

Local 2001

AFL-CIO AFFILIATE



Adviser

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COMMUNICATIONS WORKERS OF AMERICA

CWA LOCAL 2001 ANNUAL KIDDIE PARTY



**SATURDAY, DECEMBER 19, 2009
10:00 AM - 12:30 PM**

**TEAMSTERS LOCAL 175 UNION HALL
267 STAUNTON AVENUE SW
SOUTH CHARLESTON**

Directions:

From Charleston- I-64 West to Montrose Exit (EXIT 56), turn LEFT onto Montrose Dr., 0.1 mile and turn RIGHT onto Kanawha Turnpike, 0.6 mile and turn LEFT onto Valley Drive, 0.4 mile and turn RIGHT onto Staunton Ave. to 267 Staunton Ave.

From Huntington- I-64 East to Montrose Exit (EXIT 56), straight through light onto Kanawha Turnpike, 0.6 mile and turn LEFT onto Valley Drive, 0.4 mile and turn RIGHT onto Staunton Ave. to 267 Staunton Ave.

**BREAKFAST
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**COOL
GIFTS**

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AND MORE...

**DONATIONS OF NON-PERISHABLE AND CANNED FOOD
ITEMS WILL BE APPRECIATED.**

STOP THE SALE UPDATE

As the January 2010 dates for the WV PSC hearings loom, the urgency to STOP the SALE of Verizon to Frontier increases.

The serious concerns we expressed when this proposition was thrust upon us May 13, have not diminished, indeed they have grown. From the substantial debt Frontier will incur while they simultaneously plan to cut operating expenses by \$500 million per year, to the knowledge they cannot sustain a company of this size, the list is as long and as disturbing as what transpired with the FairPoint deal.

CWA members across the state of West Virginia have been working hard, along with CWA District 2 Vice President Ron Collins, and Rand Wilson, Communications Coordinator Center for Strategic Research, AFL-CIO Organizing Department. The WV Legislature, although not currently in regular session, is in interim session once per month. CWA members, retirees and supporters held lobby days in October, November and December at the State Capital visiting our Representatives in special session. A special presentation was given to a joint session of the Judiciary Committee regarding the Verizon FairPoint proposed sale. CWA District 2 VP Ron Collins and CWA Attorney Vince Trivelli spoke on behalf of CWA. They explained the risky deal for WV and clearly showed Frontier's finances aren't strong enough to support the incurred debt as a result of the proposed sale. Several legislators have demonstrated their support with letters to the WV PSC expressing their concerns.

The primary driver of this deal for Verizon is federal legislation called the Reverse Morris Trust. This allows Verizon to walk away with **\$3.3 BILLION** tax-free dollars. The entire five member congressional delegation from northern New England is urging Charles Rangel, Chairman of the House Committee on Ways & Means, to restrict use of this tax loophole. Outraged that this loophole was used in the Verizon/FairPoint deal, and now

that FairPoint has since gone bankrupt, they don't want to see other states suffer the same fate.

"Recently we learned that other states across the country face similar threats to service and employment as Verizon, once again, seeks to avoid taxes through the use of Reverse Morris Trust in its proposed transaction with Frontier Communications," wrote the House members, referring to the Verizon/Frontier deal. The letter closed asking the House Ways & Means Committee to restrict the utility and benefits of the Reverse Morris Trust to protect the public interest.

The companies, Verizon and Frontier, are quick to point out the states that have approved their proposed "deal". They tout California. As usual, they don't give all the facts. California is not the entire state, but only about 60,000 lines, an extremely small portion. The companies also neglect to say which states have officials recommending against their proposal:

-Illinois Attorney General Lisa Madigan

-Ohio Consumer Counsel Janine Migden-Ostrander

-Washington Staff of State Utilities and Transportation Commission and Public Counsel

-Oregon Utility Commission

In the best interest of the people of West Virginia, two divisions of the West Virginia Public Service Commission, the WV PSC Staff, and the WV PSC Consumer Advocate Division, have both made strong recommendations against the proposed sale of Verizon West Virginia to Frontier Communications.

