

THE GUILD Reporter

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This roller coaster goes only one way

Newspaper layoffs fail to trim expenses faster than ad revenue is declining

The longest, steepest pitch of a roller coaster comes at the very beginning, each subsequent dip becoming progressively more moderate. The newspaper industry, alas, is no roller coaster.

Instead, with each passing month the news gets worse, as layoff notices mount, advertising revenue constricts, circulation wilts and newspaper credit ratings explore heretofore unknown parts of the alphabet.

Among the latest job cuts announced at Guild-represented operations over the past few weeks: 27 at the Commercial Appeal in Memphis; 36 at Dow Jones; 18 at the Pittsburgh Post-Gazette; 50 at the Knoxville News Sentinel, part of a Scripps-wide slashing of 400 employees; between 130 and 150 at the Seattle Times and its sister publications; 42 at the Boston Globe; and an increase to 50, from an earlier announced 38, at the Cleveland Plain Dealer. Eight

more jobs also were eliminated Nov. 14 at the MediaNews papers in northern California that recently unionized under the BANG-EB banner.

Gannett, meanwhile, said it will lay off 10% of its newspaper employees chainwide, or about 3,000 total. A new round of cuts of indeterminate size is being planned at the Tribune-owned Sun in Baltimore, just four months after it slashed 100 jobs. Time Inc. is looking for 100 volunteers to give up Guild-represented editorial jobs at several of its magazines, a first step in eliminating 600 positions worldwide. CanWest said it will eliminate 560 positions across the organization, including approximately 350 on the print side and 210 in broadcasting.

All the carnage is forcing publishers to become ever more inventive in figuring out how to create widgets with fewer widget-makers. Dean Singleton, chief executive of

MediaNews, triggered a hail of outraged protest by disclosing to a publishers' group that he has been thinking of creating a single news desk for his dozens of newspapers—and possibly off-shoring it, to further reduce costs. The idea quickly resulted in a map of India, marked with offices for the Contra Costa Times, San Jose Mercury News and other MediaNews properties, popping up on union bulletin boards.

CanWest, meanwhile, has started inserting business pages produced by the Financial Post in its other Canadian dailies, shrinking the amount of locally-produced content at the Montreal Gazette, for instance, from five pages to less than three. The Gazette's copy editors and managers are barred from making any changes in the replacement pages, which include market commentary. In ongoing contract negotiations, meanwhile, CanWest continues to

demand the freedom to move the Gazette's production work to non-union shops.

Such measures seem not to be fooling either readers or advertisers. Circulation continues to erode, down 4.6% daily for the six-month period ending in September and down 4.8% Sundays. That compares with a drop in daily circulation of 2.6% for a similar period the previous year, marking an ugly trend.

Advertising revenue, meanwhile, also is trending downward despite the slumping economy—retail sales dropped 1.2% in September—which arguably is a time when advertising should be increased. Ad spending across all media probably will fall 1.8% this year and 3.6% in 2009, according to a Nov. 10 report from Citigroup—a sharp revision from its earlier projections of a 0.2% increase in 2008 and only a 0.3%

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As AP customers defect, employees get squeezed

Judging by its posture at the bargaining table, you might think that the Associated Press is in a world of hurt. Among its initial proposals for a contract, to succeed the one that expires Nov. 30, is a bid to give seniority "due weight" in layoffs and to give wage increases only to "top performers."

The wire service also wants "scheduling flexibility" for beat reporters, wants to increase the number of senior journalists who are exempt from overtime or scheduling requirements, seeks to remove regional desk editors from Guild representation and wants to tack on an additional six months' probation for temporary employees who have passed their nine-month probation in one bureau and then are offered a permanent job in another.

Oh—and it also wants to eliminate pay altogether for interns. Let 'em eat credits.

"There is no room for staffers who are resistant to changing operating demands,"



Chuck Bartels, in the AP's Little Rock bureau, flashes his union colors.

Mike Silverman, senior managing editor, declared in a statement read at the bargaining table that elicited no little bristling on the union side. "There will be no place to hide those who refuse to pull their weight in the streamlined AP of 2009."

Outside the negotiating room, meanwhile, the roster of AP customers who are publicly rethinking their commitment has grown by leaps and bounds, with a reported 7% of the cooperative's newspaper members giving notice of revocation. Potential competitors also are beginning to crop up.

The revocations have spread from a handful of smaller dailies to Tribune Co., which announced it will cancel AP services for all nine of its dailies. The Newark Star-Ledger, whose annual AP dues run to more than \$1 million a year and which recently laid off 40% of its newsroom, produced an entire AP-free issue in September just to see if anyone

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Red T-shirts in AP's Washington office show displeasure with company proposals.

Finally, a buyer emerges for Maine papers

An investment group headed by Richard Connor, publisher of the Times Leader in Wilkes-Barre, Pa., agreed Nov. 12 to buy Blethen Maine Newspapers at a steep discount estimated at less than half the purchase price of approximately \$230 million a decade ago.

Leaders of the Portland Guild,

which represents approximately 350 employees at the Press Herald/Maine Sunday Telegram in Portland and the Morning Sentinel in Waterville, have been meeting with Connor to discuss a possible employee stock ownership plan in exchange for contract concessions. Union officials already have warned of "significant layoffs"

next year, with or without a sale.

Guild members were to hear more details of the sale and how it might affect them at a meeting scheduled for Nov. 18, as the Guild Reporter was going to press.

Although a deal has been struck, uncertainties abound. The sale is contingent on Maine Media Investments obtaining requisite financing in a tight credit market. It also hinges on what kind of agreement it can structure with the Guild, which is scheduled for a Jan. 13 arbitration hearing to address the union's claim that any buyer must honor the existing collective bargaining agreement. Any

changes negotiated in the contract will then have to be ratified by the membership.

Despite the inevitable belt-tightening ahead, Guild leaders said they are heartened by the development. Tom Bell, the local's president, said the sale to Connor's group is the best of all possible outcomes under the present circumstances. "We're pleased to be partnering with these new owners in an effort to continue serving our communities, readers and advertisers," the Guild announced in a statement to its members.

The Blethen family, which also owns the Seattle Times and other

Washington newspapers, has been trying to sell its Maine properties for the past eight months. But the newspaper market has deteriorated so badly that by some estimates the Maine newspapers now are worth less than the acquisition debt the Blethens are still carrying from their 1998 purchase, suggesting that the sales price will include debt assumption.

Given the distressed circumstances, local observers have speculated, any buyer also will likely sell the Maine newspapers' real estate holdings, notably the Press Herald's downtown office building.

Inside this issue



Health care victory in New York page 3

Twin Cities celebrates 75 years page 5

Lessons from the election page 8

Guild Reporter nabs 5 awards

For the second consecutive year, The Guild Reporter has taken first place for general excellence among international and national union publications in the annual awards competition sponsored by the International Labor Communications Association.

The Guild Reporter also took first place in the "best analysis" category, won second place for "best labor history," and received honorable mentions for best news story and best design. All the prizes were to be presented at the ILCA's awards luncheon Nov. 21.

The judges' citation for general excellence took special note of the Guild Reporter's election coverage and its reporting on the newspaper industry's disintegration. "A contested election for union leadership always makes for great reading, as does [sic] upheavals in the union's prime industry—as would be the case for any union," the judges wrote. "The reporting was descriptive, fair and pretty much on the up-and-up. Well-written articles and excellent editing of Guild and labor briefs."

Writing quality also was cited by the judges in the best labor history category. Commenting on an article that presented contrasting

reviews of two books under the headline, "Remember When Reporters Were a Political Force?" the citation observed that the reviews were "the basis for a well written, intellectually meaty and honest assessment of the state of labor journalism that merits serious consideration."

Similarly, the honorable mention for best design commends the Guild Reporter's "solid, no-nonsense look that reflects the reading habits of an audience professionally disposed to read at length and depth."

The judges for best analysis, meanwhile, wrote of the Guild Reporter's entry, "Looking Away When the Truth Overwhelms Us": "The writer offers a well-reasoned, well-documented in-depth analysis of the negative forces that are causing some of his union's members, as well as non-union journalists, to be overly cautious in what they report and write." While the article acknowledged that journalists today live in a pressure-cooker of threats and demands, the judges added, "It's commendable for a union publication to show a certain editorial independence by basically saying to members, 'Hey, you're screwing up.'"

Start your entries Broun, Barr deadlines Jan. 30

The last Friday of January may seem a tad distant, but because of the approaching holidays it'll be here before you know it. And that means *this* is the time—not six weeks hence—to be thinking about compiling entries for the Heywood Broun and David S. Barr awards. Entries must be postmarked no later than Jan. 30.

Named after the Guild's founding president, the Heywood Broun Award was instituted in 1941 to honor reporting on social issues. It especially prizes work by an individual that champions the underdog and seeks out journalism that

"helps right a wrong or corrects an injustice."

The David S. Barr Award, for high school and college journalists, recognizes reporting that promotes issues of importance to working people and contributes to the pursuit of justice and fairness. The Barr Award honors a long-time Guild attorney and mentor.

