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**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS** 

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Note to our Readers: To satisfy our obligation to print the 4½-page report of independent auditors (starting on page 6), we gave two regular departments, In Memoriam and North of 49°, a one-month hiatus. They will both be back in the April issue.



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# CONSTRUCTION COMEBACK? Tentative Recovery Driving Membership Rebound



▲ Ground is breaking on projects across the country, as construction makes an economic comeback.



fter six years of shelved projects and record unemployment, things are starting to look up for the construction industry—even if the upturn remains fragile and tentative.

> "In 2012, you could have felt hopeful about the economy on any given day. Some days, you also could have felt the opposite. It was the year of the rocky recovery," writes Jeff Gavin in the Electrical Contractor, a publication of the National

Electrical Contractors Association. "But if you take a closer look at what happened in key construction sectors and the economy as a whole, you'll find a fragile recovery gaining strength for 2013."

Despite the large number of construction workers on the bench—unemployment is still running upward of 14 percent—many IBEW business managers see work in their areas picking up, with 2013 shaping up to be their best year since the Great Recession started in 2007.

Unemployment among IBEW inside wiremen is down to 19 percent, a drop of seven points from

**CONSTRUCTION** *continued on page 2* 

## **CONSTRUCTION COMEBACK?**

#### Continued from page 1

the height of the recession, while outside construction boasts near full employment.

"We have quite a few big projects on our radar screen," says Miami Local 349 Business Manager Bill Riley, who also serves on the International Executive Council. Some of the jobs in store include the \$1 billion Port of Miami Tunnel, some large condo units, and various commercial projects throughout Dade County. While still short of the employment picture before the recession, most Local 349 members are back to work.

In its 2013 industry outlook report, McGraw-Hill Construction says record low interest rates and an improving housing market will help make singlefamily housing, multi-family housing and commercial building among the fastest growing sectors.

Manufacturing and institutional building (health care and universities) can expect to see modest growth, while public works will see a slide as federal budget retrenchment slashes funds for infrastructure work. Pinched state and municipal budgets will limit non-federal public works as well.

Electric utilities construction has been a bright spot for construction since 2009, thanks in part to federal investments in nuclear, renewable energy and transmission upgrades. But the sector is expected to see a decline in 2013 due to regulatory challenges for coal, nuclear and renewables and the completion of several large projects last year.

Despite the encouraging data, the recovery remains tentative. The industry's biggest fear—that congressional stalemate would push the economy over the fiscal cliff—was averted before the New Year. But another damaging battle over the debt ceiling or contagion from the Euro-debt crisis could easily reignite a recession, which is enough to make some contractors reluctant to expand their payrolls.

As good as the numbers look, they are cold comfort for the millions of construction workers still on the bench. The rebound in construction has not been

#### **IBEW Construction Employment Share**

The Great Recession, which officially lasted from 2007 to 2009, was the worst economic collapse on record since the 1930s. Recessions traditionally fall hardest on the unionized sectors of the work force, but the IBEW's aggressive recovery efforts allowed it to maintain its pre-recession market share.

Employment Share\* by Classification\*\*



\*Employment share measures the percentage of the electrical construction work force that is IBEW \*\* U.S. only

large or fast enough to fully offset the damage created by the 2008 crash, which slashed more than 2 million employees from the rolls. Construction went from a \$1.2 trillion-a-year industry into an \$800 billion-a-year one in less than six years. Even with the upturn, there are still 72,000 fewer electricians union and nonunion—working today than there were in 2008—a gap that is unlikely to be closed in the next year.

However, many employers express worry that a larger-than-expected recovery could create a skilled labor shortage, Construction Financial Management Association Chief Executive Stuart Binstock told Engineering News Record.

#### **Holding Even**

Post-recession recoveries have traditionally hit unionized workers harder than their nonunion counterparts, leaving organized labor in a weaker position than before a downturn. Construction



Despite the worst economic crash in decades, the IBEW regained its pre-recession market share last year.

has been no exception.

The 1981 recession saw the share of unionized construction workers drop from 30 percent to 24, while the dot-com crash of the early 2000s slashed the building trades' market share from 17 percent to 14.

The decline continued under the latest recession—albeit less severe with an approximate 1 percent drop in market share from 2008.

While the IBEW lost more than 30,000 members in construction since 2008—reflecting the general drop in total construction work force—there is a silver lining. After small drops in 2009 and 2010, the IBEW has fully regained its pre-recession market share in both the inside and outside electrical construction markets—holding even at approximately 30 percent.

Maintaining and growing market share—which measures how much total construction work is done union—is vital to getting work, driving standards up across the industry and putting the IBEW in a good position to grow as the recovery progresses.

"Market share is power and the more we have of it means more work and better wages for our members," says International President Edwin D. Hill.

The secret of the the IBEW's success, says Local 349's Riley, is the union's aggressive market recovery program.

"A lot of credit goes to President Hill, who had the vision to really push for developing innovative ideas and tools for us to aggressively fight for market share," he says.

First launched in the midst of the housing bubble, the IBEW's recovery program was initially focused on building market share in right-to-work states and in sectors with low union density such as small commercial projects. Florida was one of the first states where it was launched as part of a statewide campaign.

As we wrote in the IBEW Journal in 2007 about the Florida Initiative:

"From blitzes of open shop work sites to the implementation of new job classifications and dialogue with unorganized employers, the Florida Initiative is changing lives and the IBEW's internal culture since it was launched."

Three years later, under the leadership of IBEW Fifth District Vice President Joe Davis, similar efforts were launched across the district and beyond, including the Carolinas.

But what was started as a program to help the union break into new sectors during a boom economy would soon become a strategy for survival in a time of historic construction unemployment.

#### **Market Recovery**

One of the recovery program's biggest changes—and challenges—was the implementation of construction wiremen and construction electrician job classifications. These alternative classifications help signatory contractors become more competitive in the bidding process, and business managers across the country say it is a lifesaver.

"The only reason we didn't go completely in the hole is because we instituted the CW/CE program before the recession," says Santa Anna, Calif., Local 441 Business Manager Doug Chappell.

While still far from enjoying the pre-recession employment levels, Local 441—which covers suburban Orange County—has been successful in putting members to work and expanding into new construction sectors, thanks in part to the use of the new classifications. "Without it, our foothold in the pri-

vate sector wouldn't exist," Chappell says.

While controversial with some members who say CW/CEs take jobs from journeymen, Chappell says that without them, many more members would be still sitting on the bench.

"When a member has a question about it, I show them the numbers, how many journeymen are working because the new classifications won us those jobs," he says. "We've put 545 journeymen and apprentices to work because of CW/CEs."

Local 441 is focused on transitioning its CWs into the apprenticeship program. More than 30 percent of its apprentices come out of the CW/CE program.

"Alternative job classifications aren't just a way to get work or permanent second tier employees, but a tool to win over new workers and bring them into the apprenticeship program," Chappell says.

Salt Lake City Local 354 Business Manager Richard Kingery has also incorporated competitive composite crew ratios to win commercial and institutional work throughout Utah, including a \$2 billion National Security Agency data center.

Also vital, he says, is a new emphasis on marketing. He says the local works closely with signatory contractors to identify future projects and aggressively goes after the work, in a way they haven't in the past.

"We need to ensure that we have a shot at getting these jobs," he says. "And that means finding the work early."

#### New Tools of the Trade

Project Tracker, an online program developed by the International Office that allows locals and contractors to track upcoming jobs and projects in their area, has been vital to getting new work, says Local 349's Riley.

"It gives us the ability to be a lot more proactive," he says. One of the biggest challenges is getting signatory contractors to compete for jobs outside their particular niche.

"We have the tools they need to be successful in the market," he says. "But we need to encourage them to leave their comfort zone."

Bottom-up organizing goes hand in hand with market recovery, says Director of Construction Organizing Scott Hudson. The IBEW's beefed-up Membership Development Department has jumpstarted construction organizing since 2005, using creative tactics like industry nights—

#### Construction Upturn Projected

- Total construction starts for 2013 are expected to increase 6 percent, a five-point jump since 2011
   2013 Dodge Construction Outlook
- One-fifth of the 155,000 new jobs
   created last December were in
   construction, making it only the third
   time the industry has added more than
   30,000 jobs since the recession started
   Washington Post 1/14/2013
- 44 percent of contractors believe the market will be on the upswing by the end of 2013

   Engineering News Record Construction Industry Confidence Survey
- Construction activity was up
   9 percent through the first eight months of last year
   U.S. Commerce Department

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public events promoted in the local press to attract nonunion electricians-worksite blitzes, local ads and social media to win over nonunion workers.

"They're two sides of the same coin." he says.

Membership Development also launched new tools to help organizers and business managers in the field.

The Organizer Accountability and Reporting System—OARS -is an online program that gives IBEW activists the tools to assess progress daily on all aspects of organizing and learn from each other's successes and failures.

The Member to Future Member program-which recruits union volunteers to talk to nonunion workers-has also been vital in seizing organizing opportunities, says Membership Development Department International Representative Alan Freeman.

Perhaps the most important component of the IBEW's market recovery program has been the cultural shiftboth in the union hall and the contractor's office-that puts organizing and growth front and center, says Kingery.

"In order to expand we need to actively let firms and nonunion contractors see what we have to offer," he says. "It's about building relationships so the industry knows who we are and what we can offer."

Changing the culture also means reaching out to members about implementing the recovery program and why it matters to them.

"It's always tempting for members to stop paying dues and drop out," says Kingery. "We've worked to educate them about the long-term benefits of sticking with the union, even through the bad times. And most of them agreed."

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Brother

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#### **First District Sees Steady Growth During Global Recession**

n stark contrast to the slumbering recovery in the United States, Canada's construction market continues to run on all cylinders, fueled by the country's booming resource extraction industry.

The big problem for Canadian contractors and workers isn't that there are too many workers chasing too few jobs. It's that there are too many jobs and not enough workers.

According to the Construction Sector Council's annual report, Canada will need 319,000 new construction workers by 2020 just to keep up with the coming retirement of the baby-boom generation.

Nowhere will be the squeeze be felt more strongly than Alberta, which is highly dependent on skilled construction labor to keep its growing oil- and gasbased economy growing.

"To realize Alberta's full potential—and the spinoff benefits in other provinces—this imminent work force challenge must be addressed immediately by industry and by governments," writes the Construction Owners Association of Alberta in a 2011 position paper.

But near-full employment doesn't mean the challenges of growing the IBEW are any less urgent than they are in the U.S.

"The First District isn't taking anything for granted," First District Vice President Phil Flemming told the Electrical Worker last fall about the IBEW's organizing efforts.

Anti-labor provincial governments, the growth of faux unions like the Christian Labour Association, and an increasingly aggressively nonunion sector mean that the First District has made organizing and market development a top priority.

"We are taking an aggressive and proactive approach to building the IBEW to continue to make sure it remains the right choice for a generation of electrical workers," says Flemming.

The First District's efforts have paid off, with the IBEW in Canada seeing a net growth of approximately 4,500 construction "A" members since 2007. Edmonton, Alberta, Local 424 and Toronto, Ontario Local 353 saw the biggest growth, both adding 1,300 new "A" members over the last five years.

The IBEW—along with the Canadian Building Trades—is also working with employers to help meet the coming skilled labor crunch.

Last summer, the Building Trades entered into a joint agreement with the Canadian Association of Petroleum Producers to increase training opportunities and support provincial and federal policies that make it easier for workers to go to where the jobs are.

"The IBEW needs a marketing plan to capture the lion's share of the new work force," says First District Organizing Coordinator Mike LeBlanc. "This is an excellent opportunity for the IBEW to reinvent itself and increase our membership to levels we have not seen before."



**Magnetic Leather Money Clip** Strong magnetic action with soft grain cowhide leather. IBEW block initials on one side.

## \$30.00

\$5.00

IBEW

#### Long Sleeve Denim Shirt

100% cotton denim with button down collar & two button cuff. IBEW initials above pocket on left chest.

#### Black Beanie Hat

100% acrylic knit hat with embroidered one inch IBEW initials.







# Texas Member Taken Hostage, **Killed in Algeria**



ctor Lovelady's family members say he was a hero long before the project manager for a Houston-based energy firm was killed at an Algeria natural gas plant after being held hostage by Al Qaeda terrorists.

Victor Lovelady was a member of Beaumont, Texas, Local 479

Mike Lovelady told the Port Arthur News his brother, a whiz with electronics, who was killed in January, would help elderly neighbors with their home repairs. His daughter, Erin, told KFDM-TV Channel 6 News. "He was so laid back and understanding. I could have told him anything."

In the numerous news reports about Lovelady, one fact remained obscured. Victor Lovelady, 57, was a journeyman inside wireman, a second-generation member of Beaumont, Texas, Local 479. The 34-year member had not only exemplified excellence in the trade, he assisted in apprenticeship training.

International Representative David Gonzalez, a former Local 479 business manager, says, "I traveled with Victor to Austin for work in the early '90s. He was extremely well-versed in control and instrumentation and relocated to Houston a few years ago. It's sad that he took a job in Africa that called for him to work 28 days, followed by 28 days home with his family to spend time with them only to be killed by terrorists."

Gonzalez says Lovelady's father, Dewey, and his uncle, Huey, were both members of Local 479. A native of Nederland, Texas, Lovelady was working for BP subcontractor ENGlobal Corporation, to inspect the plant, run by Algeria's state oil company in cooperation with foreign firms

Thirty-seven hostages, including two other Americans, were killed at the plant. The FBI is still investigating.

