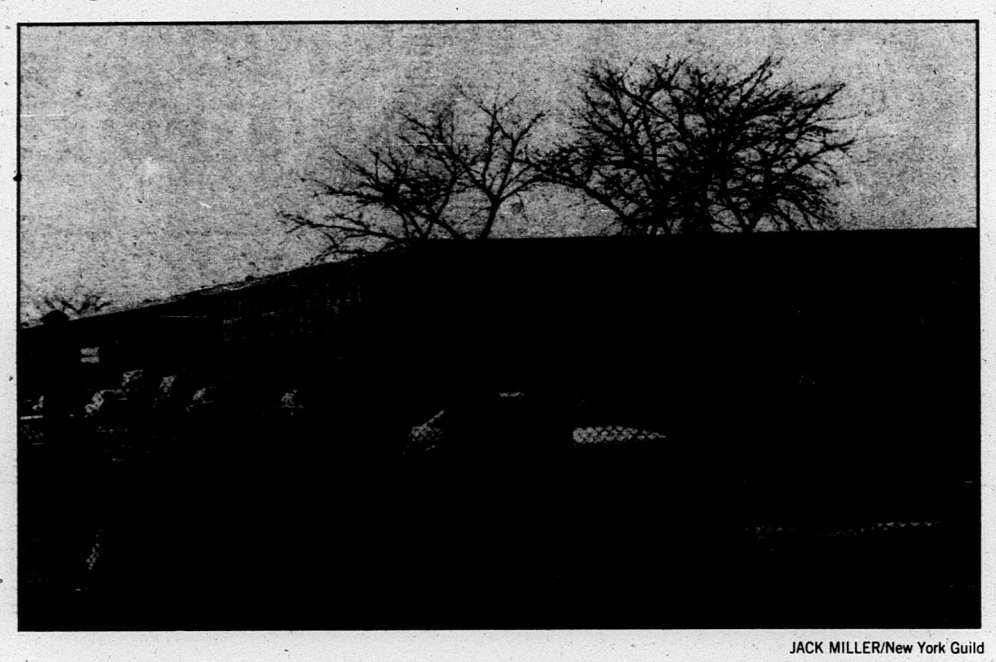
Lipton said credibility has been further eroded by the News' retention of two expensive law firms with reputations for attacking unions—King & Ballow of Nashville, and Jackson, Lewis, Schnitzler & Krupman of New York. The Allied Council vigorously protested the hiring of King & Ballow [Guild Reporter, May 21, 1989].

Some reports claim the Nashville group was forced on an embarrassed Hoge by corporate chiefs who liked the firm's performance during the three-union strike at the Chicago Tribune that began in mid-1985.

Guild members also are angry about reports that Hoge hired public relations man John Scanlon to push management's viewpoint to the public.

Scanlon "reportedly makes $250 an hour, plus expenses," said the News Guild-unit newsletter, "The Talk of 42nd St."

At that rate, "if he works a 35-hour-week, he could be grossing as much as $455,000 annually. So we're a little surprised that he's pushing Hoge's line that some union members make too much money at the News," the newsletter noted.



JACK MILLER/New York Guild

SECURITY HEAVY — FENCING, GUARD, GUARD-HOUSE — AT FORMER WAREHOUSE
New York Guild leaders report Daily News is converting it into a "scab newspaper site."

Guild is prepared, but not looking for 'war'

(Continued from Page 1)
tract negotiations approach.

In recent months, articles in Editor & Publisher, the New York Times, Vanity Fair and News Inc. have played up the combat theme at the News, generally portraying Hoge as a field general leading the charge against entrenched unions.

Irked Guild leaders say the belligerence is centered on the management side and that the unions harbor no hostility.

"It's a curious thing, this 'war'," said "The Talk of 42nd St.," newsletter for the Guild's Daily News unit. "In the last two contracts, the unions were asked to co-operate with the News and save the jobs of their members.