The Broun Award consists of a plaque and \$5,000 cash prize, with up to two awards of \$1,000 each awarded to additional entries of "substantial distinction." The Barr Awards include plaques and a \$500 cash prize for the winning high school entry and \$1,000 for the college winner. All awards will be presented in conjunction with the Guild's sector conference, scheduled for mid-June in Washington, D.C.

There are no entry forms for the Broun Award, but entries must be in triplicate, including one set of original tear sheets. Entries may be made by anyone, on behalf of someone else or of one's own work. Barr entries include an application form and must include a teacher's or instructor's signature attesting to the entrant's eligibility. Additional details and Barr entry forms may be found online, at www.newsguild.org; click on the hot button in the left rail.

Also on the web site is a summary of past winning entries and a list of each year's judges. Last year's Broun Award winner, for example, was a series by Dana Priest and Anne Hull of the Washington Post that exposed abuses at Walter Reed Medical Center.

Guild briefs . . .

New election ideas floated

In the aftermath of the Guild's most hotly contested election in several decades, the Sector Election and Referendum Committee has submitted several alternative proposals for revamping the way TNG-CWA elects officers. These proposals were to be discussed at the fall council meetings and included a) having the election centrally administered by the SERC instead of by the locals, while still allowing for mailing and in-plant voting; b) changing from universal suffrage to election of officers by sector conference delegates, similar to CWA's system; c) developing an electronic voting system, possibly via the internet—a practice currently disallowed by the Department of Labor.

Minn. wins layoff arbitration

If a Guild contract has a provision that requires a minimum number of jobs in a certain classification but has another provision that allows management to lay-off employees for economic reasons, which one trumps the other? At the St. Paul Pioneer Press, where a graphic artist who had declined a buyout was laid-off anyway, it's the minimum staffing requirement. An arbitrator there has ordered the newspaper to rehire a creative artist who was laid off nearly two years ago with back pay, minus any interim earnings.

Hawaii calls off video strike

After reviewing the books of the Honolulu Advertiser and concluding that the Gannett-owned newspaper is indeed losing money, the Hawaii Newspaper Guild has called off its video strike and advised its members they may volunteer to shoot video if they wish. Management had steadfastly maintained it was making lots of money as recently as late August, but then changed its tune and eventually opened its books to a union accountant for his review. Contract negotiations continue.

Different name, same game

Reuters may have merged with Thomson, but some things never change—such as management's grasping approach to contract negotiations, which started this month. The company's initial demands, union negotiators report, would effectively cut pay by requiring longer hours, reduce severance, limit job security, raise health care contributions, allow supervisors to do unit work whenever they want and, apparently, cut vacations. Moreover, instead of providing a "red-lined" version of its proposed new contract that would show where management wants changes, Thomson Reuters negotiators buried their demands in a 78-page document, leaving it up to Guild negotiators to find the landmines.

Picketing at Plain Dealer

More than 100 people, most of them Guild members, mounted an informational picket in front of The Plain Dealer on Oct. 30 to protest the newspaper's disparate treatment of its unionized employees. Non-union employees recently were offered a buyout package that included generous health care coverage, while Guild members were offered only severance pay—already guaranteed by the contract—and denied any health care coverage.

Knee-capping as 'flexibility'

Among the euphemisms most ardently embraced by management teams in contract bargaining is "flexibility," advanced as a rationale for stripping away any protection against caprice or abuse won by employees. So it was at the MediaNews-owned San Jose Mercury News early this month, when management's opening salvo included removing assigning editors and advertising, circulation and marketing department members from Guild jurisdiction—because, the company explained, it has a "need for flexibility" at a time of radical changes in the industry. Management also wants to eliminate a fifth week of vacation for long-time employees, abolish two paid holidays and remove existing caps on employee premium costs for health insurance.

CBC hostage released

Melissa Fung, a CBC Television reporter and a CMG/CWA Canada member, was released Nov. 8 in Kabul after being held for ransom for 28 days. She was held in a cave about 30 miles from Kabul but reportedly was in good health. Word about Fung's kidnapping had been kept out of the Canadian media, which agreed to a news blackout on the advice of security experts.

Seattle Times contracts OK'd

Members of the Pacific Northwest Guild have ratified two new contracts at The Seattle Times covering approximately 490 employees. The new agreements, to expire in July and August of 2010, provide wage increases of 6% over two years but also institute major changes in health insurance premiums, with family coverage costing more (employees will pay 30% of the premium) and employees with no dependents paying considerably less (15%). The previous cost split for all coverage was 75% paid by the employer and 25% paid by employees.

Two Dow Jones units merge

Dow Jones and IAPE, TNG-CWA Local 1096, have reached a tentative agreement to fold IAPE-represented employees at Factiva into the larger Dow Jones unit when the Factiva contract expires, at year's end. If ratified, the change will mean a 3% wage increase next February, an increase in minimum pay for working on a regularly scheduled day off, increases in shift differentials and stand-by pay, and an additional four weeks' severance pay and up to \$12,000 in retraining allowances for employees who lose a job due to outsourcing. On the flip side, Factiva employees will lose the day after Thanksgiving as a paid holiday, will lose a revenue-sharing provision and will not be able to cash-in a week's vacation.

Daily Sun seeks shareholders

When Guild-represented employees were locked out by the San Juan Star, Puerto Rico's only English-language daily, they responded in time-honored fashion: they started their own newspaper. While the owner of the Star has announced he will publish a final edition around Thanksgiving, the newly established Puerto Rico Daily Sun is looking for honorary shareholders, at \$200 a pop. For more information, see Carol Rothman's column on page 7.

CWA sectors to plan strategy

Members of CWA's three media sectors—The Newspaper Guild, NABET and the printers, formerly ITU—are invited to a strategy planning session January 10-12 in Baltimore. Guild locals are being encouraged to send their best negotiators and leaders to hear from industry analysts and others about the current and future state of the media, to be followed by breakout sessions to formulate strategic responses. The four major topics under discussion will be organizing, bargaining, training and alternative ownership structures. A registration fee of \$25 will be charged, although the fee will be waived for those registering with the Hilton Baltimore (401 West Pratt Street, Baltimore, Maryland; \$189 per night) prior to the end of this month. Some assistance to small locals is available. For more information, contact Malinka Franklin at mfranklin@cwa-union.org or at 202-434-1270.

Plan now for annual seminar

Start planning now for the Guild's annual New Local Officers Seminar, which will be held Feb. 13-16 at the National Labor College in Silver Spring, Maryland. Small locals are eligible for subsidies. The three-and-a-half day training program, which offers subsidies to small locals, provides new activists with a crash course in contract negotiations and enforcement, mobilization and various aspects of local administration. Those interested in attending should contact Malinka Franklin at mfranklin@cwa-union.org or at 202-434-1270 for more details.

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Newspaper vertigo simply won't end

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decline next year. But that's the good news. The bad news is that newspapers are being hit especially hard, with advertising dollars plunging a projected 16.3% this year and 12.5% in 2009.

The impact on top lines has been significant. Gannett, for example, reported that third-quarter revenue skidded 9% compared to the same period last year, almost matched by the New York Times' drop of 8.9%, while McClatchy's revenues were driven down 16.4%. Top-line deterioration usually has an outsized effect on bottom-line results, with Gannett disclosing that third-quarter profits fell 32%. McClatchy posted net income of 5 cents a share for the quarter, which looked at first blush like a remarkable turnaround when compared to a loss of \$16.42 a share in the comparable quarter last year—until one realized that the year-ago loss was attributable to a major write-down of goodwill, and therefore not reflective of its actual performance.

The deterioration prompted Fitch Ratings to push McClatchy's debt even further into junk territory, an increasingly common affliction for a growing number of over-leveraged newspaper publishers.

The New York Times, meanwhile, beat Wall Street expectations but still skidded so badly that Moody's Investor Services warned it may downgrade the company's unsecured debt to junk bond status. Standard & Poor's didn't wait, lowering the Grey Lady's credit rating three notches, to BB-, which is below investment grade. With \$1.1 billion in debt, its stock at a 13-year low and the market for possible sale of its assets highly iffy, Times management said it will consider cutting the dividend that keeps its controlling family shareholders happy—potentially setting up a sequel to the sale of the once similarly situated Wall Street Journal.

Other newspaper companies battered by the continuing downdraft include Gatehouse Media, which was delisted by the New York Stock Exchange in late October. Lee Enterprises raised delisting concerns as well, as its share price continued to sink—off approximately 90% for the year—and its market cap treaded dangerously close to the Big Board's minimum of \$70 million. The company responded by announcing it

was suspending dividend payments and paying higher interest rates on its debt to gain more flexibility with lenders.

Journal Register announced it would close two of its Connecticut dailies—the Bristol Press and the Herald of New Britain—by January unless it can find buyers, which seemed unlikely. Sun-Times Media Group reported a \$168.8 million loss in the third quarter, prompting its CEO to announce he will seek to cut expenses another \$45 million or more in 2009—matching the cuts of this past year.