Lovelady's family was notified that he had survived the first attempt by Algerian special forces to free the hostages. He was killed during a second attempt, 10 days after returning to the complex after a visit home.

Terrorists who attacked the facility offered to release Lovelady and another American, Gordon Lee Rowan, in return for freeing two terror suspects held in the U.S., one of whom, Omar Abdel Rahman, was believed to be the spiritual leader of the 1993 World Trade Center bombing. The Obama administration rejected the offer.

Mike Lovelady told CNN he was angry that the Algerian government had not called upon U.S. Navy SEALs or Britain's Special Air Service commandos to take out the militants while sparing the hostages.

Erin Lovelady, a teacher and softball coach in Longview, told CNN she expected her father to return home after getting word that he had survived the first rescue attempt. The family was planning a month-long trip to Belize, she told FuelFix.com.

Her father was emotionally strong and nearly always remained calm during crises. She said, "He wouldn't be the person who is crying and screaming and begging."

Victor Lovelady also leaves behind his wife, Maureen, and son Grant, a student at Texas State University in San Marcos.

In a letter to Victor Lovelady's spouse, International President Edwin D. Hill said, "The IBEW will always be grateful for

Victor Lovelady's service as our member. He not only promoted excellence in our trade; he mentored others to follow his example. We are thinking of you in your mourning and we hope for the day when men of character like your husband can live out their days without facing the cow ardly violence of terrorism."

An account has been established to help Victor Lovelady's family. Donations may be sent to: Victor Lovelady Account Five Point Credit Union P.O. Box 1366 Nederland, Texas 77627

# THE WAR ON THE MIDDLE CLASS **Working Families Unite Against Attacks**

nti-worker candidates fell short at the polls last November, but that hasn't stopped right-wing state lawmakers and their billionaire backers from following in the footsteps of Wisconsin Gov. Scott Walker and Ohio Gov. John Kasich, using the legislative process to weaken unions and silence the voices of working families.

The new year has brought a fresh wave of attacks in legislatures across the country, and working families are getting organized to stand up for the middle class. Check future issues of the Electrical Worker and IBEW.org for more on the fight for workers' rights.

#### Kansas

In the Sunflower State, lawmakers are considering legislation that would drastically curtail the rights of teachers, firefighters and other public workers to participate in the political process.

A House bill introduced in January would prohibit public-sector unions from setting up automatic paycheck deductions to fund political activity-even with the employee's approval.

The bill would also ban public-sector unions from spending voluntary political action contributions on almost any kind of political activity-including lobbying and taking part in referendums. Public sector unions are already prohibited from supporting or opposing candidates for office.

"The House is trying to stifle the voices of working families in Kansas," says Topeka Local 304 Business Manager Paul Lira. Local 304 represents both outside line and municipal workers throughout the Topeka area.

On Jan. 23, Lira testified in front of the state House Commerce, Labor, and Economic Development Committee.

"HB 2023 fixes a problem that doesn't exist," he said. "There is no deception in how we use members' dues or political contributions."

Lira says Kansas unions play an important role in the legislative process of the historically Republican state, promoting issues of workplace safety, fair pay and workers' rights.

"While we haven't always seen eye to eve with Republican lawmakers, traditionally there has been a strong moderate wing of the party that understands the importance of unions in Kansas," he says.

But that changed over the summer. Right-wing billionaires like the Koch brothers and Washington, D.C.-based antiunion organizations like Americans for Prosperity and the Club for Growth spent millions of dollars on radio and TV



ads to oust moderate Republicans during last August's primaries.

Former Senate President Steven Morris-one of the Republicans who lost his primary to a conservative challengertold the Huffington Post that the Koch brothers, who helped fund the campaign of his opponent, are using Kansas as a testing ground for their ideological agenda.

"They said it will be an ultraconservative utopia," he said. "It depends on vour definition of utopia."

A companion bill has been introduced in the Senate, Gov. Sam Brownback (R) has not yet taken a public position.

Lira says the so called "paycheck protection" bill is only one part of a national campaign to roll back unions and quash workers' rights.

"It's the same stuff we saw in Wisconsin, Michigan and Indiana." he says. "It's all part of a nationwide antiunion agenda."

#### Pennsylvania

The Central Pennsylvania Building and Construction Trades are "showing a united front and getting word out to business managers and members to keep them abreast of right-to-work bills and other legislation that would hurt our members," says Harrisburg Local 143 Business Manager Robert Bair.

While Republican legislator Rep. Darryl Metcalfe has introduced right-towork bills in the state Legislature for 14 years that failed to pass, MSNBC's Ed Schultz quoted the host of the regionally-syndicated radio program The Rick Smith Show, about the challenge presented by several new bills that would undermine collective bargaining. Describing a bill that would allow unionized public employees the option to leave their unions whenever they choose, Smith says:

"The Bloom bill [proposed by Republican Rep. Stephen Blooml is particularly dangerous because it may be viewed as not as extreme while achiev

mobilizing to defend their rights against right-wing

ing the same destructive ends."

of Wilkes-Barre Local 163, agrees with

from last year's legislative session:

on unemployment benefits pass the

Legislature. It took effect on Jan. 1 and

devastates construction workers by mak-

ing it even harder to achieve eligibility.

The state is trying to balance the unem-

ployment benefits budget deficit on the

rent session, says Kwashnik, to gut the

ability of employers and unions to nego-

Bills are also introduced in the cur-

backs of construction workers."

tiate project labor agreements.

As local unions across

Pennsylvania develop a battle plan to

stop anti-worker legislation, Robert Bair

draws hope from the success of unions

Smith's assessment, taking his warning

"Last year, we had a horrible bill

Mike Kwashnik, business manager

presentation by his local union's attorattacks.

ney explaining the damage being wrought by the state's restrictive unemployment compensation program, says his local is focusing on educating members on the facts of right-to-work. "International President Hill said it

lies to the state Senate.

all in his column, 'Michigan's Big Step Backward,' in the January issue of The Electrical Worker," he says. "He pointed to how right-to-work laws drive down wages for all workers by an average of \$1.500 a year, whether they are union or not. He also highlighted that 28 percent more workers go without health insurance in right-to-work states than in nonright-to-work states."

during the November 2012 election cycle

in turning members out to vote, helping

elect three new friends of working fami-

the wagons to stop right-to-work," he says.

"The building trades will be circling

Kwashnik, who recently hosted a

#### lowa

lowa has been a right-to-work state since 1947, but that's not enough for some right-wing lawmakers. In January, a House subcommittee passed a resolution that would inscribe right-to-work language into the state constitution.

The Jan. 23 subcommittee meeting was stormy, with scores of union supporters and pro-worker advocates in attendance.

State AFL-CIO President Ken Sagar says lawmakers are trying to pass a constitutional amendment because the GOP fears control of the Legislature may switch in 2014.

"Pro-worker candidates were only a few hundred votes away—across a handful of districts-from taking the state House and Senate in 2012," he says, Sagar, a member of Cedar Rapids Local 204, adds "the ultra-right sees this as their chance to make right-to-workfor-less permanent."

While Sagar questions whether the constitutional change has enough support in the Senate to move forward, he says the AFL-CIO is mobilizing its members and educating them on why rightto-work is bad for the middle class.

"We need to explain to every union member how important politics is and why it makes a difference in their lives," he says.

He points to the effectiveness of the Working Iowa Neighbors program, which since its launch in 2009 has fielded scores of union members for office—from school boards to the legislature-in making the labor movement a real force in lowa politics. "It's like an apprenticeship for elected office," he says.

With such determined opponents in Des Moines. Sagar says organized labor has to mobilize its members on the grassroots level year-round. "Labor isn't a jobs trust program, it's a social movement on behalf of all working people."

# **Record Profits at Comcast**, **But Workers Hit Harder on Health Care**

he cold gray of winter may be upon the Northeast, but for many at Comcast, it's all sunny skies. Company profits aren't iust up-they're at record-setting levels.

"As I reflect on the last year, the growth and evolution of Comcast ... has transformed us into a Fortune 50 company," writes Kevin Casey, Comcast Northeast Division President, in a Jan. 2 email to employees thanking them for their on-the-job expertise. "[A]nd for the first time, the market value of the company reached \$100 billion."

That puts Comcast's value higher than heavyweights like McDonald's, Home Depot or Disney.

But for thousands in the field who install and maintain Internet, cable and phone services for customers nationwide, the company's fiscal milestone arrived with yet another steep hike in

employees' health care costs.

"Employees are going to be paying \$452 per month this year for their families' health care," said IBEW organizer Steve Smith, who is working to help organize Comcast employees in the Northeast. "You have to ask yourself—if Comcast is making so much money, why can't they do better for those doing the hard work that helps make the company so successful?"

Citing figures Smith obtained from numerous Comcast employees, the new health care rates have more than doubled over the last four years. In 2010, workers paid \$212 per month for coverage-and that figure has grown each year despite the company's added profits.

At the same time, U.S. health care inflation rose just 17 percent since 2010, according to data collected by the Kaiser Family Foundation. Had the workers' out-of-pocket expenses held steady with

those averages, Comcast techs would now be paying \$248 for their family health plans—as opposed to the \$452 they are paying now.

In addition to the higher costs, workers' wages haven't been able to close the gap. In many cases, any raises employees received had been nullified once the newer, higher health care costs kicked in.

"I've spoken with employees who have actually sat down and done the math comparing wages and health care cost increases," Smith said. "Many are finding that even after they get a raise, they're taking home less because out-of-pocket medical expenses keep taking bigger bites.

"This [cost increase] shows that the hard-working men and women who help keep Comcast running need more strength at the bargaining table—and that's only going to come by organizing more and more workers," Smith said.

# 4,500-Member Independent Union **Affiliates with Los Angeles IBEW**

he Engineers and Architects Association has represented professional employees with the city of Los Angeles for more than 100 years.

Now EAA members-who do everything from working as forensic scientists with the Los Angeles Police Department to technicians at LAX airport—will have an even stronger voice in the workplace and at the bargaining table. On Jan. 17, the 4,500 members of the Engineers and Architects Association voted to affiliate with Los Angeles Local 11.

The EAA represents highly-skilled, educated professionals, including chemists, building engineers and accountants.

"We have workers in most of the city's agencies," says EAA Executive Director Gregory West. "We basically help make the city run."

Founded in 1893—only one year after Local 11-the EAA has been independent for most of its history, unaffiliated with any national union or the AFL-CIO.

But strapped municipal budgets and increasing pressures on public-sector unions made the benefits of affiliating with a larger union clear to EAA members-and their eyes immediately turned to the IBFW.

"It's time for us to have a strong affiliation with a group that can help us fight for our benefits, which are being cut down left and right," says EAA Board of Governors member Amelia Hernandez. "We have earned these benefits, but we can't defend them alone."

FAA members were attracted by Local 11's strong bargaining position with the city. The local represents workers in nearly every city department. They also wanted a union that valued professionalism and a commitment to excellence on the job and had high

expectations from their representatives. "Both of our organizations represent workers dealing with complex systems—jobs that demand the highest level of professionalism," says Local 11 Business Manager Marvin Kropke.

Melissa Popovic, president of the EAA Board of Governors agrees. "Even though it may seem that our two unions are radically different, it is the mutual demand for professionalism and high level of experience and education that makes this a great fit."

Local 11's strong grassroots political program and visibility with city and state leaders were also strong selling points. "Local 11 is known for its political clout," says West. "And you need that to make things happen for working people." Affiliation also connects FAA members with the Los Angeles County

Federation of Labor and the wider California labor movement.

'stronger together' and now that we have completed the merger, we are," says

EAA leaders first indicated interest in the IBEW last year after a committee was formed to study potential unions with which to affiliate.

members was to find a suitable affiliate to join up with," says EAA Board of Governors member Larry Day. The IBEW's status in Los Angeles made it the committee's recommended choice.

Local 11 hosted more than 30

"Transparency and winning rankand-file members' buy-in was our goal," says Local 11 Assistant Business Manager Kevin Norton. "We wanted their input so

"The theme of the campaign was Assistant Business Manager Dick Reed.

"Part of our commitment to our

meetings with members across the city in the months leading up to the vote.

they would be leaders in the process."

While benefitting from the resources and staff of the IBEW, the EAA will still maintain its own structure as a unit of Local 11.

join the IBEW in January

"This is an historic event for the

L.A. labor movement and Local 11," says Kropke. "We're a dynamic, inclusive organization that delivers and we welcome our brothers and sisters of the EAA into the IBEW."

# **IBEW Ad Campaign Broadcasts Union Message in a Big Way**

cross the country, IBEW members are hearing the same thing from friends and family: "Just saw your ad the other day." The union's TV advertising campaign is entering its eighth month, and the reception is overwhelming, says IBEW Media Department Director Jim Spellane.

"We've heard from so many people telling us how great it is to see that we are aggressively taking to the airwaves in such a big way and on a national scale," he says. The latest ad, "Who is the IBEW?"

explains to viewers just what our members do for the country every day—from running cable and fixing power lines to keeping the railroads moving and working in some of America's most advanced factories.

"We're the people who bring the power to your home," says the narrator over images of IBEW members at work. "The ones who make sure your phone calls and Internet keep speeding along. We build things-like schools and hospitals."

The 30-second ad is running on MSNBC, CNN, CNBC, Headline News, CBS Sunday Morning and ESPN. The spot will also run on CBS March 10 during NCAA basketball games.

Last year, the IBEW ran ads during NFL games. One of them, "The Comeback," showed IBEW members building America's infrastructure, fueling the country's economic recovery.