"All the unions co-operated, giving back nearly $30 million in concessions last time, and making the News a healthier, stronger paper. We don't call that war.

"The only 'war' around here is in Jim Hoge's head. His tough talk is aimed at us, the paper's union members, in the hopes that we'll panic. He would like us to come to the bargaining table deflated. *It won't happen.*"

Amidst the saber rattling, management insists it needs more concessions to afford new printing plants with color-capable presses.

The unions contend the Tribune Co., Chicago-based owner of the News, has dragged its feet on News moderization.

Lipton is urging members to focus on rational bargaining and not heed Hoge's battle cries.

"The unions have got to be cool in this situation," Lipton said. "None of us want a strike; we all know what a strike is like.

"Our approach to bargaining is extraordinarily simple. We want a contract that preserves decent working conditions and job security."

TNG Int'l Chairperson Peter McLaughlin, a reporter for 25 years at the News, takes exception to management's claim that it must "wrest control of the paper back from the unions."

He believes the propaganda campaign is being directed by the parent company.

"The Tribune has always resented the strong unions in New York," McLaughlin said. "The shots are really being called from Chicago. I don't think Jim Hoge himself is calling a lot of the shots."

McLaughlin said the spotlight falls on Hoge because "they have to have a spokesman."

"I'm sure he's in on major decisions, and he's going after the unions just as much as anybody else, but I don't think he could stand up to Chicago and say this not the way to go."

McLaughlin disputed contentions that wholesale job cuts are the solution to all the paper's woes.

"I don't think this is the way to save the paper. One of the problems at the News is that it's always been mismanaged, mismanaged for years.

"It's great to blame everything on the unions. But I think management at the News has been poor for quite some time."

Some union observers believe the true intent of the Tribune Co. is to get broad concessions and then sell the paper, or force a strike and then close it permanently and try to avoid honoring its severance-pay obligations.

McLaughlin said it was apparent management is "trying to force a confrontation," but he had "no idea what their ultimate goal is."

He was certain, however, the Tribune Co. wants to break the unions. "When they say 'wrest power from the unions,' that's just another way of saying, 'We want to bust the unions'."

Recent history in Chicago would bear him out. In 1985, the Tribune made demands that led to a strike by 1,000 unionized printers, mailers and press operators.

Mailers and press operators made an unconditional offer to return to work in January 1986, and were locked out. In late 1988, more than 40 months into the strike, printers reached an agreement in which most received buy-outs or annuities, but not their former jobs.

"This is not Chicago," McLaughlin said. "This is a labor town. It's going to be much more difficult to break the unions here."

As for union strategy in the "other war," the fight to keep the News publishing, McLaughlin felt the unions would play a key role.

"We'll save the News again, despite the management. We have in the past saved it, and the unions will continue to try to save it."

NEW YORK UNION LEADERS PREPARE FOR TALKS WITH 'TOUR' OF DAILY NEWS
Greeting Frieda Gibson, classified phone-room steward, left, are New York Guild President Barry Lipton, right, and Sec'y-Treasurer Tom Pennacchio. In background, Allied Council President George E. McDonald and TNG and New York Guild Chairperson Peter E. McLaughlin.

IN '85 STRIKE

NLRB tells Tribune to rehire 74

Washington — A National Labor Relations Board law judge has ordered the Chicago Tribune to immediately rehire 74 of the more than 200 press operators who struck the paper in mid-July 1985 and to "make them whole" for wages and benefits they have lost since Jan. 30, 1986.

At the same time, NLRB Law Judge Marion C. Ladwig also ordered the Tribune-chain flagship to offer "immediate and full reinstatement" to strikers on a preferential rehiring list "to fill full-time and part-time vacancies that have occurred since Nov. 4, 1986, and to "make them whole," as well. There were more than 200 names on the list.

Cost to the Tribune could be more then $10 million, according to the strikers' union, the Chicago Web Printing Pressmen's local of the Graphic Communications Int'l Union.