Tribune Co., which reported a \$121.6 million loss in the third quarter, was downgraded yet again, with S&P rating its debt at CC—a level deep enough to cause the bends, and amid warnings that more downgrades may be coming any day. A CC rating means a company's debt is "highly vulnerable to nonpayment," which makes Tribune, with \$11.8 billion in long-term debt, the Titanic among newspaper companies sailing suddenly Arctic seas.

Being Canadian is no help. CanWest, the country's largest media company, now also is trading at penny stock levels. Shares of Canada's other large newspaper companies, including Torstar and Quebecor, dropped an average 42% over the year ending in September.

The prognosis for the near- and middle-term, unfortunately, is that conditions will continue to worsen despite all the hacking at payroll and all its attendant grief. "Relentless expense reductions at America's newspapers have failed to stay ahead of falling sales and uncontrollable fixed costs, eviscerating the industry's profitability and suggesting that more drastic cuts may lie ahead," writes blogger Alan Mutter, among the industry's more astute business observers.

Indeed, the graph at top right, replicating one Mutter posted on his Reflections of a Newsosaur web site (newsosaur.blogspot.com), shows average newspaper profitability in the third quarter tumbling 18.5 times faster than the drop in sales. In a three-month period in which advertising and circulation revenue dropped an average 10.3% over the same period a year earlier, the average operating profits of the 12 analyzed companies plummeted a horrendous 198.3%.

At AP, feeling the squeeze

Continued from page 1

noticed—and to let AP know it's not indispensable.

More recently, CNN announced it is about to launch the CNN Wire, aimed specifically at newspaper editors. An all-expenses-paid three-day "summit" in December will showcase its wares and reportedly has attracted interest at Newsday and the Plain Dealer, among others. Local content-sharing consortia also are proliferating, with a Northeast group taking shape to parallel the arrangement already reached among seven leading newspapers in Ohio.

Amid all this turmoil, therefore, it may come as a surprise to learn how financially robust AP was just a few months ago—far more so than its newspaper members. Revenue has grown for four consecutive years, hitting \$710 million in 2007 and projected to reach \$750 million this year. Net profit increased 80% last year, while debt was all but eliminated, paid down from nearly \$60 million in 2004 to approximately \$5 million last year. There was \$30 million in the bank. Strong cost containment measures have allowed the wire service to reduce news expenditures while increasing capital investment.

The contrast between AP's publicly reported finances and its draconian bargaining proposals has infuriated members of the News Media Guild, who in protest have been arriving at work clad in red T-shirts that bear the message, "We keep AP Working."

"AP deserves credit for the dramatic increases in profitability," allowed Tony Winton, president of the News Media Guild. "But at the same time, it is fair for the workers who helped create that success to share in it." Noting that AP for years has described its service as "essential," Winton added that the union is in discussions with AP "over its most essential component:

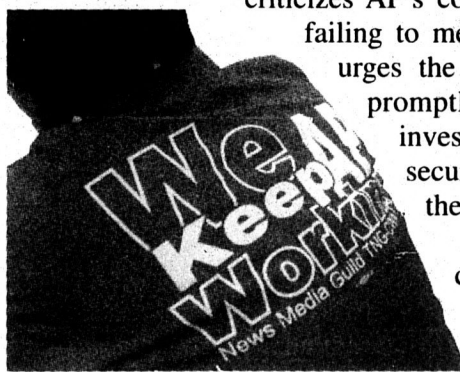
its staff, the men and women who collectively are responsible for making—and keeping—the AP essential."

To push the point, the News Media Guild has mounted an online petition drive for its members that criticizes AP's contract proposals as regressive and failing to meet employees' needs. The petition urges the company to "reverse course and promptly enter into an agreement that invests in its employees and provides security and stability for both them and the company."

But the cooperative's solid financial footing also didn't sit well with its members when AP recently unveiled a revised rate structure that it wanted to implement in January. Despite AP's claims that the new rates would lower costs for some members, a significant number concluded just the opposite and raised a firestorm of protest. After initially ignoring the reaction, the wire service shifted gears and said it would reduce rates, lift proposed restrictions on content and think about dropping its two-year requirement for cancellations.

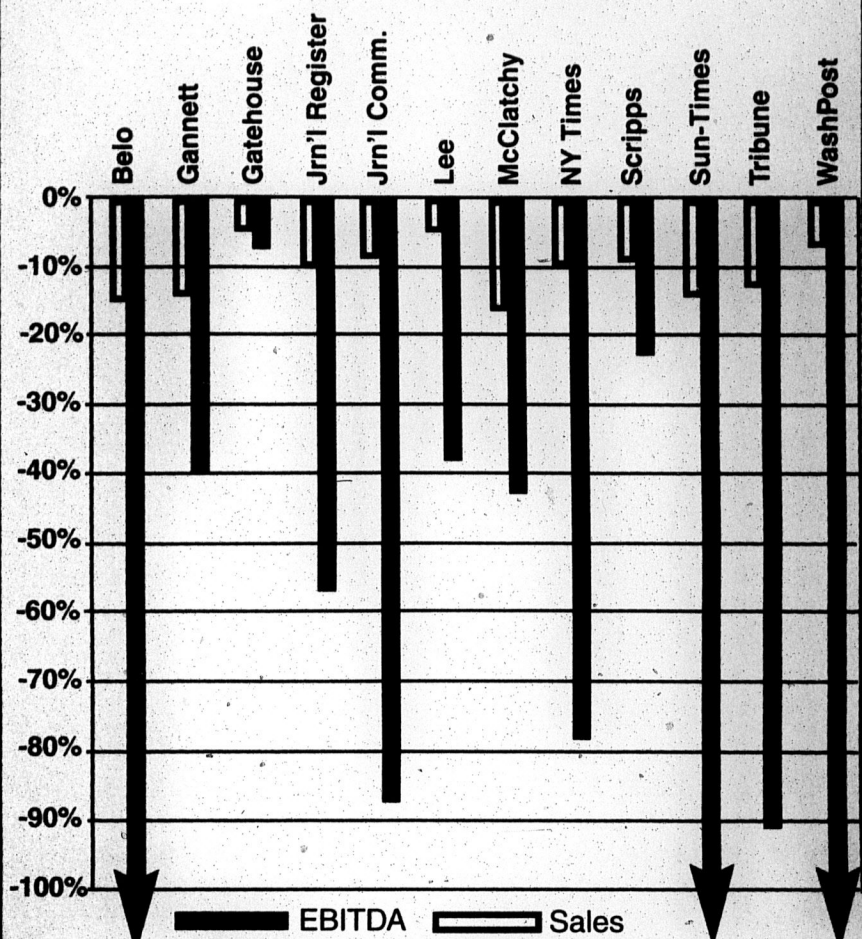
More tellingly, AP recently returned \$21 million of its hoarded cash to members, and has said an additional \$9 million is on the way. At press time, AP Chief Executive Tom Curley was expected to issue a much more pessimistic assessment of the company's financial position, buttressing its current hiring freeze.

The irony in all this is that today's AP is highly innovative, evolving fresh business models and moving to new media platforms with an alacrity newspaper publishers must envy. But its lack of a similarly keen appreciation of its customer base has created a financial bind where there was none just a few months ago, and as often is the case in such situations, it appears to be trying to remedy its plight by squeezing its employees.



Falling short

Percent drops in sales and operating earnings, third quarter of 2008



SOURCE: ALAN MUTTER, REFLECTIONS OF A NEWSOSAUR

NY Times accepts Guild rescue plan

Amid all the bleak news about employee benefits getting whacked, here's a welcome item: the New York Times has approved a New York Guild plan to rescue the fund that pays health insurance claims of employees at the Times, New York Times Digital and WQXR Radio.

The trustees of the Guild-Times Benefits Fund unanimously adopted the plan after a PriceWaterhouseCoopers review concluded that it would leave the fund stronger than would be achieved under a management plan of draconian benefit cuts, advanced last summer. Guild members had approved the proposal days earlier by a 305-11 margin, even though it calls for two 1% salary contributions, this Jan. 1 and again a year later.

Without some change in contributions or benefits, the fund was projected to run out of cash next summer. Although the Guild's plan

includes some benefit cuts, they're not as severe as those proposed by management; moreover, the Guild plan retains retiree health benefits.

Management's plan, according to Bill O'Meara, the local's president, would have cost the company an additional \$4 million, whereas the Guild's version is cost neutral. The savings, O'Meara said, makes him hope "management will use that \$4 million to avoid further staff reductions during this difficult time in the newspaper industry."

The revised plan should keep the fund solvent at least through 2011, beyond the expiration of the current Guild contract. Key elements include continued in-network medical coverage at 100%; a cut in out-of-network coverage to 65% from 80%; and coverage of pre-65 retirees but not their dependents unless they are willing to pay the full premium.

Locals OK merger

By a vote of 240-25, members of the Northern California Media Workers Guild have approved a merger with the San Jose Guild. The referendum followed a vote by San Jose members that also gave overwhelming approval for the change, paving the way for a Jan. 1 transition.

The combined local, to be renamed the California Media Workers Guild, Local 39521, will represent approximately 2,600 workers throughout the state.