Frontier will not bring West Virginia closer to the high speeds needed to take full advantage of the telecommunications super highway. Frontier has no plans of fiber for West Virginia. They make promises, but so did the now bankrupt FairPoint. High speed broadband is a necessity enabling such activities as economic development, telemedicine, e-commerce and interactive distance learning. These benefits can only be realized fully with

truly high-speed internet access. Fiber networks enable speeds up to 100 megabits per second (mbps) while DSL typically enable just 1.5 to 6 mbps. Speed truly matters on the internet.

Frontier repeatedly issues dividends well in excess of earnings. **This strategy of paying shareholders in excess of the company's earnings is unsustainable.** Frontier bears an S&P rating of BB, below the acceptable level for investment by pension and benefit funds. Any further deterioration of Frontier's financial condition will constrain Frontier's access to both debt and equity capital, and that will threaten the investments Frontier has indicated it will make in the newly acquired West Virginia exchanges. Frontier has promised more jobs, upgrade of facilities, and broadband. At the same time Frontier will have tripled their debt, and they have also declared they will have the "synergy" to reduce operating cost by \$500 million per year! These numbers don't add up no matter what kind of math or "synergy" is used.

System Integration. No one has ever attempted a large divestiture of access lines from the former Bell Atlantic network. Other attempts to integrate into Verizon systems have failed as well. Frontier took seven (7) years to integrate their system with Rochester NY telephone systems. Even after the integration was "successful" there were still billing and dispatch issues. Technicians were going to incorrect customer addresses, or correct addresses with incorrect orders or trouble reports. The billing issues are too numerous to mention.

The West Virginia Public Service Commission initiated proceedings to examine poor quality of service performance by Verizon. Quality of service has two primary factors, plant condition (infrastructure) and staffing.

Infrastructure. The PSC directed Verizon to invest \$11M in infrastructure improvements. While the PSC continues to monitor the situation, Verizon's actions are inadequate and

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designed to leave telephone customers in West Virginia to a future of poor service quality. Frontier, should this sale be approved, will inherit this inadequate infrastructure.

Staffing. A major reason for poor service quality in West Virginia has been the reduction in employees necessary to repair and maintain the existing network. As part of the PSC directive, Verizon was to hire 49 temporary technicians. Verizon West Virginia's technician workforce has been reduced by 22% from 2005 to 2008 – and taken a nosedive since the announcement of the proposed sale. Without adequately trained employees the future of telephone and broadband service in West Virginia is in serious jeopardy.

If Frontier follows the FairPoint path, this leaves West Virginia workers and consumers, that's right, the taxpayers, once again, to clean up another corporation's mess. Consumers are left with poor telecommunication

service, no community involvement from a negligent company, increased unemployment, an inferior education system, and the list goes on and on.

Conditions that have been imposed by regulators have proven inadequate in other similar Verizon deals. In the FairPoint transaction, regulators in Maine, New Hampshire, and Vermont put in place several safety mechanisms, including additional infusions of capital from Verizon and penalties on FairPoint for non-compliance. But within 18 months after the transaction closed, regulators back-tracked on some of those protections just to keep FairPoint out of bankruptcy, but even that didn't work.

Among the so-called protections that disappeared were:

(1) \$450 million fund set aside by Verizon for capital improvements, instead, regulators allowed FairPoint to use the funds instead for operating expenses.

(2) Penalties intended to provide an incentive against poor service to

wholesale and retail customers, regulators forgave millions of dollars in penalties.

As the Verizon-Frontier deal is currently structured, there is no safety net. Verizon will walk away with more than **\$3.3 Billion, tax free**, it bears no responsibility for anything that happens to its customers, employees, or Frontier after closing the deal.