Professional employees with the city of Los Angeles are the newest members of

Local 11 after the independent Engineers and Architects Association voted to

Millions of viewers have already seen the IBEW's TV ads. which are currently running on more than five networks.

International President Edwin D. Hill says the campaign is in line with a resolution passed at the 2011 38th International Convention calling on the IBEW to actively promote its message to the broader public.

"These ads are getting the word out about what the IBEW is all about and let customers and the general public know that we stand for excellence and professionalism on the job," says Hill.

Produced in house by the IBEW Media Department's production staff, members of Washington, D.C., Local 1200, the professionally shot and edited spots have brought a lot of positive attention to the Brotherhood.

"It was great seeing that ad yesterday!" wrote member Pete Wasko Ir. on the IBEW's Facebook page. "I think that we, along with the other building trades, should be doing a lot more of it!"

Other union members also expressed their excitement on seeing a labor union promoting itself to the American public on some of TV's most highly-rated programs.

"I really am proud of your ads even though I am not a member of the IBEW," wrote Machinists union member John J. Leveque on Facebook.

All three IBEW ads can be seen on YouTube at youtube.com/user/ TheElectricalWorker.

## **IBEW MEDIA WORID**

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In addition to your monthly issue of The Electrical Worker, check out the wealth of IBEW-related information in cyberspace.

#### www.ibew.org

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ELECTRIC TV

## **Report of Independent Auditors**

To the International Executive Council of the International Brotherhood of Electrical Workers

We have audited the accompanying consolidated statements of financial position of the International Brotherhood of Electrical Workers and subsidiaries (collectively the International Union) as of June 30, 2012 and 2011, and the related consolidated statements of activities and of cash flows for the years then ended. These financial statements are the responsibility of the International Union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the International Union's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the International Union's management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the International Brotherhood of Electrical Workers and subsidiaries as of June 30, 2012 and 2011, and the consolidated changes in their net assets and their consolidated cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

#### Calibre CAA Group, PLLC

Bethesda, MD September 11, 2012

#### International Brotherhood of Electrical Workers and Subsidiaries Consolidated Statements of Financial Position

YEARS ENDED JUNE 30, 2012 AND 2011

	Unappropriated	Appropriated	Total	Total
ssets				
ash and cash equivalents	\$5,970,087	\$ –	\$5,970,087	\$6,509,148
Receivables				
Loans and advances to				
chartered bodies	516,500	-	516,500	528,000
Per capita tax receivable	10,750,962	-	10,750,962	7,942,878
Due from Trust for the				
IBEW Pension Benefit Fund	792,667	-	792,667	442,334
Accrued interest and dividends	604,810	-	604,810	595 <b>,</b> 053
Security sales pending settlemen		-	1,859,081	205,439
Other	1,565,156		1,565,156	1,249,621
Total receivables	16,089,176	-	16,089,176	10,963,325
nvestments—at fair value	211,741,858	168,981,000	380,722,858	401,703,926
Inbilled rent receivable	6,397,891	_	6,397,891	6,179,518
Property and equipment—at cost				
Land, building and improvements	5 130,776,854	-	130,776,854	130,695,757
Furniture and equipment	48,106,010	-	48,106,010	46,226,625
	178,882,864	-	178,882,864	176,922,382
Accumulated depreciation	(48,159,294)	-	(48,159,294)	(41,739,748)
Net property and equipment	130,723,570	-	130,723,570	135,182,634
)ther assets				
Deferred leasing, organization an	d			
financing costs (net of amortization	on) 2,449,755	-	2,449,755	2,784,608
Prepaid expenses	798,453	-	798,453	1,145,959
Inventory of merchandise				
and office supplies, at cost	1,306,127	-	1,306,127	1,251,166
Deposits	16,904	-	16,904	52,791
Other		-	-	1,157,671
Total other assets	4,571,239		4,571,239	6,392,195
Total assets	\$375,493,821	\$168,981,000	\$544,474,821	\$566,930,746
iabilities and Net Assets				
iabilities				
Accounts payable and				
accrued expenses	\$4,653,411	\$ –	\$4,653,411	\$5,392,241
Excess of projected benefit				
=				

Liability for postretirement benefits	-	168,981,000	168,981,000	160,252,000
Security purchases pending				
settlement	8,193,374	-	8,193,374	7,682,157
Deferred per capita tax revenue	6,634,713	-	6,634,713	6,103,178
Reciprocity Agreement funds				
pending settlement	2,576,362	-	2,576,362	3,115,083
Mortgage loan payable	61,646,361	-	61,646,361	64,439,072
Other	1,460,998	-	1,460,998	1,115,001
Total liabilities	206,108,154	168,981,000	375,089,154	313,409,553
Unrestricted net assets	169,385,667	-	169,385,667	253,521,193
Total liabilities and net assets	\$375,493,821	\$168,981,000	\$544,474,821	\$566,930,746

#### International Brotherhood of Electrical Workers and Subsidiaries Consolidated Statements of Activities

YEARS ENDED JUNE 30, 2012 AND 2011

			2012	2011
	Unappropriated	Appropriated	Total	Total
Operating revenue				
Per capita tax	\$108,665,614	\$ –	\$108,665,614	\$97,733,451
Initiation and reinstatement fees	1,272,258	_	1,272,258	1,087,567
Rental income, net	13,394,936	-	13,394,936	13,707,814
Sales of supplies	964,189	-	964,189	782,736
Other income	3,426,902	-	3,426,902	3,596,395
Total operating revenue	127,723,899	-	127,723,899	116,907,963
Program services expenses				
Field services and programs	87,280,072	11,751,599	99,031,671	99,958,958
IBEW Journal and media relations	6,509,510	411,309	6,920,819	7,069,760
Industry trade program	11,405,832	1,449,646	12,855,478	13,729,644
Per capita tax expense	7,904,566	_	7,904,566	7,865,876
Legal defense	2,630,463	_	2,630,463	2,433,468
Total program services	115,730,443	13,612,554	129,342,997	131,057,706
Supporting services expenses				
Governance and oversight	6,461,826	769,484	7,231,310	6,923,339
General administration	6,549,745	1,204,962	7,754,707	7,807,449
Total supporting services	13,011,571	1,974,446	14,986,017	14,730,788
Total operating expenses	128,742,014	15,587,000	144,329,014	145,788,494
	120,742,014	15,567,000	144,329,014	145,700,494
Change in net assets from				
operations before investment and other income	(1 010 115)			(20.000.521)
	(1,018,115)	(15,587,000)	(16,605,115)	(28,880,531)
Investment income	( ((7 022		( ((7.022	7 / 00 4 50
Interest and dividends	6,667,822	-	6,667,822	7,402,159
Net appreciation in fair value	1 222 5/1		( 222 5()	(0.70/ 1.27
of investments	4,232,564	-	4,232,564	48,794,127
Investment expenses	(1,020,247)		(1,020,247)	(1,213,521)
Net investment income	9,880,139	_	9,880,139	54,982,765
Other income (expense)	(		(	
Convention expense	(15,919,084)	-	(15,919,084)	
Gain on sale of property				
and equipment	3,120	-	3,120	
Currency translation adjustment	597,591	-	597,591	1,018,089
Total other income (expense)			(15,318,373)	1,018,089
Change in net assets before pension				
related and postretirement be				
charges other than net periodi				
benefits costs	(6,456,349)	(15,587,000)	(22,043,349)	27,120,323
Defined benefit-related charges				
other than net periodic				
benefits costs				
Pension benefits	(62,878,814)	-	(62,878,814)	24,372,325
Postretirement health				
care benefits		786,637	786,637	9,282,268
Change in net assets	(69,335,163)	(14,800,363)	(84,135,526)	60,774,916
Unrestricted net assets				
at beginning of year	253,521,193	-	253,521,193	192,746,277
Appropriation for postretirement				
benefit costs	(14,800,363)	14,800,363		
Unrestricted net assets				
			\$169,385,667	

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#### International Brotherhood of Electrical Workers and Subsidiaries Consolidated Statements of Cash Flows

Years Ended June 30, 2012 And 2011

	2012	2011
Cash flows from operating activities		
Cash flows from Affiliated chartered bodies	\$108,625,512	¢101 /72 /60
Interest and dividends	\$108,625,512 6,658,065	\$101,473,469 7,527,497
Rental income	13,176,563	13,232,074
Participant contributions collected on behalf of PBF	54,784,614	56,330,157
Reimbursement of administrative expenses from PBF	3,175,000	3,175,000
Other	2,572,646	2,669,997
Cash provided by operations	188,992,400	184,408,194
Cash paid for		
Salaries, payroll taxes, and employee benefits	(93,705,626)	(84,882,822)
Service providers, vendors and others	(45,154,879)	(31,523,233)
Participant contributions remitted to PBF	(55,156,955)	(56,173,200)
Per capita tax	(7,904,566)	(7,865,876)
Interest	(7,539,660)	(7,539,660)
Cash used for operations	(209,461,686)	(187,984,791)
Net cash used for operating activities	(20,469,286)	(3,576,597)
Cash flows from investing activities		
Repayments on loans and advances made to chartered bodies	11,500	1,085,500
Purchase of property and equipment	(1,960,482)	(763,651)
Purchase of investments	(176,324,669)	(259,155,506)
Proceeds from sale of property and equipment	3,120	-
Proceeds from sale of investments	194,528,587	271,224,329
Net short-term cash investment transactions	5,867,289	(8,449,752)
Net cash provided by investing activities	22,125,345	3,940,920
Cash flows from financing activities		5,5 + 6,5 = 0
Payments on mortgages and other notes	(2,792,711)	(2,640,173)
Net cash used for financing activities	(2,792,711)	(2,640,173)
Effect of exchange rate changes on cash	597,591	1,018,089
Net decrease in cash		
Cash and cash equivalents	(539,061)	(1,257,761)
Beginning of year	6 500 1 49	7,766,909
	6,509,148	
End of year	\$5,970,087	\$6,509,148
Reconciliation of change in net assets to net		
cash used for operating activities		
Change in net assets	\$(84,135,526)	\$60,774,916
Noncash charges (credits) included in income		
Depreciation and amortization	6,754,399	7,008,674
Net depreciation (appreciation) in fair value of investments	(4,232,564)	(48,794,127)
Gain on sale of property and equipment	(3,120)	-
Currency translation adjustment	(597,591)	(1,018,089)
Changes in accruals of operating assets and liabilities		
Receivables	(3,483,709)	1,662,273
Unbilled rent receivable	(218,373)	(475,740)
Other assets	1,486,103	(378,275)
Excess or deficiency of pension plan assets over projected		
benefit obligation	55,632,114	(21,521,791)
Accounts payable and accrued expenses	(738,830)	378,238
Accrued postretirement benefit cost	8,729,000	(837,787)
Deferred revenue	531,535	717,195
Reciprocity Agreement funds pending settlement	(538,721)	(1,003,856)
Payroll deductions and other liabilities	345,997	(88,228)
Net cash used for operating activities	\$(20,469,286)	\$(3,576,597)

#### International Brotherhood of Electrical Workers and Subsidiaries Notes to Consolidated Financial Statements

YEARS ENDED JUNE 30, 2012 AND 2011

#### Note 1. Summary of Significant Accounting Policies

**Nature of Operations**—The International Brotherhood of Electrical Workers is an international labor union established to organize all workers for the moral, economic and social advancement of their condition and status. The significant portion of the International Union's revenue comes from per capita taxes of members paid by the local unions.

**Basis of Presentation**—The consolidated financial statements include the accounts of the International Brotherhood of Electrical Workers, its wholly-owned subsidiary, Headquarters Holding Company, Inc., and the IBEW Headquarters Building LLC, of which the International Brotherhood of Electrical Workers owns 99%.

Headquarters Holding Company, Inc. held title to real estate that was sold during 2004. Headquarters Holding Company, Inc. had no activity during the years ended June 30, 2012 and 2011. The IBEW Headquarters Building LLC also holds title to real estate, an office building that was acquired in June 2004, which beginning late-January 2005 serves as the headquarters for the International Brotherhood of Electrical Workers. All inter-organization accounts and transactions have been eliminated in consolidation. The International Union maintains an appropriated fund designation for internal tracking of postretirement benefits.

**Method of Accounting**—The financial statements have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

**Investments**—Generally, investments are carried at fair value. Changes in fair value of investments are recognized as unrealized gains and losses. For the purpose of recording realized gains or losses the average cost method is used. Purchases and sales are recorded on a trade-date basis. The purchases and sales pending settlement are recorded as either assets or liabilities in the consolidated statement of financial position. Pending sales represent amounts due from brokers while pending purchases represent amounts due to brokers for trades not settled. All pending transactions at June 30, 2012 and 2011 settled in July 2012 and July 2011, respectively.

**Property and Equipment**—Building, improvements, furniture and equipment are carried at cost. Major additions are capitalized. Replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are expensed currently. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are as follows:

Building and improvements	10-40 years
Tenant improvements	Life of respective lease
Furniture and equipment	2-10 years

**Accounts Receivable**—Trade accounts receivable are reported net of an allowance for expected losses. Based on management's evaluation of receivables, the allowance account has a zero balance at June 30, 2012 and 2011.

**Inventory**—The International Union maintains an inventory of supplies for use and for resale to local unions and individual members. Inventory is stated at average inventory cost which approximates the selling price of items held.

**Canadian Exchange**—The International Union maintains assets and liabilities in Canada as well as the United States. It is the intent of the International Union to receive and expend Canadian dollars in Canada and not, on a regular basis, convert them to U.S. dollars. For financial statement purposes all assets and liabilities are expressed in U.S. dollar equivalents.