The expanded local will have its work cut out for it. News of the final vote came as the Guild received concessionary contract demands at

the San Jose Mercury News, as well as demands for further workforce reductions at its BANG-EB unit, which represents employees at several East Bay papers. All are owned by MediaNews Group.

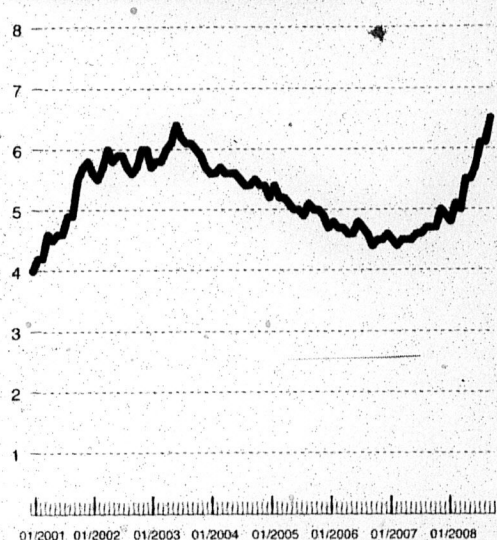
Also on the table are highly regressive initial contract demands at the Modesto Bee, a McClatchy paper. Among its many onerous proposals, the company wants to erase the guarantee of a full-time workweek, eliminate all part-time benefits, drop severance pay from 40 weeks to 26, eliminate seniority for layoff purposes and gain free rein to create new job classifications and salaries without Guild approval.

News briefs

Some upturns we can live without

U.S. payroll employment declined for the 10th consecutive month in October, dropping by another 240,000, according to the Bureau of Labor Statistics. Moreover, data revisions show that 179,000 more jobs were lost in previous months than initially reported, bringing the total job loss to 651,000 in the last three months and 1.2 million in 2008. Approximately 3.3 million workers have been added to the jobless rolls over the past 18 months, and there currently are 10.1 million unemployed workers in the country; the October unemployment rate of 6.5% is the highest it's been since March 1994. Meanwhile, the number of newly laid-off individuals seeking unemployment benefits jumped to a seasonally adjusted 516,000 for the week ended Nov. 13, the second-highest total since 1992.

U.S. Unemployment Rate, December 2000–October 2008



How do the rich stay that way? Lie.

Remember how John McCain mocked Barack Obama's comment about "redistributing the wealth?" Turns out that such redistribution has been going on for some time, only it's flowed upwards—and a good chunk of it has been obtained by lying and cheating. A recent analysis of Internal Revenue Service data by IRS economist Andrew Johns and the University of Michigan's Joel Slemrod finds that Americans who make between \$500,000 and \$1 million a year underreport their incomes by a whopping 21%. That's triple the 7% "misreport" rate of taxpayers who make between \$30,000 and \$50,000, and well over double the 8% cheating rate by taxpayers earning between \$50,000 and \$100,000.

Not quite falling on his sword

Gannett CEO Craig Dubow made favorable headlines in recent weeks by announcing that he would share his employees' pain—4,000 are being laid off—by taking a \$200,000 pay cut and freezing the salaries of the newspaper chain's other top execs. The 17% salary cut certainly sounds impressive—until one realizes that Dubow's salary is only a tiny slice of his compensation package, which last year totaled \$7.9 million.

How do you pick just one?

Given the growing prospect of a bleak holiday season, this year's "Grinch of the Year" contest seems especially timely. Sponsored by Jobs with Justice, the contest seeks nominations of particularly greedy and cold-hearted CEOs, such as last year's winner: Chairman Joseph Luter III of Smithfield Foods, whose managers at a pork slaughterhouse in North Carolina have fired, harassed, intimidated and threatened workers for the 16 long years that they've tried to unionize. To join in this year's festivities, visit www.unionvoice.org/ct/e7z_1m11qqFE/.

Hobson's choice: pensions or jobs

With pension funds hemorrhaging billions of dollars, nearly 300 major employers and business groups have written to Congress urging it to suspend parts of the Pension Protection Act of 2006. The only way they'll be able to shift money to offset investment losses in their retirement pools, the employers say, is to cut jobs—further exacerbating the recession and causing even more investment losses. The 2006 act requires companies facing pension fund shortfalls to bring their plans up to full funding over the next seven years.

Something else to stress about

Work-related stress can lead to sudden heart attacks, obesity, anxiety and depression. So with Americans putting in more hours at work than any other industrialized nation—surpassing even the workaholic Japanese—it may come as no surprise that the World Health Organization puts the United States at the top of a list of depressed (or otherwise mentally disordered) countries. Conversely, the U.S. ranks last among industrialized nations in mandatory minimum vacation time for its workers: zero days. Finland tops the list, with 30 paid vacation days per year after the first year of work, plus 14 paid national holidays. Of the world's 195 independent countries, 137 have some kind of vacation/annual leave legislation in place.

Shield law adopted — in Australia

Australia has changed its federal law to protect reporters from being forced to reveal their sources to courts, even if that information was provided by someone breaking the law to do so. The revised law also introduces a claim of "public interest in the publication of news" that judges can take into account when considering whether to protect a whistleblower's identity.

Labor provided Obama 'firewall' in key states

By Mark Gruenberg
Editor, Press Associates Inc.

Overwhelming support from unionists and their families became the "firewall" of votes that provided victory for Democratic presidential nominee Barack Obama in key swing states, such as Michigan, Ohio, Pennsylvania and Minnesota, according to top AFL-CIO officials and their polling analyst.

And the labor federation fully intends to take advantage of that key role to push its top cause next year, the Employee Free Choice Act, federation President John J. Sweeney said.

Speaking at a post-election press conference Nov. 5, after Obama soundly beat Republican John McCain in electoral votes and won a 52%-47% margin in the popular vote, Sweeney political director Karen Ackerman, pollster Guy Molyneux and federation Secretary-Treasurer Richard Trumka all presented evidence of labor's massive get-out-the-vote effort in the presidential contest, and its impact there and in lower-level races.

The total campaign cost for the federation and its member unions topped \$250 million.

As a result, not only did Obama defeat McCain, but pro-worker candidates won in key Senate races while several notably anti-worker House Republicans lost their seats. "In state after state, we defeated lousy candidates," Sweeney added.

"America's working families and our unions were a steady force powering the engine of change throughout this campaign, knocking on door after door, talking person to person," Sweeney said. "This year we expanded our battlefield, reaching out to more than 13 million voters in 24 states."

Union members distributed 76 million literature pieces, knocked on 10 million doors and distributed 27 million worksite fliers. Particularly crucial was face-to-face contact, Ackerman said. That intensified starting in August, after the federation identified 3 million undecided voters and went to them with its economic pitch. AFSCME and the Communications Workers each sent more than 40,000 volunteers into the field, and the Steel Workers mobilized tens of thousands more.

The AFL-CIO effort concentrated on 13 swing states, notably including Ohio. Only one presidential

winner in the last half-century or more—John F. Kennedy, in 1960—failed to carry it. Obama won Ohio 52%-47%.

Ackerman explained that the federation's push was augmented by its Working America affiliate, created for those workers who can't join unions but want to support labor. Working America has 800,000 members, and its Ohio ranks, combined with union members and their households, comprised 30% of the Ohio electorate.

After the federation's endorsement of Obama, the AFL-CIO began an intensive campaign to re-introduce him to union voters. The effort resulted in a huge swing to Obama among union members, who favored the Democrat 61%-32% in Ohio—a 16 percentage point increase over the life of the campaign. Obama's support also jumped among union members by 22 points in Pennsylvania, to 63%-27%, and by 26 points in Michigan, to 68%-23%.

Those figures included huge margins among unionized white men, thought to be a key vulnerability for Obama. By contrast, all non-union members went for Obama by a 51-47% margin "though that will probably drop" as further data from absentee ballots are counted, Molyneux said.

The big campaign issue for union voters, no surprise, was the economy and jobs. Molyneux said 60% of respondents named it as their top issue, trailed by the war in Iraq (28%) and health care (26%). Four years ago, when anti-worker GOP President George W. Bush narrowly beat labor-backed Sen. John F. Kerry (D-Mass.), the economy (42%) barely edged the war (40%) as the top issue.

Molyneux also noted that race was a factor for one of every eight union voters (13%) polled—but not in the way that had been forecast. Only 4% of union voters, at the end, called race their "single most important factor," and another 9% called it one of their key factors. Of the whites in that group, three-fourths (73%-24%) voted for Obama.

Alluding to the fact that the White House is just over a block away from AFL-CIO headquarters, and that he was inside only once during George Bush's eight-year reign—for a dinner honoring the Pope—Sweeney ended the press conference on a personal note, saying: "We're delighted we'll have a new neighbor across the park."

EFCA, no surprise, leads labor's legislative agenda

By Mark Gruenberg
Editor, Press Associates Inc.

Bit by bit, in congratulatory statements to president-elect Barack Obama and in press conferences, labor's legislative agenda for a new Democrat-led government is beginning to emerge.