The Tribune immediately said it is appealing Ladwig's decision to the full NLRB and, according to Editor & Publisher, indicated an appeal to federal court would be likely if the full board does not reverse the law judge.

Ladwig ordered the remedies after finding the Tribune guilty of more than a half-dozen illegal labor practices during the strike.

Key among his rulings was the determination that the Tribune's insistence four months into the strike that there could be no new contract unless the union agreed to give up most of its members' work — reducing it to so-called "make-ready" tasks — was an illegal demand that converted the strike to an unfair-practice walkout.

Unfair-practice strikers are entitled to their jobs back immediately upon making an unconditional offer to return, if necessary displacing strikebreakers. The union made an unconditional return-to-work offer Jan. 30, 1986. No striker was recalled, but 74 replacements were hired after the walkout's conversion to an unfair-practice strike, Ladwig found.

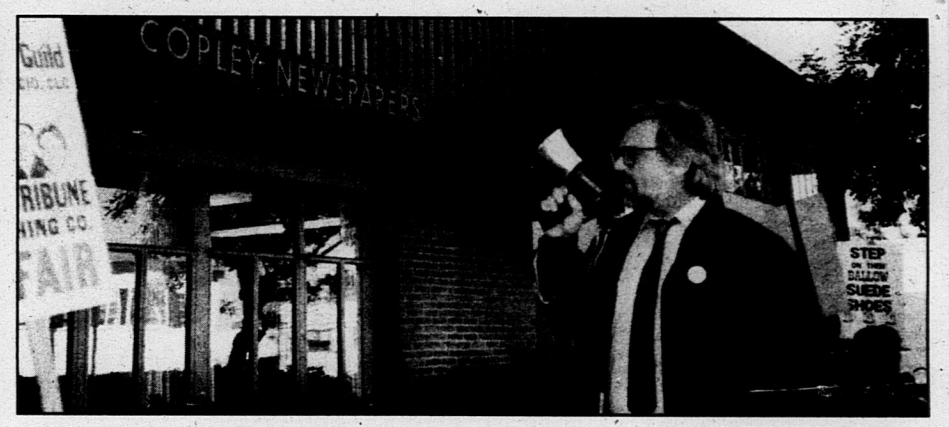
After the company's rejection of the unconditional-return offer, it and the union agreed to a preferential rehiring list of 240 persons for job openings that might occur, but no one was hired off the list full- or part-time, Ladwig said, despite greatly increased overtime hours and shifts in the pressroom.

For example, in the first six months of 1988, overtime was double the overtime in the six months before the strike, Ladwig pointed out in a detailed review.

"The company's motivation is clear," Ladwig wrote. "It preferred to keep the pressroom nonunion, without the union's ... seeking the restoration of higher wages and its prior working conditions. One way to do this was to leave the strikers indefinitely on the preferential rehiring list, outside the plant."

Three unions — the Pressmen, Chicago Typgraphical Union printers and the Chicago Mailers Union — struck the Tribune on July 18, 1985. The printers settled early in 1989, but the Mailers and Pressmen remain out.

Fair-contract quest leads to Copley chain's top link



Led by President Edward A. Jahn with his bullhorn, below, San Diego Guild members take their year-and-a-half quest for a fair new contract offer from Union and Tribune to Copley-chain headquarters in suburban La Jolla Jan. 5. Members came before and after work shifts from 8-10 a.m., at one point numbering about 70, plus at least one canine assistant, left. Others drove by with horns honking their support. Later, talks continued with the aid of a state mediator. Picket sign at far right below, reading "Step on them Ballow suede shoes," is a reference to company's using Nashville firm of King & Ballow as bargaining counsel.

LEA FRANCISCO/San Diego Guild

Victoria poll: 60% on VDTs 'in pain'

Victoria, B.C.—Sixty percent of the Victoria Guild's members who use VDTs at the Times-Colonist reported working "in pain" on the machines in a recent survey by the Guild's Health & Safety Committee.

The 190-member local distributed questionaires to 71 members, and 53 responded.