Canadian dollars included in the consolidated statement of financial position are translated at the appropriate year-end exchange rates. Canadian dollars included in the consolidated statement of activities are translated at the average exchange rates for the year. Unrealized increases and decreases due to fluctuations in exchange rates are included in "Currency translation adjustment" in the consolidated statement of activities.

**Statement of Cash Flows**—For purposes of the consolidated statement of cash flows, cash is considered to be amounts on hand and in demand deposit bank accounts subject to immediate withdrawal.

**Estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Subsequent Events Review**—Subsequent events have been evaluated through September 11, 2012, which is the date the financial statements were available to be issued. This review and evaluation revealed no new material event or transaction which would require an additional adjustment to or disclosure in the accompanying financial statements.

#### Note 2. Tax Status

The Internal Revenue Service has advised that the International Union qualifies under Section 501(c)(5) of the Internal Revenue Code and is, therefore, not subject to tax under present income tax laws. Headquarters Holding Company, Inc. and IBEW Headquarters Building, LLC are not taxpaying entities for federal income tax purposes, and thus no income tax expense or deferred tax asset has been reported in the financial statements. Income of the Companies is taxed to the members in their respective returns.

#### Note 3. Investments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments which are listed below. For short-term cash investments, the cost approximates fair value because of the short maturity of the investments. Generally, government and government agency obligations, corporate bonds and notes, stocks, the AFL-CIO Housing Investment Trust, and mutual funds fair values are estimated using quoted market prices. For mortgage loans, the fair value is determined based on the discounted present value of future cash flows using the current quoted yields of similar securities.

	June 30, 2012		
	Cost	Fair Value	
Short-term cash investments	\$18,308,350	\$18,308,350	
Government and government			
agency obligations	20,638,718	21,200,481	
Corporate bonds and notes	38,540,602	39,987,135	
Stocks	122,915,863	143,192,010	
Mortgage loans	3,000,000	3,000,000	
Mutual funds	18,932,546	19,702,157	
103-12 entities	83,243,493	101,081,200	
Limited partnership	18,182,033	17,839,778	
AFL-CIO Housing Investment Trust	15,978,928	16,411,747	
	\$339,740,533	\$380,722,858	

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	June 30, 2011		
	Cost	Fair Value	
Short-term cash investments	\$24,231,018	\$24,231,018	
Government and government			
agency obligations	24,123,402	25,439,469	
Corporate bonds and notes	39,251,143	41,501,108	
Stocks	132,876,857	158,333,178	
Mutual funds	18,018,285	18,253,304	
103-12 entities	87,858,605	100,383,240	
Limited partnership	17,416,824	18,310,434	
AFL-CIO Housing Investment Trust	15,313,030	15,252,175	
	\$359,089,164	\$401,703,926	

The International Union uses generally accepted accounting standards related to Fair Value Measurements, for assets and liabilities measured at fair value on a recurring basis. These standards require quantitative disclosures about fair value measurements separately for each major category of assets and liabilities, clarify the definition of fair value for financial reporting, establish a hierarchal disclosure framework for measuring fair value, and require additional disclosures about the use of fair value measurements.

The three levels of the fair value hierarchy and their applicability to the International Union's portfolio investments, are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices for similar assets or liabilities, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data. Level 2 includes investments valued at quoted prices adjusted for legal or contractual restrictions specific to the security.

Level 3 – Pricing inputs are unobservable for the asset or liability, that is, inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Level 3 includes private portfolio investments that are supported by little or no market activity.

The following is a summary of the inputs used as of June 30, 2012, in valuing investments carried at fair value:

1 ... 00 0040

		June 30, 2012					
Description	Total Investments at June 30, 2012	Quoted Market Prices for Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable			
Cash and cash equivalents	\$18,308,350	\$ -	\$18,308,350	\$ -			
Stocks							
Financial services	22,509,256	1,278,506	-	21,230,750			
Banks	8,622,193	8,622,193	-	-			
Retail	7,893,000	7,893,000	-	-			
Oil & Gas	7,558,925	7,558,925	-	-			
Pharmaceuticals	6,739,598	6,739,598	-	-			
Computers	6,196,803	6,196,803	-	-			
Telecommunications	5,745,652	5,745,652	-	-			
Manufacturing	4,973,784	4,973,784	-	-			
Software	4,813,378	4,813,378	-	-			
Healthcare	3,583,553	3,583,553	-	-			
Other	64,555,868	64,555,868	-	-			
Corporate bonds and notes	39,987,135	-	37,987,135	2,000,000			
Government and government							
agency obligations	21,200,481	-	21,200,481	-			
Mortgage loans	3,000,000	-	3,000,000	-			
Mutual funds							
Fixed income fund	18,945,522	18,945,522	-	-			
Other	756,635	756,635	-	-			
Limited partnerships							
Attalus Multi Strategy FD LTD	8,620,535	-	-	8,620,535			
Common/collective trusts							
AFL-CIO HIT	16,411,747	-	-	16,411,747			
103-12 entities							
Real Estate	57,727,873	-	-	57,727,873			
Equity	11,863,764	-	11,863,764	-			
Fixed Income	31,489,563	-	31,489,563	-			
Other alternative investments							
Permal funds	9,219,243	-		9,219,243			
	\$380,722,858	\$141,663,417	\$123,849,293	\$115,210,148			

Changes in Leve Category	Beginning el 3 Balance 7/1/2011	Net Gains (Losses)	Purchases	Sales	Transfers In (Out) Level 3	Ending Balance 6/30/2012
category	7/1/2011	(103363)	T urchases	Jales	Level J	0/30/2012
Stocks	\$21,230,750	\$ –	\$ -	\$ –	\$ –	\$21,230,750
Corporate bonds	;					
and notes	2,000,000	-	-	-	-	2,000,000
Limited	18,310,434	(689,899)	-	(9,000,000)	-	8,620,535
partnerships						
AFL-CIO Housing						
Investment Tr	<b>ust</b> 15,252,175	554 <b>,</b> 159	665,898	(60,485)	-	16,411,747
103-12 entities	54,647,719	6,080,154	-	(3,000,000)	-	57,727,873
Permal funds		(413,208)	9,632,451	-	-	9,219,243
	\$111,441,078	\$5,531,206	\$10,298,349	\$(12,060,485)	\$ -	\$115,210,148

The following is a summary of the inputs used as of June 30, 2011, in valuing investments carried at fair value:

Description	Total Investments at June 30, 2011	Quoted Market Prices for Assets (Level 1)	Significant Othe Observable Inputs (Level 2)	Unobservable
Cash and cash equivalents Stocks	\$24,231,018	\$ –	\$24,231,018	\$ -
Financial Services	27,697,797	6,467,047	-	21,230,750
Oil & Gas	8,522,553	8,522,553	-	-
Technology	8,378,531	8,378,531	-	_
Healthcare	7,755,719	7,755,719	-	-
Banks	7,316,092	7,316,092	-	-
Manufacturing	6,137,339	6,137,339	-	_
Computers	5,263,130	5,263,130	-	_
Energy	5,238,723	5,238,723	-	-
Telecommunications	4,805,483	4,805,483	-	_
Retail	4,390,050	4,390,050	-	_
Other	72,827,761	72,827,761	-	-
Corporate bonds and notes	41,501,108	-	39,501,108	2,000,000
Government and government				
agency obligations	25,439,469	-	25,439,469	-
Mutual funds				
Fixed income fund	17,713,135	17,713,135	-	-
Other	540,169	540,169	-	-
Limited partnership				
Attalus Multi Strategy FD LTD	18,310,434	-	-	18,310,434
Common/collective trusts				
AFL-CIO HIT	15,252,175	-	-	15,252,175
103-12 entities				
Real Estate	54,647,719	_	_	54,647,719
Equity	14,105,315	_	14,105,315	-
Fixed Income	31,630,206	_	31,630,206	-
	\$401,703,926	\$155,355,732	\$134,907,116	\$111,441,078
Changes in Corrects Band		2.42	AFL-CIO	

Changes in (	Corporate Bon	ds Limited	103-12	Но	ousing Investm	ent
Level 3 Category	and Notes	Partnerships	Entities	Stocks	Trust	Total
Beginning balance	e –					
7/1/2010	\$1,999,920	\$17,432,466\$		\$22,730,750	\$14,630,401	\$56,793,537
Net gains						
(realized/unrea		877,968	2,020,265	-	621,774	3,520,087
Purchases, issuan	ces,			(		
settlements	-	-	52,627,454	(1,500,000)	-	51,127,454
Transfers in/out Le	evel 3 –	_	-	-	-	
Ending balance –				<b>.</b>	•	<b>.</b>
6/30/2011	\$2,000,000	\$18,310,434	\$54,647,719	\$21,230,750	\$15,252,175	\$111,441,078

Net gains (losses) (realized/unrealized) reported above are included in net appreciation (depreciation) in fair value of investments in the statement of activities for the year ended June 30, 2012 and 2011. The amount of the net gains related to investments held at June 30, 2012 and 2011 was \$5,531,206 and \$3,520,087, respectively.

The objective of the investment in the Attalus Multi Strategy FD LTD, which is shown above as a limited partnership, is to generate returns in excess of market yields by investing in a variety of multi-strategy funds. The fund has a quarterly redemption period with a 92 day written notice and no redemption restrictions.

The Housing Investment Trust is a registered investment company which has a principal investment strategy that is to construct and manage a portfolio composed primarily of mortgage securities, with higher yield, higher credit quality and similar interest rate risk as the Barclays Capital Aggregate Bond index. The investee uses a variety of strategies to maintain a risk profile comparable to its benchmark index. These strategies include, but are not limited to, managing the duration (a measure of interest rate sensitivity) of the investee's portfolio within a range comparable to the benchmark index, and managing prepayment risk by negotiating prepayment restrictions for mortgage securities backed by multi-family housing projects, including market-rate housing, low-income housing, housing for the elderly or handicapped, intermediate care facilities, assisted living facilities and nursing homes (collectively, "Multifamily Projects").

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The objective of investment in INDURE, REIT, Inc, which is shown above as 103-12 entity, is to generate income and return through real estate investments. Redemptions from the Fund are limited to 20% of the net asset value of a shareholder's total investment.

The objective of the investment in Permal Funds, which is shown above as other alternative investments, is a long term capital appreciation with moderate volatility and risk through investments with high quality investment managers focusing primarily on fixed income securities in worldwide markets.

#### **Note 4. Pension Plans**

The International Union maintains two defined benefit pension plans to cover all of its employees. Employer contributions to the plans are based on actuarial costs as calculated by the actuary. The actuarial valuations are based on the unit credit cost method as required under the Pension Protection Act of 2006.

The annual measurement date is June 30. The net periodic pension cost for the plans for the years ended June 30, 2012 and 2011 is summarized as follows:

	2012	2011
Service cost	\$10,603,750	\$9,803,305
Interest cost	20,368,510	18,783,959
Expected return on plan assets	(19,694,386)	(16,047,527)
Net amortization of (gain) loss	4,412,982	7,388,297
Net amortization of prior service costs	43,437	1,148,210
Net periodic pension cost	\$15,734,293	\$21,076,244

Included in net periodic pension cost for 2012 and 2011 is \$43,437 and \$1,148,210, respectively, representing the amortization of amounts previously recognized as changes in unrestricted net assets but not included in net periodic pension cost when they arose. The amount expected to be amortized into net periodic pension cost for 2013 is \$36,490. Total amounts recognized as changes in unrestricted net assets separate from expenses and reported in the statement of activities as pension-related changes other than net periodic pension cost for the years ended June 30, 2012 and 2011 are as follows:

	2012	2011
Net actuarial gain	\$(62,922,251)	\$23,224,115
Amortization of prior service cost	43,437	1,148,210
	\$(62,878,814)	\$24,372,325

Amounts that have not yet been recognized as components of net periodic pension cost as of June 30, 2012 consist of the following:

Net actuarial loss	\$137,272,459
Net prior service cost	36,490
	\$137,308,949

The net periodic pension cost is based on the following weighted-average assumptions at the beginning of the year:

	2012	2011
Discount rate	6.00%	6.00%
Average rate of compensation increase	5.00%	5.00%
Expected long-term rate of return on plan assets	7.00%	7.00%

The plans' obligations and funded status as of June 30, 2012 and 2011 are summarized as follows:

2012	2011
\$304,109,670	\$294,329,444
425,052,605	359,640,265
\$120,942,935	\$65,310,821
	\$304,109,670 425,052,605

Benefit obligations are based on the following weighted average assumptions at the end of the year:

	2012	2011
Discount rate	4.75%	6.00%
Average rate of compensation increase	4.50%	5.00%

Employer contributions, employee contributions and benefit payments for the years ended June 30, 2012 and 2011 were as follows:

	2012	2011
Employer contributions	\$23,695,993	\$18,225,710
Employee contributions	1,395,575	886,341
Benefit payments	21,902,546	21,688,396

Total expected employer contributions for the year ending June 30, 2013 are \$21.8 million. Total expected benefit payments for the next 10 fiscal years are as follows:

Year Ending June 30,2013	\$22,796,463
2014	23,288,126
2015	23,995,635
2016	24,693,998
2017	25,526,878
Years 2018 – 2022	142,077,596

The expected long-term rate of return on plan assets of 7% reflects the average rate of earnings expected on plan assets invested or to be invested to provide for the benefits included in the benefit obligations. The

assumption has been determined by reflecting expectations regarding future rates of return for plan investments, with consideration given to the distribution of investments by asset class and historical rates of return for each individual asset class.