Heading the list, of course, is the Employee Free Choice Act, designed to help level the playing field between workers and bosses, in organizing and bargaining. The act would require card-check recognition of unions, increase fines for employers guilty of flouting labor laws, order binding arbitration if unions and bosses can't agree on a first contract within 120 days and make court orders against labor lawbreakers easier to obtain.

The measure already has drawn well-funded and bitter opposition from business interests, as evidenced by the Chamber of Commerce at a Nov. 6 press conference it convened with its top lobbyist.

Meanwhile, with the current 110th Congress returning Nov. 17 for a lame-duck session, labor wasn't waiting for next year to get busy. AFL-CIO President John J. Sweeney and the federation's legislative director, Bill Samuel, made it clear that unions are pushing hard for a "Stimulus II" bill. Elements of that legislation include extending federal jobless benefits to 39 weeks, from 26; allocating billions of dollars for rebuilding highways, airports, bridges and other infrastructure; and extending aid to states to deal with the rising costs of Medicaid.

"The election is just step one in delivering the change we need," said Sweeney. "Working men and women are poised to keep pumping to help the Obama administration lead the change we need. There will be

no gap or letdown." Added Anna Burger, chair of Change to Win: "Nov. 4 was the beginning, not the end, of a workers' political movement."

Other elements of labor's agenda include:

- Legislation reversing the U.S. Supreme Court's Lilly Ledbetter ruling, which effectively bars almost all lawsuits against employers for pay discrimination unless filed within 180 days of being hired.

- Legislation expanding the Family and Medical Leave Act and also, for the first time, enacting paid family leave.

- Legislation overturning a ruling by the anti-worker Bush regime that barred thousands of airport screeners from unionizing. Federal worker unions also claim they have assurances that Obama will let the anti-worker National Security Personnel System, imposed by Bush's Defense Department on tens of thousands of civilian DOD workers, die when its renewal comes up next year. NSPS strips workers of whistleblower protections, collective bargaining rights and fair hearings when discipline occurs. It also lets supervisors arbitrarily set pay.

- The Respect Act, which would overturn a National Labor Relations Board ruling that reclassified millions of workers as supervisors, exempting them from labor law protection.

- Fair trade, not free trade. In a press conference with Public Citizen, Sen. Sherrod Brown (D-Ohio) and two new House Democrats, Steel Workers President Leo Gerard predicted a new push for the labor-backed Trade Act. The measure would require U.S. trade negotiators to include enforceable labor standards in any new agreements.

75 years ago, they led the way

By Mike Bucsko
Minnesota Newspaper Guild

On a Sunday night in the fall of 1933, a handful of disgruntled newsmen from Twin Cities' newspapers gathered at the Curtis Hotel in downtown Minneapolis to "do something about the long hours, salary cuts and the quick dismissals that the stock market crash of 1929 trailed in its wake."

The group that gathered for the informal meeting on that September night was part of a movement of newspaper workers in a handful of cities that formally organized in response to New York World Telegram columnist Heywood Broun's call six weeks earlier for a "newspaper writers' union."

A week after the initial meeting, the Twin Cities group had drafted a constitution, elected officers and signed up 90 newspapermen at the Minneapolis Journal, Minneapolis Tribune, Minneapolis Star, the St. Paul Daily News, the St. Paul Dispatch, the St. Paul Pioneer Press, local press or wire services and a German-language daily, Volkszeitung. But it would be 2-1/2 years before the local secured a first contract, at the Tribune.

Disparities in pay were one of the main targets. "Men fresh out of college" could expect \$65-\$75, while "capable top hands" were paid \$175-\$200—per month. Overtime was practically non-existent.

The Minneapolis and St. Paul group was the first to use the term "Newspaper Guild" in its name in October 1933. It officially adopted the phrase when it was designated as the Newspaper Guild of the Twin Cities, Local 2, of what was then the American Newspaper Guild. (Northeast Ohio edged out the Twin Cities for Local 1 honors.)

Seventy-five years later, the union progeny of those who gathered at that grand old 10th Street hotel in Minneapolis are still fighting on behalf of their fellow employees about hours, salaries and working conditions in workplaces throughout the Twin Cities. That fight is more urgent than ever as the newspaper industry, which still comprises the bulk of the local's membership, faces the most difficult financial challenge in its history in the midst of a nationwide economic downturn.

Most of the newspapers in Minneapolis and St. Paul from the old days are gone, but the Guild continues to represent employees at the Star Tribune and Pioneer Press and, for more than 40 years, at The Catholic Spirit, the official publication of the Archdiocese of St. Paul and Minneapolis. The local, just shy of 800 members today, also widened its horizons by merging, a decade ago, with Typographical Union Local 30, and by organizing interpreters at Hennepin County Medical Center and



Early Guild days in the Twin Cities, with a bespectacled R.S. "Dick" Gilfillan, the local's first president, at center of photo.

employees at the nonprofits Clean Water Action and Northland Poster Cooperative.

Obviously, none of that would have been possible without the foresight, sacrifice and hard work of the first local Guild activists.

The first activists included R.S. "Dick" Gilfillan of the Minneapolis Tribune and G.B. "Gus" Wollan of the St. Paul Daily News, men from competing publications who worked together for the common goal of union solidarity. Gilfillan became the local's first president, in 1933, was a member of ANG's first constitutional committee and one of the national Guild's first four vice-presidents. Wollan, the local's first secretary-treasurer, with Gilfillan attended ANG's first organizing meeting, held in Washington, D.C., in December 1933, and served on the committee that determined the union's national administrative structure.

The influence of early Twin Cities Guild members played into the selection of St. Paul as host of the first Guild convention, in June 1934. In a pitch to secure the convention, Minnesota Gov. Floyd B. Olson wrote to Broun as an "honorary member of the Newspaper Guild of Minneapolis and St. Paul" and added this anachronistic caveat to seal the deal:

"It might also have a stiffening effect on your organization to meet in a city and State whose administrations are avowedly radical."

That first official Guild gathering included

delegates from around the country purportedly representing 8,000 members (a number later discounted as exaggerated) from 76 cities. They set the foundation for issues still being discussed today, including passage of the Guild's first ethics code, which included a provision to ensure the confidentiality of news sources and calling for a reporters' shield law to protect those sources. And they declared that "the equality of all men should be observed. Newspaper men should not be swayed by political, economic, social, racial or religious prejudices."

In a bit of levity, a special parody edition of the St. Paul Dispatch for the convention featured such alarming headlines as "Newswriters To Strike Against Proposed 20-Hour Work Week" and "Dillinger Here For Guild Convention? Rumored in St. Paul."

The local's members were later instrumental in the effort to have the national union join the AFL in 1936, only to help in the leap two years later to a "more progressive labor group," the CIO.

The involvement of members of the Twin Cities local in the Guild at a national level has continued through the years, as the local has contributed activists for jobs as international representatives, editors of the Guild Reporter and, most recently, as president, when St. Paul native Bernie Lunzer was elected earlier this year to The Newspaper Guild's top spot. The migration of local members to TNG is a bit of a paradox, said former Pioneer Press reporter Bruce Nelson, an activist who joined TNG's ranks as an international representative in 1984.

"Part of the paradox of the Twin Cities local is that we were always considered a maverick local in TNG," Nelson said. "We were not heavy players in TNG politics, we sort of did our own thing. We were more concerned with focusing our time on doing work in our local. It's ironic in a way, with that backdrop, that a lot of us ended up working for TNG."

A reverse of that scenario was personified by long-time local administrative officer John Carmichael, who for several years was an ANG international representative out of New Orleans before being hired in 1955 as the executive secretary in the Twin Cities. Carmichael, who retired in 1986 and died this past April at the age of 85, was a mentor to dozens of local activists, including Nelson.

Members became activists under

Carmichael's guidance despite their initial reluctance, recalled Jim Cesnik, who was hired at the Tribune in 1958. In the early 1960s, Cesnik was a member of the executive board when Carmichael asked him to run for local president.

"I said, 'Chrissakes, John, I don't know what I'm doing.' He said, 'I'll teach you,'" said Cesnik, who went to work for the international in 1965 and later spent 20 years as editor of the Guild Reporter, retiring in 1993.

Nelson returned Carmichael's favor by becoming a mentor to Darren Carroll, who worked as the local representative before he moved on to TNG as an international representative in 1995. Carroll recently spent a year as the local's executive officer and continues to share his considerable skills with the local, most recently in bargaining at the Star Tribune.

Although Carmichael always claimed that the local's activism predated him, Nelson and Lunzer give Carmichael the credit. "One of the things that John always taught us . . . his attitude was that you didn't draw any lines of what was appropriate for the union to deal with," Lunzer said. "He just believed you pushed into everything you could."

Besides the activists who have gone on to work in the labor movement, the Twin Cities Guild local also has included members who went on to become editors of the Pioneer Press, a mayor of Minneapolis and a U.S. senator—although not always in salutary fashion. For example, the St. Paul Dispatch reporter who went on to become a senator, Joseph H. Ball, was basically disowned by his former Guild colleagues after he turned rightward politically and "gave up his political ghost in favor of the Taft-Hartley Act."