There is a better alternative! Verizon attempted and failed to sell upstate New York. When the sale failed, Verizon changed course. They instead invested in upstate New York. The area now has FIOS and is profitable. Working together, Verizon, CWA, the WV State Government, the WV PSC, and Federal Government, can implement policy changes to make it easier and more profitable for Verizon to do business in West Virginia. Verizon has always made a profit in West Virginia and we want them to continue to do so by doing the right thing with the West Virginia citizens and the union workers that helped build the company.

The entire issue of the September/October CWA news was about health care. Each article addressed questions and concerns that have been voiced across the nation concerning Health Care Reform.

- Don't Tax Our Health Care
- Baucus Senate Bill: Bad for Middle Class
- So You Think You're Covered
- What Happens If I Lose My Job
- What Happens If I Get a Serious Illness
- Why a Public Plan Is So Important

Some Information from articles in this newsletter were obtained from the CWA website (www.cwa-union.org) or from other union newsletters.

HEALTHCARE AGAIN

These were just a few of the very informative articles.

"We watch with horror and shock about what goes on south of the border on this issue," said Lise Lareau, president of the 6,000 member Canadian Media Guild, part of the Newspaper Guild-CWA. Is the Canadian system perfect? Of course not, CWA members in Canada say. But it's not anything like it's been depicted by health care reform opponents in the United States. The article had interviews with two Canadian CWA members who shared their recent medical treatment experiences and said they are very thankful they don't have worries about going bankrupt or losing their house because of astronomical health care bills.

"An Insider Blows the Whistle" focused on former insurance executive, Wendell Potter. In an interview with Bill Moyers titled "Profits before Patients", Mr. Potter stated it was not uncommon to fly on corporate jets and be served

lavish meals on gold-rimmed plates-standard practice for insurance executives. Potter told Moyers after stopping by a rural medical relief clinic in Wise, Va. he was shocked to see fairground animal stalls filled with volunteer doctors treating endless lines of U.S. citizens, like something you'd see in a third world country. Potter left his job at Cigna and joined the Center for Media and Democracy. He said, "I did not want to be involved in yet another PR and lobbying campaign to kill or gut health care reform. I finally came to question the ethics of what I had done and been a part of for nearly two decades." Potter said Michael Moore's 2007 movie "Sicko" hit the nail on the head.

Visit your Local's
website www.cwa2001.org

AT&T WIRELESS – THE ONLY UNION CHOICE

AT&T Mobility is the only union wireless company in America, with almost 40,000 employees represented by CWA. Local 2001 represents employees at the AT&T Mobility stores in Charleston at the Charleston Town Center and Kanawha Mall, South Charleston at South Ridge, Scott Depot, and Summersville, as well as, the

cell technicians through out West Virginia.

Special discounts on wireless plans, phones and accessories are available for CWA members, CWA Retired Members Chapter members, and members of other unions. Reference Discount FAN number 00113662. To learn more, visit an AT&T store (the

union discount is ONLY available at AT&T stores where CWA members work, NOT at any authorized dealer or kiosk) or go to www.GetUnionWireless.com.

Put your money where your values are. Work union; buy union. Don't CELL out! Support your union brothers and sisters at AT&T Wireless.

FORMER VERIZON EXEC BABBIO NAMED IN SUIT

A recent Bloomberg.com article advised the New Jersey Attorney General has filed suit against Stevens Institute of Technology, a New Jersey university, for allegedly mismanaging school finances, improperly handling invest-

ments and overpaying its president.

President Harold Raveche and Chairman Lawrence Babbio "regularly misrepresented" spending and borrowing at the school. The suit claims Babbio misused endowment assets,

failed to monitor and breach of duty for awarding excessive compensation. Babbio retired as president of Verizon Communications in 2007.

The full article is available at Bloomberg.com. Interesting reading.

IT'S CHRISTMAS TIME IN THE CITY, RING-A-LING!

December 19, the Saturday before Christmas, CWA 2001, in conjunction with other labor unions, assumes the responsibility of bell ringing for the Salvation Army.

CWA 2001 has manned the Brawley Walkway site for many years and will do so again this Holiday season. We

are asking our members to call the Local at 344-2001 to **volunteer for just 1 hour**. If you're available for 2 hours, that would be great. Bell ringing is between the hours of 10am - 8pm.