Total pension plan weighted-average asset allocations at June 30, 2012 and 2011, by asset category, are as follows:

Asset category	2012	2011
Cash and cash equivalents	9%	5%
Equity securities	52%	65%
Debt securities	23%	25%
Real estate and other	16%	5%
	100%	100%

The plans' investment strategies are based on an expectation that equity securities will outperform debt securities over the long term, and that the plans should maximize investment return while minimizing investment risk through appropriate portfolio diversification. All investments are actively managed by a diversified group of professional investment managers, whose performance is routinely evaluated by a professional investment consultant. Target allocation percentages are 50% for equities, 30% for fixed income securities, 13% for real estate, and 7% for other investments (principally limited partnerships).

The International Union maintains a Supplemental Plan under Internal Revenue Code Section 457 to pay pension benefits required under its Constitution that cannot be paid from its qualified defined benefit plans. The liability for amounts due under the Supplemental Plan have been actuarially determined and total \$748,261 and \$519,248 as of June 30, 2012 and 2011, respectively. The International Union also contributes to a multiemployer defined benefit pension plan on behalf of its employees. Contributions to this plan were \$929,628 and \$864,733 for the years ended June 30, 2012 and 2011, respectively.

#### **Note 5. Postretirement Benefits**

In addition to providing pension benefits, the International Union provides certain health care, life insurance and legal benefits for substantially all employees who reach normal retirement age while working for the International Union.

Postretirement benefit costs for the years ended June 30, 2012 and 2011 include the following components:

	2012	2011
Service cost	\$6,160,000	\$5,839,000
Interest cost	9,769,000	9,266,000
Amortization of prior service cost	(342,000)	(342,000)
Total postretirement benefit cost	\$15,587,000	\$14,763,000

The accumulated postretirement benefit obligation and funded status at June 30, 2012 and 2011 are as follows:

	2012	2011
Postretirement benefit obligation	\$168,981,000	\$160,252,000
Fair value of plan assets		-
Excess of postretirement benefit obligation over plan assets	\$168,981,000	\$160,252,000

The above postretirement benefit cost does not represent the actual amount paid (net of estimated Medicare Part D subsidies) of \$7,200,000 and \$6,319,000 for the years ended June 30, 2012 and 2011, respectively. The net actuarial loss that will be amortized from unrestricted net assets into net periodic benefit cost during 2013 is \$7,982,000.

Weighted-average assumptions used to determine net postretirement benefit cost at beginning of year:

	2012	2011
Discount rate	6.00%	6.00%

Weighted-average assumptions used to determine benefit obligations at end of year:

	2012	2011
Discount rate	6.00%	6.00%

The assumed health care cost trend rates used to measure the expected cost of benefits for the year ended June 30, 2012, were assumed to increase by 10% for medical, 10% for drugs, 10% for Medicare Part D subsidy, 5.5% for dental/vision, 6% for Medicare Part B premiums, and 3% for legal costs. Thereafter, rates for increases in medical, dental, drug costs and the Medicare Part D subsidy were assumed to gradually decrease until they reach 5.5% after 2025. If the assumed rates increased by one percentage point it would increase the benefit obligation and net periodic benefit cost as of June 30, 2012 by \$24,685,000 and \$2,797,000, respectively. However, if the assumed rates decreased by one percentage point it would decrease the benefit obligation and net periodic benefit cost as of June 30, 2012 by \$20,287,000 and \$2,239,000, respectively.

Total expected benefit payments, net of Medicare Part D subsidies, for the next 10 fiscal years are as follows:

Year Ending June 30, 2013	\$7,608,000
2014	8,136,000
2015	8,667,000
2016	9,266,000
2017	9,809,000
Years 2018 – 2022	58,564,000

FINANCIAL STATEMENTS continued on page 17

#### **A Favorable Landmark Decision**

L.U. 1 (as,c,ees,ei,em,es,et,fm,i,mt,rts,s,se,spa, st&ws), ST. LOUIS, MO—On Nov. 20 last year, the Missouri Supreme Court issued a landmark decision in favor of working-class Missourians, and a Local 1 wireman was a major factor in the decision. Bro. Greg Kloeppel, chief legal counsel for the Fraternal Order of Police Lodge 15, represented the union in this historic case.

Submitting signed representation cards, Bro. Kloeppel requested that the Chesterfield and University City police departments agree to engage in collective bargaining talks regarding the officers' terms of employment. Unfortunately, both cities refused to sit down at the bargaining table. Without further progress, Bro. Kloeppel filed suit on behalf of the union.

In a victory for organized labor, the Missouri Supreme Court ruled that not only do the cities have to bargain collectively with the union, but they also must bargain with a goal of reaching an agreement.

This is a huge victory for labor organizations across the state—a victory championed by Bro. Kloeppel. Congratulations, Greg!

Local 1 mourns recently deceased members: Robert Sliger, Julius Irvin, Robert Mueller, Marvin Holley, Curtis Niewoehner, Robert Elkins, Paul Plummer, John Darmody Sr., Joseph Kargacin, William Stevenson, Carl Bildner, Chester Edwards, William Vogel, James Heisner Sr., Michael McKay, David Snyder, Kenneth Nolle, Robert Waldschmidt, Edward Bingesser, Thomas Sotoropolis and Vernon Plume.

Matt Gober, P.S.

#### **PLAs Ensure Work in Los Angeles**

L.U. 11 (i,rts&spa), LOS ANGELES, CA—The end of 2012 showed an increase of man-hours in Local 11 with a large number of hours under project labor agreements (PLAs).

The PLAs ensure work in Los Angeles for Local 11 members. According to Asst. Bus. Mgr. Dick Reed, "The outlook [for] the number of projects that will start and that are under contract make 2013 look more promising than 2012."

Major upcoming projects include the 7o-storyhigh Wilshire Grand Hotel, a federal courthouse in downtown, the Century Plaza and Century City Center, the Metropolitan Transit Authority rail projects, a 1oyear \$1.1 billion project at the University of Southern California, and work at numerous school districts. While 2012 brought 400 megawatts of solar

projects, this year will bring approximately 1.4

gigawatts with eight major projects.

We will also see the electrification of our Port of Los Angeles with the Alternative Maritime Power (AMP) program, and lighting retrofits throughout the city through Los Angeles Department of Water & Power/IBEW Local 18.

Additionally, we are all crossing our fingers in hopes of a new NFL football stadium in our city. All new major projects will be covered under

PLAs, which will continue to add job calls. These PLAs could not have been secured without the activism and efforts of our members appearing at public hearings and city council meetings all year long.

Diana Limon, P.S.

#### **Utility Local Update**

L.U. 15 (u), DOWNERS GROVE, IL—Last November we had over 225 members travel to help out after the devastation of Hurricane Sandy. These members worked 16 hours on and eight off for weeks with no injuries.

We had an Underground Department Reorganization Agreement with ComEd that increased members' pay, gave new job titles and set up a 10-hour-day pilot program that passed a ratification vote by 240 to 18.

A call center consolidation was completed in December.

On the generating side, the nuclear branch members agreed to an Outage Agreement for maintenance by a vote of 305 to 277. This agreement keeps travel voluntary, helps equalize the overtime and gives more consistency from outage to outage. Edison Mission Energy—parent of Midwest

Generation, the owner of our fossil stations (Waukegan, Will County, Joliet and Powerton)—filed for bankruptcy on Dec. 17, 2012. The company has said it is not going after the union contract and we are looking to continue business as usual at the stations. The company filed a Chapter 11 bankruptcy, which is set up to help the company restructure its finances and emerge from bankruptcy a viable company. This is in contrast to a Chapter 7 bankruptcy, which is to liquidate a company's assets.

We sent eight members to the IBEW Illinois State Conference in November and 12 members to the Nuclear Conference in November. Ten members attended Arbitration School in December at the University of Illinois.

Doug Vedas, P.S.

#### Michigan—Right to Work (for less)

L.U. 17 (catv,em,lctt,o&u), DETROIT, MI—Brothers and sisters, if you live in a state where Republicans dominate the House, Senate and the governor's office—hold on to your hard hats! With 18 percent union density in Michigan, the right-wing establishment changed Michigan to a so-called "right-towork" state in just eight days! As of this writing, we anticipate another Republican attack to repeal the Prevailing Wage Act in Michigan. If this happens, you will see a tidal wave of nonunion doing our work, and wages will plummet on our commercial agreements where federal dollars are used.

On a positive note, we settled our Utility and Contractors agreements with wage increases for all classifications. Just before the Christmas 2012 holiday, work was suspended for 640 of our line clearance tree trimmers. Most of those laid off should be back to work as of this printing. We have 115 members on Book 1 on our construction agreement and anticipate full employment this year according to the utility. I thank our members who donated money and time to provide food for some of our unemployed members during the holiday season. This is what unions should do for members.

Despite the attacks on unions in Michigan, I have no doubt that opponents have underestimated our resolve. Local 17 has existed for 122 years and we are not going anywhere without a fight!

Dean Bradley, B.M./F.S.



*IBEW members from Locals 17 and 876 hold up placards at a union-wide rally in Michigan.* 

#### **Contract Negotiations**

L.U. 21 (catv,govt&t), DOWNERS GROVE, IL—The new leaders of Local 21 have been very busy since taking office in July 2012 and things don't seem to be letting up anytime soon.

Within days of being sworn in, the IBEW Telephone System Council T-3 reached an agreement with AT&T to extend the collective bargaining agreement for one year until June 22, 2013. This year's negotiations with AT&T will be challenging, especially after seeing the draconian demands management sought last year.

In 2012, new agreements were reached for our members working at Altura, The City of Chicago 911-OEMC Center (Office of Emergency Management and Communications), JULIE Inc. (Joint Utility Locating Information for Excavators), and Verizon.

The contract at Johnson Controls was extended until May 6, 2013, and bargaining continues for our members working at Comcast West and Frontier Communications.

The contract for our members working at CenturyLink expires in September.

Negotiations for our members working for Peoria and Vermillion counties will be tough, due to local governments legislating tighter budgets.

The attacks on union workers across the nation have been relentless. If we want to turn the tide, we all must fight together. It will take the solidarity of all of our members to protect our rights and reach fair contracts that preserve our core ideals.

Bob Przybylinski, R.S./P.S.

#### **Food Bank Donations**

L.U. 37 (em,o&u), FREDERICTON, NEW BRUNSWICK, CANADA—In the spirit of sharing with the less fortunate citizens of New Brunswick, Local 37 donated \$370 each to seven food banks around our province last December, amounting to \$2,590.

As pictured in the photo below, IBEW Local 37 Grand Falls Unit Chair Danny Woods made a presentation to Grand Falls Regional Food Bank Pres. Glenn Rioux.

Ross Galbraith, B.M.



Local 37 Grand Falls Unit Chair Danny Woods (left) presents donation to Grand Falls Regional Food Bank Pres. Glenn Rioux.

Irade Classifications											
(as)	Alarm & Signal	(ei)	Electrical Inspection	(lctt)	Line Clearance Tree Trimming	(mps)	Motion Picture Studios	(rr)	Railroad	(spa)	Sound & Public Address
(ars)	Atomic Research Service	(em)	Electrical Manufacturing	(lpt)	Lightning Protection	(nst)	Nuclear Service Technicians	(rtb)	Radio-Television Broadcasting	(st)	Sound Technicians
(bo)	Bridge Operators	(es)	Electric Signs		Technicians	(0)	Outside	(rtm)	Radio-Television	(t)	Telephone
(CS)	Cable Splicers	(et)	Electronic Technicians	(mt)	Maintenance	(p)	Powerhouse		Manufacturing	(u)	Utility
(catv)	Cable Television	(fm)	Fixture Manufacturing	(mo)	Maintenance & Operation	(pet)	Professional, Engineers &	(rts)	Radio-Television Service	(uow)	Utility Office Workers
(C	Communications	(govt)	) Government	mow	Manufacturing Office Workers		Technicians	(SO)	Service Occupations	(ws)	Warehouse and Supply
(cr)	Cranemen	(i)	Inside	mow)		(ptc)	Professional, Technical &	(s)	Shopmen		
(ees)	Electrical Equipment Service	(it)	Instrument Technicians	(mar)	Marine		Clerical	(se)	Sign Erector		
	Efforts are made to make this list as inclusive as possible, but the various iob categories of IBEW members are too numerous to comprehensively list all.										

#### 'Work Picture Appears Sunnier'

L.U. 41 (em,es,govt,i,se&spa), BUFFALO, NY—As we come out of the winter thaw, things appear to be looking a little sunnier. One of our manufacturers, Niagara Transformer, is constructing a new facility and we also have a couple of other projects on the horizon that should put most of Book I back to work sometime this summer.

On March 17 we will gather again at Niagara Square in downtown Buffalo for the annual St. Patrick's Day parade. The weather the past couple of years has been terrific for this event and so has the turnout. Active and retired members assemble with their families and friends for food and refreshments prior to walking up Delaware Avenue in front of tens of thousands of revelers who, at least for one day, are celebrating their "Irish heritage." Anyone who would like to join us, please contact the union office.

Since our last article, Local 41 held its annual Children's Christmas Party, which was a huge success thanks to Bro. Jim Devany and his family. Local 41 members also overwhelmingly supported six less fortunate families by purchasing over 100 gifts for St. Luke's Mission of Mercy. Thank you to all who supported these great occasions; they are what help make us a union.

Gregory R. Inglut, A.B.M.