Forty-three of the 53 said they have experienced musculoskeletal discomfort or pain while working on the machines, said Kate Jarrett, the local's 2nd vice president. The 43 represent 80 percent of those responding, 60 percent of the total surveyed.

The symptoms reported include: 21 cases of hand or wrist pain, 10 of numbness or tingling fingers, 26 of arm or shoulder pain, 40 of neck or back pain, 17 of leg pain, and 6 of cysts in hands or wrists.

There have been four diagnoses of tenosynovitis or tendinitis and two of carpal tunnel syndrome, one of the latter afflicting an ad-copy typist who uses a typewriter, not a VDT.

Three persons have taken more than three days' sick leave with the afflictions, but none of the respondents has had surgery, "so far," Jarrett said.

Meanwhile, the Guild is exploring appeals from rejections by claims personnel for the British Columbia Workers' Compensation Board of applications for disability payments in both carpal tunnel syndrome cases, reported John Hutchinson, health and safety chairperson.

Private physicians in both cases diagnosed the malady in both wrists. The compensation-board adjusters, however, said they were not convinced the afflictions were caused by the employees' use of keyboards on the job.

The ad-copy typist was off work nearly three months, returning early in January only after the company redesigned her work station on recommendation of her doctor. It now includes a proper ergonomic chair, a document holder and a foot rest, Hutchinson said, adding: "She's coping now; not totally well, but coping."

In the other case, involving a reporter, Hutchinson said there has been no reoccurence since he took a few days off for rest.

Meantime, in talks for a contract to replace one expired Nov. 30, management of the Thomson-chain Times-Colonist has rejected a Guild proposal for addition of an ergonomics clause to the pact's health and safety provisions. The proposal is modelled on a set of guidelines developed in 1981 by the provincial occupational safety agency.

The guidelines deal with lighting, furniture and VDT equipment itself.

U.S. says 'motion' ills skyrocket

Washington — Repetitive motion trauma accounted for nearly half the steep increase in occupationally caused illnesses in the U.S. in 1988, according to the Labor Dept.'s latest survey of occupational illnesses and injuries. Experts acknowledged that the increased use of VDTs played a significant role.

The report, issued in mid-November, said the survey found more than 240,900 new cases of occupational illness among workers in private industry, a 25 percent increase over 1987.

Forty-eight percent of the 240,900 cases — 115,400 cases — were from what the Bureau of Labor Statistics called "repeated trauma."

Disorders associated with repetitive motion accounted for more than 80 percent of the increase, the BLS reported.

The head of the Occupational Safety & Health Administration told the New York Times that there could be little doubt that the spread of computer technology was a significant cause of the increase in repetitive motion disorders. Joseph Kinney of the National Safe Workplace Institute in Chicago also said computer use was obviously a major factor.

IT SEEMS TO US

Former leader seeks, offers GR back copies

OKLAHOMA CITY, OKLA.

Editor:

I am in the process of binding Guild Reporters for the past several years and am missing the following:

- 1973: Issues 1 through 13.
- 1974: Issue No. 7.
- 1975: Issue No. 6.

I would deeply appreciate anyone who would send me those issues. I have extra copies of some issues from 1980 through 1989 which I would be glad to send anyone specifying the needed issue.

HARRY S. CULVER
At-large
Wire Service Guild

Editor's note: The home address of Brother Culver, former TNG Int'l Chairperson and Wire Service Guild leader, is: 4625 NW. 32nd St., Oklahoma City, Okla. 73122.

By TNG convention action, letters shall be limited to 200 words and shall avoid libel and subjects detrimental to the Guild. Members subjected to personal attack shall be given opportunity to reply in the same issue, but publication of either attack or reply shall not be delayed longer than one issue.
Deadline: Friday before publication.

'Stringer' says 'thanks ... but' about earlier letter

NORTH VANCOUVER, B.C.