In the past 75 years, many changes have occurred in the Twin Cities local, including a merger-induced name change to the Minnesota Newspaper Guild Typographical Union, as well as greater involvement of women and minorities. But the local's goals are the same now as they were in that Minneapolis hotel so many decades ago: to seek better pay, benefits and working conditions for its members and to maintain the dignity in the workplace only a union contract can provide.

Historical information for this story was compiled from the archives of the Minnesota Newspaper Guild at the Minnesota History Center in St. Paul.



Twin City veterans Nida Simonson (left), the local's longtime office manager, and Ann Wilhelmy, the local's longest-serving president, at its recent 75th anniversary bash.

In troubled times, we need 'art and mystery'

At a time when civilization is beset on all sides by political, economic and environmental threats, it is useful to remember that we have faced the apocalypse before. Fifty and more years ago, the world was grappling with the newly unleashed threat of the atom; Dr. Robert Oppenheimer, who directed construction of the first atomic bomb, was so shaken by subsequent developments that he wrote, in Harper's Magazine in late 1958, of the rapidly widening gap between scientific knowledge and the lay public's understanding of it.

"Nearly everything that is now known was not in my book when most of us went to school; we cannot know it unless we have picked it up since," Oppenheimer wrote. "This in itself presents a problem of communication that is nightmarishly formidable."

At such times, the need for journalism—as contrasted with mere reporting—becomes all the more urgent. What that means was laid out by Gerald W. Johnson, contributing editor to The New Republic, at a memorial lecture Oct. 30, 1958, jointly sponsored by the Twin Cities Newspaper Guild and the University of Minnesota; the lecture series honored the memory of three Guild members killed in World War II. Excerpts follow:

By Gerald W. Johnson
The New Republic

I invite your attention to the elusive activity that I have named journalism, but which I cannot define. It is a sort of emanation from reporting but it is not reporting, for it conforms to no stylebook. It is a very special form of literature, one that baffles the most astute professors of English. And it is an activity so intensely personal that I set above it in that respect only Solomon's great mystery of life, the way of a man with a maid.

The classical model of this form is Julius Caesar's "Commentaries," on his conquest of Gaul. A modern example of very high excellence is John Hersey's "Hiroshima." But the oddest with which I am acquainted dates from 1882 and is a report of a prize-fight written by William Hazlitt. This story,

viewed strictly as reporting, is almost fabulously bad. Hazlitt violates every rule known to a self-respecting copy-desk. He has no lead. He ambles. He dashes off after every fugitive idea that crosses his path. He is sublimely indifferent to personal names, place names and dates. I cannot recall a piece of writing that, judged by the accepted standards of news reporting, would better justify firing the cub reporter who turned it in.

Yet after 136 years, people still account it the greatest description of a prize-fight in the English language. For when you have read it you know what happened, how it happened and, to a very large extent, why it happened. The story presents the event as a whole—the fighters, the crowd, the tension, even the weather. What at first seemed inexcusable padding contributes to the total effect, and could not be omitted without some loss.

But if you ask me how he did it, the only

answer is, "He did it because he was Hazlitt." Which carries us no further toward an explanation.

Is that, however, a valid objection? For my part, I am inclined to regard as a weakness of the modern world our reluctance to recognize anything that we cannot explain.

Members of the medieval guilds had a stock phrase to describe their peculiar body of knowledge. They referred to "the art and mystery" of carpentry, or weaving, or brewing, or brick-laying. The phrase was forgotten until H.L. Mencken dredged it up to use it in a satirical sense.

Nevertheless, the words are not meaningless. Every trade or craft has certain techniques that must be mastered before the theorist can practice. . . .

It is possible to be in possession of the facts without having an inkling of the truth; and the function of journalism is to communicate the truth.

The messenger who brought King Louis XVI word of the fall of Bastille was a reporter up to the moment when the King exclaimed, "But this is a revolt!" and the man replied, "No, Sire, it is a revolution." With that, he became a journalist.

Every news editor knows and acknowledges this by seeking to supply "background material," but we are perversely reluctant to admit it in our discussions of the theory of the business. Here is a factor not amenable to analysis and control, which comes into collision with the necessity for discipline in the management of any enterprise as large as even a small-city newspaper. We have accordingly adopted the staff system at the policy-making level, especially on the editorial page. In view of the complexity of the operation this is doubtless the only practical expedient possible, but it ignores the discon-

certing lesson of experience, that when it comes to getting at the truth behind the facts, one head is sometimes better than two, and usually better than half a dozen. . . .

Most of us feel that the highest social value attainable by an institution is intelligence; the higher value, wisdom, is attainable only by a person. Intelligent conduct is the result of following well-known rules, but how a man arrives at wisdom nobody knows, and that applies to the wise man himself. Wisdom implies knowledge, of course, but its essence is the form of a man's response to his learning, and that is a mystery of personality. But while its nature eludes us, we know that it is invariably associated with three other qualities, to wit, experience, diligence and integrity. . . .

It is knowledge of the truth that makes men free, and without it civilization will not only cease to advance but will drift back in the direction of barbarism and slavery. Much of the labor of making this truth available must fall upon the press. But it is not hack-work. None of it is within the capacity of the trained seals, and not much of it can be done by reporters, even good ones. For it is not mere reporting. It calls for a very accurate weighing of the significance of the facts, on the one hand, and on the other, a rare understanding of the average layman's habits of thought.

That kind of knowledge you don't get out of books. It is an element of personality. But the man who has it, and who applies it diligently, exactly, and honestly during the next ten years will hold a plastic world in his hands and will shape and mould it to an extent never approached by any tinpot emperor or strutting dictator. The reward of the great journalist will be to stamp his image and superscription upon the future.

Reflections on history

Continued from page 8

University, streaming up Broad Street for an impromptu celebration at City Hall. I followed the crowd, which swelled to about 5,000. They were jubilantly embracing and talking about their role in this historic election. At about 1 a.m., after about an hour of peaceful celebration, they began the mile-and-a-half-trek back to campus. It was a day I will never forget.

—Vernon Clark

Philadelphia Newspaper Guild

Eight years of poor and middle class incomes redistributed to the wealthy.

Eight years of a political philosophy geared to divide Americans.

Eight years of religious hatred against Moslems, even though many fought and died for our country.

Eight years of ignoring the constitution of the United States for political ends.

Eight years of hurting relations with our allies.

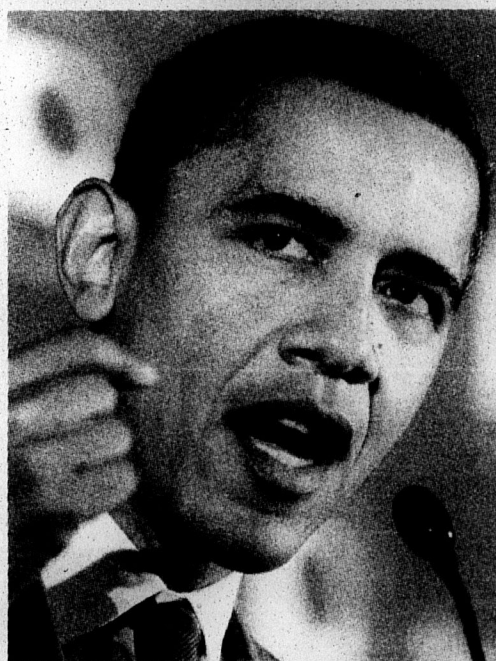
Eight years of social and scientific progress muted.

Eight years of corporate corruption that has driven our country to its knees.

Eight years of dimming the shining light that most in the world perceived is America.

I think back to John F. Kennedy and his famous statement, "Ask not what your country can do for you, ask what you can do for your country."

If we truly love America, we should



Barack Obama speaks at the National Association of Latino Elected and Appointed Officials earlier this year.

all work to make it the best it can be.

If all Americans band together, we become the most powerful force the world has ever seen.

Is this our chance? Is this our moment? Can one man, even one who stands as large as our new president-elect, reverse what has happened in the last eight years?

I say, with the help of all Americans, regardless of race, color, religion, or sexual orientation . . .

. . . in unity . . .

. . . yes, we can.

—Carl Younger

Boston Globe Newspaper Guild

Big Business is right: let's have more voting

By Thomas Frank

The Employee Freedom Action Committee, a "nonpartisan" group based in Washington, D.C., declares that by fighting card check it is "protecting your right to vote on the job." Meanwhile, the Coalition for a Democratic Workplace, a creature of the Chamber of Commerce and other business groups, is running a series of TV commercials showing us the dark side of the melodrama, suggesting that card check will permit the intimidation of workers by union hoodlums and even wheeling out an actor from "The Sopranos" to play this durable stereotype.

But why stop there? The business community has opportunities every day to stand up for a "democratic workplace."

Why don't the Chamber's member companies just let their workers vote whenever management wants to increase the deductible on their health insurance? Why doesn't the Employee Freedom Action Committee run indignant TV commercials every time a company moves a factory overseas without first consulting its work force? Where's the right to vote on the job when companies decide—as they do, year after year—to hold the line on wages?

The answer, of course, is that most workplaces aren't democracies at all. They are dictatorships, of varying degrees of benevolence.