#### **Service to Community**

L.U. 43 (em,i&rts), SYRACUSE, NY—Work slowed down through January and started to pick up again in February. The Turning Stone Casino announced a \$20 million expansion to begin in early spring. Through the continued efforts of Local 43 Pres. Pat Costello, we have maintained a close relationship with the Oneida Nation and they continue to honor a project labor agreement (PLA) put in place years ago. Continuing a tradition started by earlier

Continuing a tradition started by earlier classes, our first-year apprentices throughout last year collected bottles and cans, nonperishable food and monetary donations to be dispersed at Christmas. Gifts purchased from monies collected were distributed at the following hospitals: Rome Memorial, Cortland, Oswego, Faxton-St. Luke's, Crouse, and Golisano Children's hospitals. The apprentices also collected 1,602 pounds of food that was delivered to our area food bank, along with a \$400 check donated by NECA.

Jim Corbett, P.S.



Presenting donation to Food Bank of Central New York are: Local 43 apprentices Alex Gorbonov (left), Mark Hoffman, Tim Cox, Rick Bean, Adam Town (holding NECA check), Brien Woodard, Brian Buske, Dominic Hill, Dave Graves and Dave Voellm. Instructor David Nichols is at far right; Lynn Hy, CNY Food Bank, is at front, center (holding banner).

#### 2013 Work Picture is Promising

L.U. 47 (lctt,mo,o,u&uow), DIAMOND BAR, CA—Happy St. Patrick's Day. The 2013 new year has started with more promise than we have witnessed in years. Outside construction work continues to be strong. The utilities are making improvements and upgrades to an aging electrical grid. Bus. Mgr. Pat Lavin addressed the Riverside City Council urging them to support the Riverside Transmission Reliability Project, which includes a new double-circuit 230-kilovolt transmission line, a 230/69 kV electrical substation, and new 69 kV sub-transmission lines.

Local 47 crews from Southern California Edison (SCE), Bear Valley Electric and the cities of Riverside and Anaheim responded to the damage caused by Hurricane Sandy. The skilled workers of the IBEW, once again, showed they are ready to respond to any emergency wherever needed.

SCE continues its efforts to restart the San Onofre Nuclear Generating Station, which has been shut down for a year. Local 47 has supported the company in its efforts with both the Nuclear Regulatory Commission and California Public Utilities Commission.

We had our annual Christmas celebration on Dec. 14 last year. Santa and Mrs. Claus gave toys to the youngsters who attended. More than 200 members, families and friends were on hand. Live well, work safe, work union!

Stan Stosel, P.S.



Local 47 Bus. Mgr. Patrick Lavin and newly elected U.S. Rep. Gloria Negrete McLeod of California attend Local 47's Annual Christmas House.

#### **Members Ratify Contracts**

L.U. 53 (lctt,o,rts&u), KANSAS CITY, MO—Following is a wrap-up of 2012 events:

On Dec. 7, a three-year agreement with Se-Ma-No Electric Co-op of Mansfield, MO, was ratified. The agreement features a 2 percent wage increase for each year of the agreement, and the co-op will switch medical coverage from NRECA to LINECO.

We also ratified a twoyear Construction Agreement that includes a 3.25 percent wage increase for each year of the contract.

We ended 2012 with our Annual Christmas Party at the Local 53 hall. It was a great time within the Brotherhood to spread a little holiday cheer together.

Moving into 2013!—We

are still in negotiations with a new group, Water Pollution Control of Independence, MO.

Looking Good, Local 53!—We have a new look! We are in the process of updating and remodeling our building. When it is done and completed, stop by and see the results. Hope all finds and keeps you well ... Local 53!

Tracy A. Riley, V.P.

#### Habitat for Humanity Volunteers

L.U. 103 (cs&i), BOSTON, MA—Local 103 and the membership continue efforts in giving back to the communities where we live and work. In early November, Local 103 and Sullivan & McLaughlin Companies broke ground on a Habitat for Humanity project with the City of Lowell. (In the photo below, Bus. Agent Lou Antonellis is pictured along with Lowell city officials.) The project is an urban renewal plan starting with the building of four new homes. In hopes of turning the deteriorating neighborhood back into the community it once was years ago, our members are donating their time and effort in wiring these new homes.

The children's Christmas party was held at the hall on Dec. 2 last year for Local 103 members and their families. Santa greeted all the children who waited in the long line and gave them an early Christmas gift. After visiting with Santa, the kids enjoyed watching a magic show and getting their faces painted. It was a great day for the children to see Santa and for the parents to see old friends. Many people dedicated their time and energy to make this day so special for the children, and for that a special thank-you goes out to all of you.

Kevin C. Molineaux, P.S.



Local 103 Bus. Agent Lou Antonellis (third from left) and city officials of Lowell, MA, break ground for a Habitat for Humanity project.

#### **Appreciation for Service**

L.U. 105 (catv,i&o), HAMILTON, ONTARIO, CANADA— Local 105 Bus. Mgr. Lorne Newick at this writing is in negotiations with the contractors to discuss our joint proposal. As of April 30, 2013, our no strike/no lockout clause is non-valid. Let's hope we can avoid a strike, but still be prepared in case of that outcome.

Our Asst. Bus. Mgr./Dispatcher Brad Gold resigned his position due to personal reasons. We thank Bro. Brad for his excellent work and dedication to our union, and we wish him all the best in his future with the union.

We thank all the out-of-town locals that have given us work over the years. It looks promising on our home turf that we will be able to return the favour very shortly, as our local work picture is picking up.

Congratulations to Chris Swick as our new Training Centre director. I know he will do an excellent job in this new position. We also wish to acknowledge Clark Hurly, who previously held this position. We wish Bro. Hurly well in his future endeavours.

Phil Brown, P.S.

#### Election of Officers in 2013

L.U. 111 (em,govt,lctt,mt,o,rtb,spa&u), DENVER, CO– Nominations for union officers begin in April 2013. The election of Local 111 officers, Executive Board members and Unit 1 Examining Board members will occur this year.

The election process starts at April unit meetings, where nominations will be made. A mail ballot will then be sent to all active members in good standing during the month of May, with ballots to be counted on June 7. Members will vote for candidates for the following offices: business manager/ financial secretary, president, vice president, recording secretary, and treasurer; additionally, seven Executive Board members will be elected (with six elected at large, and one to be elected from Unit 1), and three Examining Board members (elected from Unit 1 Journeyman Linemen).

The official notice of the IBEW Local 111 nominations and election will be mailed in March.

Please make a point to attend your unit meetings in April and participate in this very important election.

Mike Kostelecky, P.S.

#### 'Stand Together'

L.U. 125 (lctt, o,t&u), PORTLAND, OR—A new year brings opportunity. After a year that saw Michigan become the 24th "right-to-work" state and Hostess Brands close, which eliminated nearly 18,000 workers, we need to prepare for 2013 by committing to three things: solidarity, communication and education.

Employer, classification, and location do not matter; we are Local 125 members and need to stand together on issues. Employers may have reason to make changes, but we must ensure that these modifications do not divide and conquer our membership. Changes that benefit individuals or pit classifications against each other must not be tolerated. If an employer has valid reason, it can request impact bargaining or other avenues to discuss its needs.

Information will be shared on our Web site, at unit meetings and in union communications. Take the time to share your experiences with your peers. Talk with your co-workers, family and friends about the benefits of labor unions. Employers would rather you were not represented. We have to promote the skills and knowledge that you possess to provide the quality, safe, and reliable service that our employers promise. Commit to improving relationships, increasing communication, and sharing your knowledge. Together, we can protect your rights while securing your future.

Marcy Grail, P.S.

#### **Organizing Success**

L.U. 177 (bo,ees,i,mo,o&pet), JACKSONVILLE, FL— Although short-term jobs may have picked up a little, there still aren't any significant projects happening in our area anytime soon. Times are still pretty tough in

northeast Florida. I thank all of those locals, from all across the country, that have been working our brothers and sisters as they travel to earn a living. I hope Local 177 can return the favor someday.

Thanks go to Bro. David Gates for a job well done as political coordinator for Local 177 during the 2012 elections. Bro. Gates was instrumental in turning out the vote in our local and other locals in the Central Labor Council as well as the general public.

Congratulations to the organizing department for winning a representation election with the Duval County School Board maintenance employees. We are currently negotiating a contract for our new Unit 2. Over 200 school board maintenance workers will soon be covered under a collective bargaining unit.

Thanks to the volunteers who made Local 177's Children's Christmas Party and Retirees Christmas Luncheon a great success. Retired Bro. Bill Gehm played the role of Santa for the 37th year. I hope all IBEW brothers and sisters have a

great and prosperous year.

Alan Jones, Pres./P.S.

#### **Gateway Pacific Terminal**

L.U. 191 (c,i,mo,rtb&st), EVERETT, WA—At the time of this writing, the struggle goes on for the Gateway Pacific Terminal as the EIS (environmental impact statement) process begins. Members of Local 191 along with others from labor, business, government and the community have attended numerous meetings to show support for construction of the multicommodity dry bulk cargo-handling facility.

The terminal is meeting opposition from the environmental community over potential hazards of coal dust from the additional train traffic and the terminal itself. Coal trains have been traveling through the area for a number of years on their way to a terminal in Canada and will continue along these tracks in growing numbers. The question is, do they continue to cross the border or unload at the new, environmentally safe, Gateway Pacific Terminal?

When approved, the Gateway Pacific Terminal will be constructed with strict environmental requirements, while bringing growth to the region's economy. It will create more than 4,000 construction jobs at its peak, 1,250 permanent family-wage jobs and \$140 million a year in economic benefits.

As labor, business, government and the community continue the campaign, it reminds us how important it is for all of us to do our part.

Tim Silsbee, P.S.

#### 2012 Election & Voter Turnout

L.U. 193 (i,lctt,o,rts,spa&u), SPRINGFIELD, IL— Brothers and sisters, what a nice pro-labor, pro-American, pro-progressive 2012 election it was. Labor did not receive 100 percent—however, Mitt & Paul never "hoboed" into our White House and the GOP never seized the U.S. Senate! A big "thankyou" goes to those who voted. Turnout was the key in preserving our way of working and living!

Congratulations to all those pro-labor candidates and office holders! At this writing, the debt ceiling, budget and fiscal matters, Hurricane Sandy recovery and other issues still need to be decided. Both parties need to start working together for the betterment of all of America. We will need all the help we can muster. Write your senators and congressmen. You might want to put them on "speed dial" as well?

The IBEW Local 193 Christmas party last year

was a success and all had a good time.

With deep regret we report the passing of members Mike Moore and Norman "Zeke" Dennison. Local 193 extends condolences to their families and friends.

Happy new year to all for 2013. Hopefully it will be better than 2012, as we move forward.

Don Hudson, P.S.

#### 100<sup>th</sup> Anniversary Celebrated

L.U. 197 (em&i), BLOOMINGTON, IL—We hope 2013 will be a great year for our industry.

Our local celebrated our 100th anniversary last fall. The party was held at the Marriott Hotel and Convention Center, which approximately 30 of our members helped build a few years back. The meal was great, the refreshments plentiful and the camaraderie even better. Gary Eichelberger and Dennis Rexroat had scanned some old and new photos and put them on a digital video disc, which was played on the big screen throughout the evening. It was pleasant to see a history of members coming together at community events, union meetings, golf outings, softball tournaments, and on various job sites. If you wish to see the pictures, there are copies at the hall.

Dignitaries attending the party included Sixth District Int. Vice Pres. Lonnie R. Stevenson, Sixth District Int. Rep. Paul A. Noble, Illinois Organizing Coordinator Dave Burns, and officers from some sister locals. Thanks to those who served on the party committee including Rich Veitengruber, Lance Reece, Mike Russell, Stephanie Ashenbremer, Sara Jones, Renee Riddle and Jana Mclean. Also thanks to members who attended. We look forward to helping keep the local around for the next 100 years. [*Photo, below.*]

In April it's time for elections here in McLean County. Bus. Mgr. Lance Reece is running for a position on the Heartland Community College Board. It's important we get to the polls and help him get elected. This community needs more working-class voices and Lance has stepped up to the challenge. Get involved in the local union and stay involved!

Mike Raikes, P.S.

#### **Preparing for Special Election**

L.U. 223 (em,govt&i), BROCKTON, MA—As we move forward into 2013, we have two newly elected legislators, U.S. Sen. Elizabeth Warren and U.S. Rep.



Local 197 service pin recipients, joined by Int. Vice Pres. Lonnie R. Stephenson (seated, center). Standing, from left: Ken Mclean, Mitch Junis, Robin Roberts, Mike Douglas, Dennis Rexroat, Matt Wall, Justin Walker, Greg Mullins, Jon Stanek, Pres. Rich Veitengruber, Steve Rousey and Mike Raikes. Seated: Margie Junis (accepting for her father, Carl Kerner), Bus. Mgr. Lance Reece, Int. Vice Pres. Stephenson, Dick Thompson and Larry Mathis.

Joseph P. Kennedy III, and we are now preparing for a special election to fill the Senate seat vacated by newly appointed Secretary of State John Kerry. Being involved in politics is a never ending battle, and we must elect people who will constantly look out for our best interests.

As we write this, the Cape Cod solar projects should be moving forward with a spring start. With the past year of election uncertainty behind us, let's hope that the economy and elected officials in Congress move us forward. As the casino resort moves forward, let's hope the projects begin in Massachusetts sooner rather than later.

Doug Nelson, B.A.