This is a great experience for your children or ring the bells with a friend

or two. It's a great cause for a great organization and you'll have a good time giving to others during the holiday season!

HINDSIGHT IS 20/20

FairPoint employees, New England State legislators, and state officials, **regret** they did not do enough, or nothing at all, to prevent the sale of Verizon to FairPoint.

PSC CAD AND STAFF OPPOSE SALE

This is big; it's really BIG.

The Public Service Commission's Consumer Advocate Division and Public Service Commission Staff are recommending that the Commission reject the proposed sale of Verizon's West Virginia landlines to Frontier Communications. "We've got lots of issues with this," said Byron Harris, who directs the consumer office. "It's not in the best interest of telephone customers in West Virginia. There's no way you can approve a plan like this when the company making the acquisition doesn't know how it's going to serve

all its customers." The consumer advocates in Illinois and Washington are also opposing the Verizon-Frontier deal.

Numerous elected officials throughout the state have written the commission with their concerns for consumers, workers and the viability of a debt ridden Frontier Communications.

The West Virginia PSC has scheduled hearings for Jan 12 – 14 in Charleston.

NEXT MEMBERSHIP MEETING
THURSDAY, December 10TH, 2009
THURSDAY, January 14TH, 2010
7:00 PM
2512 KANAWHA BLVD., EAST
CWA LOCAL 2001
UNION OFFICE

Remember Your
CWA Dress Code:
Wear Red on
Thursdays

Communications Workers of America AFL-CIO

Local 2001 Advisor

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Vacant.....	Election Committee
Anita Atkinson.....	Mobilization Committee

You can contact us at
cwa2001newsletter@verizon.net

CWA TAKES ON VERIZON FMLA ABUSES

CWA has filed a lawsuit charging Verizon Communications with denying workers the rights and protections of the Family and Medical Leave Act. The class action lawsuit covers Verizon workers in Districts 1, 2 and 13. CWA and individual workers have laid out extensive complaints against Verizon. "Verizon has created a number of arbitrary administrative procedures that it requires workers to follow if they want to be certified for FMLA, but these procedures are not a part of the FMLA law. They shouldn't be used to deny

workers their rightful FMLA benefits, but that's exactly what Verizon is doing," said CWA General Counsel Mary O'Melveny.

Verizon's policies are a real Catch-22:

If a worker followed verbal instructions from the company's absence reporting center, and those instructions were wrong, though the worker didn't know it, the claim is denied.

If a worker couldn't file the full report on time, because her doctor was on vacation or unavailable, the claim is denied.

If another physician in the same office completed the report, but didn't spell out the relationship between the two medical providers, the claim is denied.

If information was missing from the claim, for example, the doctor's office didn't complete an item, the claim is denied.

If a supervisor makes an error in reporting a workers' claim, it's denied.

At Verizon, as far as FMLA is concerned, once a claim is denied twice, a worker loses her FMLA rights.

HOUSE PASSES HISTORIC HEALTH CARE REFORM BILL

Saturday November 14, the US House voted to pass H.R. 3962, the Affordable Health Care for America Act. CWA'ers hard work, with the hundreds of thousands of letters and calls, made a difference. Here's how the health care plan that the House of Representatives passed will benefit CWA members:

- All employers (except for small businesses) will be required to provide health care for their employees or pay into a fund. That means no more health care freeloading by some companies.
- It's fairly funded. It doesn't tax our health benefits but pays for health care through employer responsibility and a surtax on the very wealthiest families earning more than \$500,000 a year.
- It ends abusive practices by insurance companies. Insurers can't deny claims because of pre-existing conditions or cancel coverage when a patient files a claim.
- Children up to age 27 will

continue to be covered by their family's insurance.

- No more lifetime maximum benefit limits.
- Provides protection for pre-Medicare eligible retirees and creates a new fund to help employers finance health care coverage for early retirees ages 55-64.
- Provides a public health insurance option that will compete with private insurance companies and help keep them honest.
- Applies anti-trust laws to insurance companies (they're currently exempt from these laws) so insurers have to compete.