Editor:

Thanks for publishing my letter advising Canadian chapters and "stringers" that Revenue Canada judged my 10-year stringing work at the Vancouver Sun as "employment" rather than "free-lancing." ["'Stringer' lauds Reporter, raps local in status row," Dec. 8.] I was embarrassed to see you had taken the liberty of substituting "Vancouver-New Westminster Guild" under my name instead of my place of residence. Although paying dues, I never considered myself a "member" but paying off the local chapter to stop lobbying for my job termination.

I was a "temporary" employee and paid at Guild rates (bottom scale after leaving full-time Guild work at top scale) *only* for work *other than* stringing. Revenue Canada's suspicions were raised when the Vancouver Sun paid me as a "free-lancer" for my stringing work, as an "employee" for other stories and queried how a person could be simultaneously "free-lancer" and "employee" for the same company. I noted no praise from local president, Mr. Bocking, at having gained this landmark decision for stringers so the Guild could take steps to protect them. ["Eng case carries lesson, local president responds," Guild Reporter, Dec. 8.]

ROSEMARY T. ENG

LOCAL ELECTIONS

Boston

Richard E. Rappoli, president; **Amie Lachance**, vice president; **Robert Gavin**, secretary; **Patricia Driscoll**, treasurer.

Canadian Wire Service

Dan Oldfield, president; **Moe Brown**, secretary (Brown, 259; Bob Fisher, 117); **Patti Tasko**, treasurer; **Lee Clifford**, CBC vice president; **Bruce Wark**, CBC branch director; **Mike Bernard**, CP/BN vice president; **Dan Dugas**, CP/BN branch director; **Joe Lukach**, Reuters vice president.

Lake Superior (Duluth)

Darren Carroll, president; **Terry DeGroote**, vice president; **Ellen Smith**, secretary; **Tom Disrud**, treasurer.

Rochester

Steve Orr, president; **Deborah Schoch**, vice president; **M. Kathleen Wagner**, secretary; **Mary Lynne Vellinga**, treasurer.

San Jose

Mel Gauntz, president; **Ann Dejenfelt**, vice president; **Frank Sweeney**, secretary-treasurer.

BY U.S. JUDGE

Pioneer ordered to table

Chicago—A federal judge has ordered management of the Pioneer Press suburban chain to recognize the Chicago Guild as exclusive bargaining representative of some 115 production workers in Wilmette and bargain in good faith with the union.

The order by U.S. District Judge Suzanne B. Conlon, granting a "10(j) injunction," set the stage for the first contract bargaining in nearly two years for the group, which the Guild has represented since 1978.

The Guild also represents the chain's 125 editorial employees, whose contract runs through Jan. 31.

Although reporters and editors work at various sites, all production work is done at the central Wilmette plant for Pioneer's 40 papers in suburbs north and west of Chicago.

Circulations range from 1,500 to 15,000 in Wilmette, Evanston, Glenview, Barrington, Melrose Park, Northbrook and other locations.

In mid-February 1988, shortly after the Guild contract covering production employees expired, management abruptly broke off talks and unilaterally gave raises, saying it no longer recognized the Guild as bargaining agent for the unit.

Pioneer Press, apparently misreading the intent of two notices posted on bulletin boards to encourage support for the Guild, claimed the union lacked majority support.

"The impact of the federal order has been pretty dramatic" in reversing the situation, said Chicago Guild Executive Director Gerald Minkkinen.

"For any court to issue this kind of injunction is highly unusual," Minkkinen said. "It indicates the very blatant nature of union-busting methods that Pioneer has employed."

Contract negotiations resumed in mid-January for printers, plate makers, press operators and bindery workers in the unit, Minkkinen said. Talks also began recently for editorial employees, marking the first time both units have bargained in tandem.

"The leaderships of both units are in close contact and are co-ordinating their activities," Minkkinen said.

The Guild is seeking improvements for newsroom workers based on the top-scale wages of production workers and on terms in effect for editorial employees at the Chicago Sun-Times, which purchased the Pioneer weeklies in early 1989, Minkkinen said.