Local 257 apprentice graduates: Anthony Edwards (left), Daniel Jones, Michael Olsen, Brandon Bashore, Craig Kallenbach and Austin Williams. Not pictured: Robert Forrester, Kasey Lay, Kevin Moore, Bart Pendleton, William Steeby and Caleb Walker.

#### 2012 Apprenticeship Class

L.U. 257 (em,i,rtb,rts,spa&t), JEFFERSON CITY, MO— Congratulations to the 2012 apprentice graduating class—another fine class with a bright future in the electrical field. Local 257 held a graduation dinner and presented completion awards at Meadow Lake Acres on July 6. Thanks to all the instructors with the five-year program!

A new three-year contract for Local 257 inside wiremen was negotiated and ratified. Thanks to everyone who came out and voted on this contract! Our new contract is effective March 1, 2013.

For Local 257 telephone branch members, the previous Centurylink contract was up in November 2012. After tough negotiations, a new contract was ratified. We are glad to have that contract settled and to move ahead.

The Local 257 work picture looks steady with most members working. This spring, work is planned at the Callaway Nuclear Plant; that project will include 257 workers. Steel is being put up at the

> new St. Mary's hospital in Jefferson City with an outlook for workers to start hitting the job in the fall of 2013.

On a sad note we lost several members in 2012: Millard Specie, Richard VanSciver, Gary Fisher, Dwain Manley, Jim Conroy, Grant Gallatin, Tom Thournberry, Don Britts, Marvin Pauley, Karen Cox, John Hume and Clarence Castleman. They will be missed. Our condolences and prayers are with their families.

Support your local to keep our union strong!

Ryan Buschjost, P.S.

#### 'Happy Birthday, 269!'

L.U. 269 (i&o), TRENTON, NJ—On the night of Dec. 1 last year, members of Local 269 celebrated 100 years of existence in grand style in the main ballroom of the Westin Hotel in Princeton. Members traded their coveralls and work boots for dinner jackets and wingtips to enjoy a night of fine dining, cocktails and live music. Local politicians and

friends of labor were invited as

guests of the membership. Attendees were especially honored by the presence of Int. Pres. Edwin D. Hill. Pres. Hill handed out service pins to eligible members. A special service award was presented to recently retired local president and longtime trade school director Cliff Reiser for his years of dedicated service and commitment to the local.

After the speeches and awards presentation, the membership settled in to enjoy the fruits of their labors. Old friends caught up, new friends

were introduced, and all had a good time. Such an event requires a lot of hard work and planning and we thank all of those who helped make our anniversary a very special and memorable night.

Brian Jacoppo, P.S.



Award recipient Cliff Reiser (center) is congratulated by Local 269 Bus. Mgr. Steve Aldrich (left) and Pres. Wayne De Angelo.

#### 'Honoring Those Before Us'

L.U. 343 (i,spa&st), LE SUEUR, MN—Local 343 honored 2012 retirees and graduating apprentices at the annual awards banquet held at Treasure Island Casino in Red Wing.

The following members retired in 2012: Ronald Fuerstneau, with 42 years of membership; Joseph Wilcox, 42 years; Larry Hoehn, 41 years; Richard Winkels, 37 years; Thomas Capp, 36 years; Thomas Wieczorak, 35 years; Steve Bernard, 34 years; Louis Downing, aka "Santa," 32 years; Richard Olson, 21 years; James O'Neil, 16 years; Wayne Schlosser, 15 years; and Ronald Nickel, with 12 years.

We say thank-you and happy retirement to these 12 recent retirees, and at the same time we welcome and congratulate the 26 graduating apprentices of 2012.

Now it is the responsibility of our members who are experienced journeymen to mentor the new journeyman wiremen in the ways of the



Some of the Local 349 members who volunteered their help during the 2012 election season.

Brotherhood. Take pride in your work and pride in yourself. The work we do is a reflection of ourselves and our union. Teach and lead by example. We are the union. Make those who came before us proud.

Tom Small, P.S.

mately 18 megawatts of power.

#### **Members Keep Union Strong**

L.U. 349 (em,es,i,mps,rtb,rts,spa&u), MIAMI, FL— At our August 2012 union meeting, we handed out a 60-year pin to Bro. Philip Schraedel. Also, we sent 60-year pins to Bros. Howard Baggett, Benny Biscotti and Pete C. Keukelaar. Additionally, 65-year pins were sent to Bros. Harry Olson, John Volonino and Lewis Turner. Thank you to all pin recipients for your years of service and help in making Local 349 and the IBEW a strong union.

Over 400 friends attended our December Friends of Labor Luncheon. Great food and socializing were enjoyed by all.

Thank you to Pres. David Karcher and the Entertainment Committee for the Children's Christmas party. Everyone enjoyed food, fun and prizes. It all made for a great party.

We also thank Pres. Karcher and the Entertainment Committee for all the events they do each year.

We had about a 95 percent success rate in electing candidates we endorsed for the November 2012 elections. This was because of all the help we had from local union volunteers. [*See photo, at top.*] We could have had the 100 percent if more members had helped.

Attend your union meeting and stay informed. This local has been here 109 years; let's keep it here for another 109 years.

Remember our troops and our working IBEW members overseas. May we bring them home safe.

Frank Albury, P.S./Exec. Brd.

#### **Big Solar Installations**

L.U. 351 (c,cs,i,it,lctt,mt,o,se,spa&t), FOLSOM, NJ– Local 351 continues to be very successful with solar installations in our area. The picture accompanying this article shows the Medford solar project with phases I and II completed. The oval section was phase I and was completed in late December 2011. Phase I maxed out at 85 members and was completed in 14 weeks; the solar array produces 6 megawatts of power. Phase II was completed in October 2012; it maxed out at 87 members and was completed in 12 weeks. The phase II array produces 6.5 megawatts of power.

Both phases were completed on time and

under budget. All work performed on the project

completed this solar array will produce approxi-

A third phase is scheduled in 2013, and when

Dan Cosner PS

was done 100 percent by IBEW members.

Medford Solar Inverter installation, an IBEW Local 351 project with phases I and II completed.

#### 'Hard Work & Dedication'

L.U. 369 (em,es,i,lctt,o,rtb,rts,spa&u), LOUISVILLE, KY—After being scolded by some of our members for a lack of articles, I am submitting this report about topics important to our local. Although our work picture has not been as bright as we would like, we have been very fortunate. We weathered the recent financial storm and there appear to be a lot of possibilities on the horizon, so close but just out of reach for now. But there is one thing that has been consistent, something that we have always been able to count on.

I'm talking about those who serve as the backbone of many local unions. The ladies who work in our office, they volunteer throughout the year for several charities. They walk in fundraisers, volunteer at soup kitchens, etc. For every shirt, hoodie, hat and anything else they come up with that is sold through the local union, one dollar is added to the price—and then each year, along with help from some of our members and contractors, we make donations to local charities. Additionally, the office people basically keep everything here running smoothly. Far too often they go unnoticed behind the scenes, serving the membership of their respective locals. Many of these workers may not be members themselves, but they inspire the brotherhood and sisterhood, which we all cherish, with their hard work and dedication.

So here's to you hard working financial office people; thanks for all you do. Brothers and sisters, the next time you make a trip to your local union, remember, without them we probably don't exist.

John E. Morrison Jr., P.S.



Local 375 congratulates the Moyers, a third-generation IBEW family. From left: Barrie Moyers Sr., Jessie, William (seated), David and Barrie Jr.

#### **3rd Generation IBEW Family**

L.U. 375 (catv,ees&i), ALLENTOWN, PA—IBEW Local 375 held its annual Family Christmas Party on Dec. 9, 2012. Approximately 200 members and their families enjoyed hot dogs on the grill, candy, ice cream and homemade cookies. The entertainment for the party was Al Grout—juggler/comedian/magician. There were plenty of young "helpers" to perform in his act. The highlight of the day was a visit by "Santa" (retired member Dale Clauser). Everyone had a great time. Thanks go to all who made the day special, including "Santa" and retired member Wayne Yenser (Yenser's Tree Farm), who once again donated our Christmas tree.

Accompanying this article is a picture of the Moyer family, a third-generation IBEW family. Family members include Grandfather William Moyer, who has 53 years of IBEW service; his son Barrie Sr., 35 years of service; and three grandsons—Barrie Jr., with six years of service, Jessie, with 10 years of service, and recently initiated apprentice David. Congratulations and thanks to the Moyer family for your service to the IBEW.

Dave Reichard, A.B.M.

#### 2012 Annual Food Drive

L.U. 459 (ees,em,govt,so&u), JOHNSTOWN, PA—One often hears negativity in the media concerning unions and rarely anything positive—but unions do a lot of good including volunteer community service.

Since 1983, Local 459 has conducted a very successful annual food drive. The drive begins in November and runs through December. Our members and employers have donated generously over

the years and have raised over \$171,282. The money and food collected are distributed to food banks/Salvation Army in areas where our members work, and grocery store gift cards are sent to a few of our members who are off work for some reason.

As of this writing, Local 459 was wrapping up our annual food drive for 2012. Special thanks go to our stewards who collect and to our members and employers who make the drive so successful.

Yes, unions do a lot of good and the Local 459 Food Drive is definitely one example.

Mary M. Perdew, R.S.

#### Work Picture Update

L.U. 477 (i&rts), SAN BERNARDINO, CA—I hope all are having a good 2013 so far and that everyone survived 2012. Local 477 continues to do well even though our work has slowed down a little.

The Ivanpah Solar Electric Generating System plant project at the state line will be wrapping up this summer, with the hope of more such work in the future.

We continue to have work at the Molycorp Inc. mine, and we are working at the downtown San Bernardino Justice Center project. There are also many other small projects throughout our jurisdiction.

Shown in the photo below are several Local 477 members who participated in a clay target shooting event held last December at neighboring Riverside, CA, Local 440. The event was a great time for everyone and included a lunch and raffle. Until next time, be safe.

Kenny Felts, Pres.



At a Local 369 fundraiser, member Rickie Riggs (center) wins raffle. From left: Bernie LaRue, Ronda Goodin, Riggs, Debbie Roby and Joanne Caple.



Local 477 members participate in clay target shooting event: Leo Gonzales (left), Mike Burgum, Justin Gaudin, Kenny Felts, Joe Madrid and Dean McKernan.

#### A 'Great New Beginning'

L.U. 551 (c,i&st), SANTA ROSA, CA—Greetings from beautiful Northern California. We wish all brothers and sisters a lucky and prosperous 2013.

We successfully concluded 2012 with a great ending and a new beginning. In the first week of December 2012, Local 551 made its last mortgage payment on our union hall. We now own our hall free and clear! We then ended 2012 with closing escrow the very last day of the year on a building that will become our new state-of-the-art training facility. Bus. Mgr. Jack Buckhorn and Training Dir. Steve Stobel set a goal to have the new facility operational by fall semester.

Our work picture looks hopeful. The first week of January started with calls rolling in putting journeymen and apprentices to work. Journeymen, please keep your state certifications current as this is a requirement to be dispatched to any job. The state certification must be renewed every three years—and 32 hours of continuing education are required during the three-year intervals between renewals. OSHA 10 is a great class to have and counts toward re-certification.

Work safe, brothers and sisters! And attend your monthly union meetings, held at 6 p.m. on the second Thursday of every month.

Denise Soza, P.S./B.R.

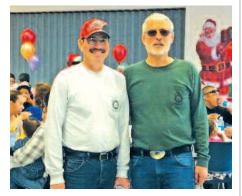


Members attend flag raising ceremony at Local 551 building. Bus. Mgr. Jack Buckhorn (dark suit) assists member Eamonn O'Halloran, former executive officer, with raising flag.

#### **A Friend of Labor Mourned**

L.U. 611 (catv,es,govt,i,lctt,o,spa,t&u), ALBUQUERQUE, NM—In December last year Local 611 members ratified the contract with the NECA contractors.

We held our annual Children's Christmas Party in December. Despite a smaller than usual turnout,



Bus. Mgr. Chris Frentzel (left) and Asst. Bus. Mgr. Carl Condit at the Local 611 annual Children's Christmas Party.



Atlanta, GA, Local 613 apprentice graduating class of 2012.

it was still a great success. Each year the party committee does an outstanding job. Thanks, guys.

The state legislative session started in January and will last for 60 days this year. Our Republican governor has promised not to introduce so-called "right to work," so presumably we can breathe easier for at least a year.

In December our state lost one of labor's ardent supporters, then-Rep. Ben Lujan, who was speaker of the New Mexico House of Representatives. Lujan passed away Dec. 18 and will be missed not only by labor unions but by everyone who knew him.

The local extends condolences to the families of recently deceased members: Ronny J. Stewart,

Goyko Vuicich, Louis E. Howard, Donald Boyd, Paul L. Wyant, Leo Olson, Sam Candelaria and Eric Camron. They will be missed. Remember: Union meetings are

on the third Thursday of each month.

Darrell J. Blair, P.S.

#### AEJATC Apprentice Graduation

L.U. 613 (em,i,o,rts&spa), ATLANTA, GA—On Nov. 3, 2012, the Atlanta Electrical JATC graduated its largest apprenticeship class in IBEW Local 613 history. [*See photo, above.*] There were 103 graduates in the class of 2012, and of that group only 10 were unable to attend the graduation ceremony. Most all graduates brought their families to the event. There was

a hotel room full of graduates, spouses, contractors, children, office staff and officers. Attendees included Local 613 Pres. Max Mount Jr. and Bus. Mgr. Gene O'Kelley.