Nor do most big employers really have anything against intimidation and coercion during elections. These are the everyday tools of what is politely called "union avoidance," and companies routinely use them when their employees try to organize:

Threats to move the operation abroad if the union wins the election; compulsory meetings to listen to anti-union propaganda; termination for select pro-union employees.

These practices are so well known that they have been the subject of reports by Human Rights Watch. They have been scrutinized by academics and quantified with scientific precision, most notably in a 2000 study written by Kate Bronfenbrenner of Cornell University and submitted to the U.S. Trade Deficit Review Commission.

Among its findings: In 51% of union organizing drives, management made some sort of threat to close its operation down if the union won the election . . . 34% gave "bribes or special favors" to anti-union employees; and 25% simply fired pro-union employees. . . .

"There has been no such thing as a secret ballot for the 20 years I've been studying elections," Bronfenbrenner told me. "Employers know exactly which way an employee is going to vote."

. . . But it's more than the hypocrisy that should concern us, and it's even more than the ongoing violation of people's rights, human or civil. The destruction of the labor movement by tactics like these is a big part of the reason why wage-earners no longer rise as the economy grows, and why some day soon we will speak of the great middle-class nation in the past tense.

Frank is the author of "What's the Matter with Kansas" and "The Wrecking Crew: How Conservatives Rule." This column is excerpted from an op-ed piece in the Wall Street Journal.



LOOKING AHEAD

Taking stock in labor's future

By Carol Rothman, Secretary-Treasurer

Everyone is hoping that the change we voted for will come sooner rather than later. This is especially true in the world of finance, as we watch our hard-earned pension and 401K dollars dwindle.

There is a stock out there that Guild members can invest in immediately and without hesitation: "honorary shares" in the Puerto Rico Daily Sun. The investment is small but the return is incalculable.

UPAGRA unit members at the San Juan Star are maintaining a lockout vigil in front of the paper, which printed its last edition Aug. 29. While the owner may plan to continue publishing the newspaper, its closure seems unavoidable.

The locked-out members took control of their fate by establishing the Puerto Rico Daily Sun using a cooperative business model. TNG has been encouraging similar ideas in forums around the country. Of 95 locked out of their jobs, 85 members have

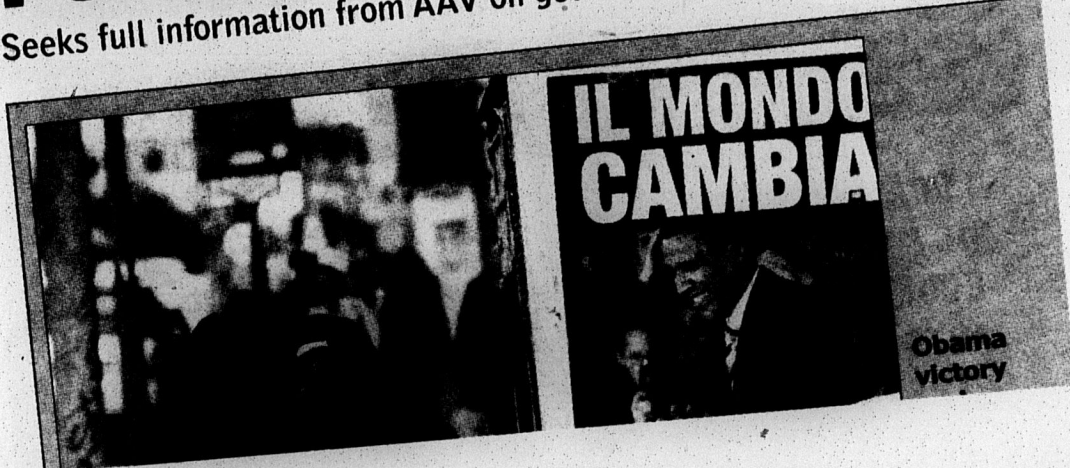
already made an initial \$200 investment in their future. During the next six months, each worker/owner must purchase an additional \$600 in shares.

No one is receiving a salary from the enterprise yet. The local is working to meet requirements for a financial commitment from the Department of Labor of Puerto Rico and to get advertising revenue up to speed.

Here's how you can help. TNG locals and individual members can purchase "honorary shares" in the Sun for \$200 and receive an "honorary share" certificate. You can also buy ads at a non-profit rate, expressing solidarity and best wishes for the success of the Sun.

Contact sales@prdailynews.net for ad information or send "honorary share" contributions to: UPAGRA Local 33225, P.O. Box 364302, San Juan, PR 00936-4302.

Puerto Rico Daily Sun
 OBJECTIVE REPORTING IS OUR LEGACY
 THURSDAY, NOVEMBER 6, 2008
 YEAR 1, NUMBER 16
Fortuño sets priorities
 Seeks full information from AAV on government finances
 Page 1



LOOKING ASKANCE

One bright note: now they're too big to fail

By Andy Zipser
Editor, The Guild Reporter

In a long-expected move to control expenses, the last two U.S. newspapers with separate newsrooms have announced the long-expected merger of their remaining independent operations. The Tribune-Times-Sun-Courant and the Post-Star-Chronicle-News will share their Mumbai-based copy desks, design, layouts and pagination, both papers announced Monday.

The two papers also will merge virtually all of their state-side reporting staffs, but will retain their individual identities by keeping separate B-1 columnists. "We believe our readers deserve and expect, when they plunk down \$2 for a paper, that they're going to get something from us they can't get anywhere else—well, except for on the internet," explained Rajiv Morebuck, executive editor and director of sales for the Tribune-Times-Sun-Courant.

Earlier, the Tribune-Times-Sun-Courant and the Post-Star-Chronicle-News had merged their press rooms, mailrooms and various sales offices, citing the cost savings

they would realize by laying off redundant staff. Neither paper would say how much it expects to save through this latest consolidation, but Wall Street apparently approved, driving Tribune-Times-Sun-Courant stock up 18%, to 73 cents a share, and Post-Star-Chronicle-News shares up an even steeper 23%, to 38 cents.

But Dan Doubledown, editor and vice president of investor relations for the Post-Star-Chronicle-News, moved quickly to dampen speculation that the two papers have been in talks with CNN and Fox News about further merging news-gathering operations. "We think we've just about right-sized our operation and see no need for additional efficiencies," he said.

News of the merger came just two weeks after both papers announced they were further reducing web width to save money on newsprint costs. The new 6-inch page will make the Post-Star-Chronicle-News easier to hold, Doubledown explained at the time, especially for mass-transit commuters. "While the page will be slightly smaller in size, we anticipate little reduction in the amount of news in the paper," he added.

LETTERS TO THE EDITOR

To the Editor:

Like much of America, I watched election coverage late into the night Tuesday. I had voted about 9:45 a.m. and was able to enjoy the results uninterrupted. I had errands to run Wednesday, and when I came home in the late afternoon I emptied my mailbox. Here was the Oct. 22 issue, according to the folios, of my Guild Reporter. On page 3 there was about a 2/3 page piece from the CWA on "The Issues at a Glance," pointing out the differences between Obama and McCain on five important points of vital interest to voters. Page 6 was a full-page commentary on union members having not a single good reason to vote against Barack Obama, and on page 7 Bernie Lunzer's column referred to the general subject of union endorsements. The editorial cartoon had a political theme, and page 8 had a 20-column inch color-highlighted piece urging us to be an agent of change and VOTE.

What a waste!

I know the Guild, like many other organi-

zations, has been shafted by the rise in mailing rates, but have we also been shafted by the P.O. on delivery? Or was the Reporter delivered late to the post office? All that effort, time and professionalism, for nothing. What went wrong?

—Virginia Schnarr, retired member,
St. Louis Newspaper Guild

[We apologize for your frustration, which is exceeded only by ours. The Oct. 22 issue went into the mail Oct. 23, and some Guild members got it as early as Monday, Oct. 27, but alas not all mail deliveries are equal. Our delivery time has improved markedly since we switched from mailing in Washington, D.C. to mailing from Massachusetts, but there's still a lot of variation on the receiving end.]

To the Editor:

[An open letter to Marion Perlik]

Dear Mrs. Perlik:

On behalf of Detroit Guild members,

please accept our belated but deepest condolences concerning the recent death of your husband and former TNG President Chuck Perlik. "Cap" Perlik was instrumental in the Detroit Guild's efforts to organize Guild units in the 1970s at The Detroit News, the Macomb Daily, Royal Oak Tribune and the Oakland Press.

I first met Chuck after Detroit successfully negotiated its first contract with The Detroit News in 1975. At the time, I was a young consumer writer at the News, and I was the first unit chairperson of News Guild unit. Chuck provided us the field staff and resources to make this unit a reality, which to this day represents editorial department employees at the News.

In 1976, I was elected president of the Newspaper Guild of Detroit, and the News unit was a charter member in TNG's new International Pension Plan, which was championed by your husband. Today, it is a key benefit that is offered to Guild members at the News, Macomb Daily & Daily Tribune

and our maintenance unit at the Detroit Media Partnership (News & Free Press).