Management has offered a 1 percent pay hike for editorial employees.

The Guild's two-year legal struggle to retain bargaining rights for the production unit included two decisions by federal courts and a third by a labor law judge.

Following management's declaration of non-recognition, the National Labor Relations Board issued unfair labor practice complaints against the company. Simultaneously, the NLRB Chicago regional director sought an injunction ordering the immediate return of Pioneer to the table.

Conlon at first refused to grant the injunction, but she was ordered last August by a federal appeals court to review her decision.

Under Section 10(j) of the National Labor Relations Act, the NLRB may seek an injunction when evidence warrants bringing formal charges and "delays inherent in the dispute-resolution process" threaten effective enforcement of the law, the appeals court said.

Administrative Law Judge Nancy Sherman, in a ruling Aug. 3 on the NLRB complaints, found that Pioneer had violated the law with several actions.

The company has appealed the decision to the full labor board. The injunction is effective until final resolution of that appeal.

Sherman cited Pioneer for withdrawing recognition of the production unit and extending wage increases, disability coverage and voluntary retirement benefits without bargaining; implementing unilateral changes in medical coverage for both units; and removing union literature from bulletin boards and warning employees against distributing such literature.

Two anonymous notices criticizing employees for tepid support of the Guild's bargaining proposals in 1988 have been a major factor in the case. Management, in fact, pointed to the notices as evidence the union lacked majority support.

Minkkinen said the postings were "a maverick sort of thing," well-intentioned attempts to stir up support in the production unit by using reverse psychology.

In her decision, Conlon said Pioneer had not presented "clear, convincing and cogent" evidence the Guild lost its majority status.

The unit, which included 100 employees two years ago, has increased to 115, despite Pioneer's effort to reduce costs by consolidating operations in Wilmette last spring. Some long-term workers were laid off and others were asked to resign voluntarily.

Members mark King Day at Detroit News, Free Press

Marian Dozier, foreground, participates in 12-hour vigil organized by the Detroit Guild Jan. 15 outside downtown offices of Detroit Free Press and the Detroit News to honor the late Dr. Martin Luther King, Jr., on the anniversary of his birth. Signs and literature point out that News, Free Press and their joint publishing agency refuse to recognize the slain civil-rights leader's birthday as a holiday for their Guild-covered employees, though both dailies annually on King Day carry "glowing words about his spirit and his legacy." Managements of the Gannett and Knight-Ridder dailies have maintained they can't afford to make the day a paid holiday. News reported that 200 Guild members and supporters participated in vigil at the two papers — in half-hour "shifts" from 7 a.m. to 7 p.m. Exiting the Free Press building with Guild leaflet in hand, at right, is Jack Kresnak, a reporter and member of the Guild unit.

DAYMON J. HARTLEY/Detroit Guild

Nominations open for 'Lily' award

Silver Spring, Md.—TNG has invited Guild locals and news industry employees across the United States and Canada to nominate industry employers for the union's first "Lily White Publisher Award," to be made during TNG's 1990 Convention, June 25-29 in New York City.

Deadline for nominations is March 2, TNG President Charles Dale said in announcing that submissions are being accepted.

Submissions must include documentation of the absence of employees from the following groups: blacks, Hispanics, Asians/Pacific Islanders or Indians/Natives.

Documentation can be verifiable testimony, eyewitness accounts, photographs, workforce analyses, government reports or affirmative actions plans.

Nominators' names will be kept confidential, if requested.

Nominations, and questions, should be directed to TNG Human Rights Director Anna M. Padia at TNG headquarters, Dale said.

The award was set up by TNG's 1988 Convention to spotlight the lack of racial/ethnic integration in the industry and the employers with the worst records.

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Please use this form so the Guild Reporter will move with you.

Type or print name, new address, and name of your Guild local in space provided below.

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The Guild Reporter

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JAMES M. CESNIK, Editor
JOHN R. SMALL, Assistant Editor

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