Now the action moves to the Senate where we anticipate enormous challenges. The opposition is revving up for the fight. It was reported the U.S. Chamber of Commerce is raising money from business executives to hire a "respectable economist" who will conduct a study and circulate a letter "saying that the bill will kill jobs and hurt

the economy," according to documents obtained by the Washington Post. This is a clear demonstration that many of those "scientific studies" that have come from the insurance industry and the Chamber of Commerce may have stated their conclusion before the research was even done. The New York Times has reported drug companies have been rushing to raise prices aggressively before legislation can be passed that might curb drug prices. "Even as drug makers promise to support Washington's health care overhaul by shaving \$8 billion a year off the nation's drug costs after the legislation takes effect, the industry has been raising its prices at the fastest rate in years."

Thank you to Local 2001 members that have taken time to call and write their Representatives. To members that took time to participate in honk and waves and distribute literature, we could not have done it without you. However, the fight is not over, there is still work to be done to ensure quality fair health care reform. So, keep those letters and phone calls coming.

\$100 FOR CHRISTMAS

**GET YOUR CHANCE FOR A \$100 KROGER GIFT CARD
SEE ANY E-BOARD MEMBER OR
WOMEN'S CONCERNS COMMITTEE MEMBER
TICKETS ARE \$1 EACH/6 FOR \$5
WINNER DRAWN @ DECEMBER UNION MEETING
NEED NOT BE PRESENT TO WIN**



Happy Holidays from Local 2001

Sympathy

The officers and members of CWA Local 2001 would like to extend their heartfelt sympathy to these members in their loss of a loved one and a prayer that God will be with them to give the strength and courage to meet each new tomorrow.

Sheri Johnson – Loss of Grandmother

Thom Casto – Loss of Mother

ON THE RECORD

Listed below are some of the organizations and elected officials that have written letters and passed resolutions publicly opposing the Verizon / Frontier proposed deal. The list grows daily.

All support is sincerely appreciated. Friends are not forgotten!

- WV AFL-CIO
- WV State Troopers Association
- WV PSC Staff
- WV PSC Consumer Advocate Division
- WV State Attorney General Darrell McGraw
- WV Senate Majority Leader H Truman Chafin
- Del. Bonnie Brown (Kanawha)
- Del. Greg Butcher (Mingo)
- Del. Mike Caputo (Marion)
- Del. Jeff Eldridge (Lincoln)
- Del. Michael Ferro (Marshall)
- Del. Nancy Guthrie (Kanawha)
- Del. Barbara Hatfield (Kanawha)

- Del. Richard Iaquina (Harrison)
- Del. Orphy Klempa (Ohio)
- Del. Brady Paxton (Putnam)
- Del. Danny Poling (Wood)
- Del. Stan Shaver (Preston)
- Del. David Walker (Kanawha)
- Del. Linda Longstreth (Marion)
- Del. Larry Williams (Preston)

- WV Association for Justice
- Jackson County Commission
- Wirt County Commission
- Hancock County Commission
- International Association of Firefighters
- AARP
- City of Clarksburg

EMPLOYEE FREE CHOICE ACT

No matter who you liked in the World Series, one thing is clear. Major League baseball players are on the side of working women and men when it comes to Employee Free Choice. An ad which ran in national newspapers recently, featured baseball play-

ers who believe all Americans should have the same opportunity they've had - to be able to join a union without being fired and to negotiate with their employers without being penalized.

Playing by the rules matters, in baseball and on the job.

WOMEN'S CONCERNS COMMITTEE

After the holidays, we need to keep giving. Join the Women's Concerns Committee on Sunday morning, January 17 for breakfast. We will be meeting at Sojourner's, on Washington St,

in Charleston, to prepare breakfast for the residents and staff.

Please come and enjoy the morning with the Women's Committee and give a little back to your community.

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