Chuck championed the idea of TNG making political endorsements of presidential candidates—a tough sell for the many editorial employees wary of sacrificing their "objectivity" as journalists. Detroit, which suffered through a five-year strike/lockout in the late 1990s, belatedly understood the importance of having political allies in labor struggles and endorsed local members of Congress and the Detroit City Council in their re-election campaigns. Last year, the Detroit local won an important arbitration at the Free Press, successfully defending a reporter's right to make political campaign contributions.

Detroit will always remember the leadership and support it received from Chuck during his lengthy tenure with TNG. We shall miss him. Again, we offer our deepest sympathy to you in your loss.

—Louis J. Mleczo

President, Detroit Newspaper Guild

The mission of The Guild Reporter, approved May, 2004 by the TNG-CWA Executive Council, is as follows:

"As stated in the TNG-CWA Constitution, 'It shall be the duty of The Guild Reporter to promote in every legitimate way the policies of TNG-CWA.' The Guild Reporter belongs to the rank-and-file membership of TNG-CWA.

"Guild Reporter content will be of interest to the members,

and its first priority will be current news affecting the locals. The members of this union expect The Guild Reporter to inform, motivate and challenge its readers.

"To maintain its journalistic integrity and traditions, The Guild Reporter must never become a personal political platform or be misused for internal political purposes by the elected leadership of TNG-CWA."

By TNG Convention action, letters to the editor 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 for all copy: Wednesday before publication.
(Next deadline: January 7.)

HUMAN RIGHTS WATCH

Members reflect on a historic election

My six-year old daughter, Starr, was able to participate in this election in a way no prior generation of African-Americans could. She and her young classmates held mock elections at their school, in which they voted Obama into office. But more importantly, Starr and her friends could take an interest in the electoral process because it connected on a personal level.

Starr has enjoyed going to the polls with me since she was two, but this election year was special. From the very beginning she was asking adults if they were going to vote and for whom. It was hard for me to hold her back as she sought insight into what many of us believe to be a private choice—and, of course, she would proudly tell anyone who listened that her mother was voting for Barack Obama.

This election season not only allowed Starr to see a woman run for president, but also a man of color, a man who resembles her and her ancestors. That's something many African-Americans never thought to see in their lifetimes.

Barack Obama evoked the dreams of my ancestors, of Dr. Martin Luther King and of our 35th president, John F. Kennedy, and through his election has provided my daughter a greater opportunity to fulfill her own dreams. She now knows she can reach beyond the glass ceiling, not only as a woman but as an African-American.

That's why, for me, this has been a jour-

ney I will remember and recount to my grandchildren. This moment caps generations of struggle by our ancestors to be regarded as much more than mere slaves—slaves, ironically, who built the very building that this African-American man and his family now will occupy.

—Sheila Lindsay

Washington-Baltimore Guild

November 4, 2008, was a once-in-a-lifetime experience. At 6:30 a.m. the line of those waiting to vote already stretched for more than a block, but even in those early morning hours the mood was festive. Again and again, African-American senior citizens were sharing the same thought: that they'd never imagined they would actually be able to vote for a black man for president of the United States.

You could hear the pride in their voices as they passionately discussed the details of Barack Obama's meteoric rise, from his first appearance on the national stage at the Democratic National Convention in 2004 to presidential candidate just four years later. But the pride at what this African-American man had achieved transcended race, and as the polls closed and the results were announced, the election-night celebrations around the world rivaled most New Year's Eve festivities.

Barack Obama's candidacy, and the many obstacles he overcame during his

campaign to become president-elect, has transformed the phrase "Yes, We Can" from a slogan into a positive mindset for many African-Americans, particularly many young brothers who see first-hand a dream realized. This victory by this man, Barack Obama, on the biggest stage in the world, will inspire African-Americans and Americans of all backgrounds to dare to dream, with the confidence that they can actually realize their dreams.

—Randye Gilliam

New York Newspaper Guild

On election day, as I stood in a line of about 50 people with my 13-year-old son outside my polling place, a Philadelphia rec center built in the early 1900s, a school bus stopped at a traffic light. Inside the vehicle, more than a dozen elementary school children, dressed in uniforms, lowered the windows and began shouting: "O-bam-a, O-bam-a, O-bam-a." The small crowd of voters responded with cheers and joined the exuberant chant.

Even at 7 a.m., it was obvious that this was more than any normal election day. This was a day in which deep civic, racial, ethnic and national pride rose to levels commensurate with the dramatic and historic change taking place across the country.

A few hours later, I went to a polling place at a school in South Philadelphia to report on a voter-assistance effort. There I

met a woman in her 80s who said she had been standing in her doorway most of the day, watching people go to vote. She told me that she had been thinking about her late friends and loved ones, and the pride they would have shared on this special day. She talked about the how the nation was being transformed by the candidacy of Barack Obama and his message of inclusion and unity after eight years of division and polarization.

That evening I went to one of the largest churches in North Philadelphia to attend a results-watch party and enjoy a buffet meal. In the church's auditorium, about 20 people sat in folding chairs, watching the early results. As each state was announced for Obama, shouts erupted.

With anticipation building, I headed to a musical theater venue in West Philadelphia. There, nearly a thousand folks listened to a panel discussion featuring a small group of state elected officials who had just won re-election and watched the state-by-state results. The cheers were deafening when Pennsylvania appeared on the screen in bright blue. An hour later, there were tears, hugs and shouts of joy as Obama was projected as the president-elect.

After driving back to Center City Philadelphia, I looked out the front door of my newspaper, the Philadelphia Inquirer, and saw students—black, white, Asian and Latino—from my alma mater, Temple

Continued on page 6

THE NEXT GENERATION

What we can learn from Obama's campaign

By James Geluso
Bakersfield Newspaper Guild

It feels good to win. And now that we have a labor-friendly, African-American and post-Boomer president-elect, we can look at what the Obama campaign did right and figure out how to apply it to our own organizing and mobilizing drives.

A lot of the lessons are things that more experienced organizers have already learned the hard way. For us newcomers, the Obama campaign is going to be the lesson.

Let's hit the obvious one first: technology. Reaching people off work hours can be difficult, because they have kids, lives and

other things to do.

Union organizers have always had to overcome that hurdle, but e-mail and text messaging provide another way. We have to be careful to not overuse it—even the Obama campaign never sent out more than one message a day, except on Election Day—or we become just one more spammer. But it's fast, it's nonintrusive and it works.

And then there's the battlefield. It wasn't just race that allowed Obama to win North Carolina, it was the fact that he took the battle there. The Obama campaign didn't stick to safe states and to the people who were already inclined to vote for him. Rather, it talked to everyone. We can't ever assume

that we can't win, just because that's how it's been in the past.

But the real lesson of the Obama campaign is the same as the lesson of the successful BANG-East Bay organizing drive: we're selling hope.

When I asked Carl Hall, one of the organizers at East Bay, what lessons we can take from Obama, he said (jokingly, I think) that the Obama campaign seemed to copy the Guild. "We framed the campaign around hope and change, and never gave in to the temptation to go negative," he said. When the Guild was unfairly attacked, "we responded quickly and with a tone of bemusement, not nastypants stuff, and then moved on."

It's also important to have some experience to back up the hope. Hall and the rest of the Northern California Guild were the Joe Biden of the organizing drive.

"Our big weakness, like Obama's, was the other side's ability to tag us as well-meaning but ill-equipped to accomplish anything," Hall said.

"We tried to make a case that we not only had the angels on our side, truth and beauty and all that, but we also had a credible plan and experienced people to execute the plan, once we won, to achieve the goal of a fair contract and a grown-up, positive bargaining relationship with the company."

Got that? Hope. It's what sells change.

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Dec. 7-9, New Orleans

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Send Daybook items to:
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FROM THE MORGUE

Seventy years ago this month:

Under the headline, "Reporters Know," the Detroit Guild runs quarter-page advertisements in all three city dailies supporting the Democratic candidate for governor. . . . The AFL dispatches three organizers to Wilkes-Barre in an ultimately futile effort to organize a dual "union" that will undercut the Guild strike that has shut down four dailies. . . . Indirectly attacking the Guild, Arthur Hays Sulzberger, publisher of the New York Times, argues that "no press can be objective . . . which has on its news and editorial staffs only the members of one particular group."

Fifty years ago this month:

Voters reject "right-to-work" proposals in five of six states, approving the anti-labor legislation only in Kansas. . . . The Boston Newspaper Guild is renamed "The Newspaper Guild of Greater Boston" to more accurately describe its scope. . . . The newly formed Federation of Guild Representatives, consisting of 17 field and headquarters employees of the Guild, negotiates its first contract—including a retro wage increase.

Twenty-five years ago this month:

Following a dismal 1982, in which earnings grew only 8.2%, the 13 publicly traded U.S. newspaper companies are on track to finish the year with a 23% jump in earnings growth. . . . The San Antonio Guild is awarded a \$222,393 federal grant to upgrade its subsidized apartment complex, the Guild Park Apartments. . . . 38 newspaper owners and publishers make it onto the Forbes list of 400 wealthiest people in the U.S.