Each year the apprenticeship committee is given the difficult task of nominating an outstanding apprentice. It was especially hard last year because of the large number of students who greatly excelled in their studies. For 2012, the honor was bestowed upon Brandon Adams. He is currently working for Brooks, Berry and Haynie, one of our longtime contractors. Reportedly, the 2013 apprenticeship class may be even larger.

Beatrice Andrews, P.S.

#### **Strong Work Picture**

L.U. 617 (c,i,mo&st), SAN MATEO, CA—The work picture, for the first time in several years, looks very good. Members are enjoying steady employment at several new hospital and medical facility projects: Kaiser and Sequoia in Redwood City and Palo Alto Medical Foundation in San Carlos. San Francisco International Airport currently has \$500 million in projects underway with over \$2 billion more to begin in the next few years. And the many tenant improvement projects underway signal a steady and sound recovery. There is a bright light at the end of the tunnel!

The defeat of Prop 32 in California was icing on the cake. At local levels in Burlingame, Daly City and San Carlos, labor phone banked, precinct walked and voted into place over \$237 million of future construction projects in four different school districts! Workers elected 13 labor-friendly candidates to city and county offices. While national elections grab headlines, local politics matter! Many thanks to all those union workers and their families, friends and neighbors who answered the call to keep our way of life in San Mateo County strong and prosperous into the new year!

On Dec. 8 last year, over 100 members and their families gathered to celebrate the Christmas season and Santa made a visit. The union hall was replete with holiday spirit thanks to the Golden Gate Lionel Rail Road Club's model train display, and the many staff and volunteers who made this an enjoyable celebration.

Dan Pasini, V.P.



A new addition to the IBEW Local 617 family attends holiday party.

#### **Work Picture is Slow**

L.U. 625 (ees,em,i,mar&mt), HALIFAX, NOVA SCOTIA, CANADA—Congratulations to our newly certified journeyman electricians: Bros. Thomas Marshall, Ryan Doyle and Justin George-Worth. Carry on the IBEW tradition of giving your very best every day, brothers. Congratulations to recently retired members:

Bros. Wayne Keddy, Mike Evans, Joe Primeau and Paul Matheson. Thank you, brothers, for your many years of service. Our heartfelt condolences to the family of

Our heartfelt condolences to the family of retired Bro. Robert Allen, who passed away on August 25 last year. He was 61. The work picture is slow in Halifax despite announcements of several mega-projects. Everything seems to need at least five announcements and three tender calls before shovels hit the dirt. Then we see multiple delays with engineering flaws. With today's technology and software, buildings and system designs should be quicker and better. It has become difficult to predict manpower increases with the engineering problems we encounter on projects. Some projects are seeing multiple layoffs before peaking because of material shortages, lack of drawings, or design work going back to the drawing tables. We have members wanting to work and the work is out there.

Tom Griffiths, Pres.

#### **Welcome to New Members**

L.U. 627 (u), FORT PIERCE, FL—In recent months, we have seen an increase of 40 members at Local 627. The most recent new members, Bros. John Shirk and John Dysard, are Connect and Disconnect specialists. The new members are graduates of the apprentice programs that Local 627 participates with, in conjunction with Indian River State College and Florida Power & Light. These members will fill positions with Nuclear Power, Transmission & Distribution and also as substation electricians.

The highlight of our December 2012 meeting, in addition to swearing in new members, was the presentation of a retirement watch to Bro. Lou Sneltzer for his 30 years of IBEW service and membership; the presentation was made at our annual Christmas party held the day of the meeting. The Transmission and Distribution service centers were recognized for completing a year of operation without an OSHA incident.

The extended power upgrades to Plant St. Lucie Nuclear Units 1 & 2 are now complete. We will continue to stress "safety first" for all of our brothers and sisters, and we look forward to a new year of providing safe and efficient labor.

Our thoughts are with the people still suffering from the effects of Hurricane Sandy. Our local traveled many members to the hard-hit areas to help in the restoration project. We wish all involved the best of luck with restoration efforts.

Ray Vos, P.S.

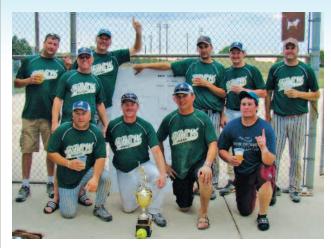
#### Softball Tournament Win: Brotherhood & Sportsmanship

L.U. 649 (i,lctt,o,rts,spa&u), ALTON, IL—At our December meeting, Local 649 recognized the team that won the 36th annual IBEW Local 601 Softball Invitational Tournament.

After a victory over Local 701, we lost to Local 702. We fought our way back through the loser's bracket. With solid defense and balanced offense we defeated Local 193, Local 34, perennial favorite Local 150, and defending champion Local 176.

That set up a showdown with undefeated Local 702. In the double elimination tournament, we had to beat them twice. We went into the seventh inning down 10 runs, but battled back within two.

It was the bottom of the seventh, two on and two out. Sean Watson stepped to the plate. In seven games, Sean failed to reach base only three times and amazed the crowd with towering home runs. Local 702 walked him intentionally, loading the bases for Greg "Peaches" Eilerman. Peaches responded with a walk-off grand slam. Our momen-



Local 649 softball tournament champs: front row, Pat Friedel, Kerry Mossman, Greg "Peaches" Eilerman, Jesse Rutherford; back row, Travis Lee, Steve "Lucky" Twichell, Keith "Stick" Berry, Drew Baalman, Mark Klaas and Justin Hillin.

tum carried into the championship game. We short-gamed Local 702.

Local 649, the smallest local in the tournament, claimed the championship trophy.

We thank Local 601 and all the participants. Win or lose, there is no finer example of IBEW brotherhood and sportsmanship.

Charles Yancey, A.B.M.

#### **Work Picture Improves**

L.U. 659 (c,catv,em,i,lctt,o,st,t&u), MEDFORD, OR— The work picture should continue to improve this year. Pacific Power has cut the number of full-time employees and will have to continue to utilize contract crews to complete mandated work.

The following Local 659 members, including both active and retired members, passed away in 2012: Harold Allen, Lyle M. Anderson, Arkus Bray, Robert L. Brownell, Henry Campbell, Martin F. Deery, William E. Edenfield, James C. Greenhaw, Wayne D. Hancock, Ivan L. Harpole, Gary L. Holm, Roger D. Jones, Kenneth M. Kitchen, Brian Nelson, Jerry W. Peterson, William C. Rose, Thomas Slaughenhaupt, James W. Tibbet, Leroy Tudor and Wesley F. Yancey. Thev will be missed.

Tom Legg, Pres.

#### Service Awards & Graduation Certificates

L.U. 673 (catv,i,rts,spa,t&u), PAINESVILLE, OH—At our December union meeting, years-of-service awards were given out. The true guest of honor was Bob Eldridge, who received his 65-year pin. Bob received a standing ovation as his award was read. At the reception afterward Bob made his rounds introducing himself to many members who are too young to have ever worked with him. It would have been impossible to talk with Bob on this evening and not come away impressed with his love for our trade and our organization.

Following the service awards presentation, our apprentices were recognized. The graduating fifth-year class received their certificates, and the outstanding apprentices for each class received a check equal to the cost of their books for the year. [*Photo, at right.*] Congratulations to everyone.

Jim Braunlich, P.S.

#### Anniversary Banquet in April

L.U. 773 (as,em,i,mo&o), WIND-SOR, ONTARIO, CANADA—Work continues to be slow in our area, with an improving work picture in the coming months.

The members of Local 773 greatly appreciate work from the following locals during these slow times: Local 2038, Regina, SK; Local 529, Saskatoon, SK; Local 1687, Sudbury, ON; and Local 586, Ottawa.

The Greater Essex County School Board sought a judicial review regarding its status as a construction employer. The Labour Board's Court of Appeal

dismissed this appeal. This upholds the decision of the Labour Board that the school board is a construction industry employer. Local 773 represents the electrical workers at the school board. With this decision we will continue to perform all maintenance/construction for the school board.

A banquet will be held April 13 to celebrate Local 773's 95th anniversary. I wish to thank in advance the volunteers who are working hard to make this evening a successful event.

David Spencer, P.S.

#### **IBEW** Community Volunteers

L.U. 915 (i&mt), TAMPA, FL—A sunny and warm December Saturday morning did not deter approximately 26 members of Local 915 who turned out to volunteer their time and talents for a good cause.

Retired member and former signatory contractor Ken Robinson in collaboration with the South Tampa Ecumenical Ministries (STEM) joined efforts with Metropolitan Ministries to build the Faith Café in an effort to feed our neighbors in need. Local 915 members and staff spent the day completing the rough-in and service on the new community building in Tampa. MJM Electric pulled the permits.

Bro. Ken Robinson commented on how proud the people of STEM were to see that so many qualified men and women came out to share their gifts to help with the project. He was proud to see everyone having a good time working to help others and noted that we showed joy in being able to give back



Local 673 outstanding apprentices receive awards. Back row, Training Dir. Rich Goodmanson (left), Apprentice Trustee Rory Breedlove; front row, apprentices Don Ziemak (first year), David Mealy (third year), and David Gaeta (fourth year).



Bro. Ken Robinson (middle row, center, in black T-shirt with white stripe) and Local 915 volunteers for the Faith Café project.

to our community. It was a good way to spend the day with our brothers and sisters helping those we may never meet.

Thanks go out to Bro. Roberto Rosa and his volunteers for hosting our annual Christmas party last year and bringing our members together to celebrate the holiday season.

Theresa King, P.S.

#### Storm Recovery Assistance

L.U. 1049 (lctt,o,u&uow), LONG ISLAND, NY— Superstorm Sandy caused outages for over 1 million electric customers, and 100,000 gas customers were affected. On behalf of Bus. Mgr. Donald Daley and the Long Island community, I wish to thank the members of Local 1049 and the thousands of IBEW members who came to assist. Thank you for all of your hard work, dedication and long hours. Thank you for showing Long Island what a safe and professional work force IBEW members are. It was truly a pleasure working alongside IBEW brothers and sisters from across the United States and Canada.

Many of our members had their homes damaged by the superstorm. Many thanks go to the International for the IBEW Unity Fund and to IBEW Local 3 for its help with administration of the IBEW Disaster Fund NYC. Thank you to all of the locals that have contributed to the fund. Your contributions will help not only Local 1049 members but also IBEW members throughout the region.

In December the members of our LCTT Division (line clearance tree trimming) approved a three-month extension of their collective bargaining agreement. We began full negotiations in February. As of this writing we are just beginning negotiations on behalf of our WRS Environmental Services Inc. members.

Thomas J. Dowling, R.S.

#### 'A Wave of Victories'

L.U. 1245 (catv,em,govt,lctt,o,pet, t&u), VACAVILLE, CA—Local 1245 began 2013 riding a wave of important victories.

In the battle against the antiunion Proposition 32 in November, our members walked precincts, worked the phones and visited dozens of job sites to alert fellow members about the threat from Prop. 32. The union reached out to its entire membership in California through mailings, e-mail messages and a "town hall" phone call hosted by Bus. Mgr. Tom Dalzell.

"It was very clear that Prop 32 would have paved the way for new attacks on our wages, benefits and working conditions. It had to be stopped, and our members helped stop it," Dalzell said. Local 1245-endorsed candidates won 30 out of 46 local races, giving us a stronger presence on many local boards whose decisions can affect our members.

Our local scored a huge legal victory at the City of Redding when the Third District Court of Appeals in Sacramento ruled that a local government can be bound by a past commitment to pay future retirement benefits to its employees even if it says it can no longer afford them. In its lawsuit, our local argued that public sector employees often give up higher wages during negotiations in order to gain improved retirement benefits. The court embraced this view.

In Nevada our local recently celebrated a favorable settlement with NV Energy over medical benefits for retirees. Led by Dalzell, the settlement created mechanisms to assure that retirees will pay no more in premiums in 2013 and 2014 than they would have before a cap on company payments was imposed in 2010. Both sides agreed to continue a collaborative process to look for similar solutions for 2015 and beyond.

The local's Executive Board recently approved new incentives for our 100+ units to become more engaged in local communities through charitable activities and sponsoring sporting events. The program is part of a larger effort by the local to build connections with the wider community and build public understanding of unions and the good they do.

Well over 200 of our members from PG&E and NV Energy traveled east in November to assist power restoration in communities ravaged by Hurricane Sandy.

Eric Wolfe, P.S.



PG&E Troublemen Hank Dickinson (left) and Jim Zack were among over 200 Local 1245 members working to restore power on the East Coast after Hurricane Sandy.

#### **Positive Work Picture**

L.U. 1249 (catv,lctt,o,t&u), SYRACUSE, NY—We hope everyone had a good holiday season. The work situation is good here in New York state, with full employment in both the A and BA chapters. The outlook is positive as it is hoped there will be many jobs starting as you read this. National Grid looks to be starting a few more projects in central New York. We shall see, as National Grid's fiscal year ends March 29. Iberdrola (NYSEG and RG&E) is still letting out quite a bit of work. Since Hurricane Sandy, Con Edison and Orange & Rockland Utilities have also let out a considerable amount of work.

Currently we have 142 apprentices with another boot camp anticipated to start in the spring. Our current Utility, Commercial &Traffic Signal agreements expire in May. We will be negotiating a new contract and bringing it around the state for ratification, hopefully in April.

Buy union, buy American!

Jennifer Schneider, P.S.

#### **Officers Sworn In**

L.U. 1307 (u), SALISBURY, MD—At our Dec. 14, 2012, meeting, our newly elected officers and board members were sworn into office. They are: Bus. Mgr./Pres. Vaughn Horner, Vice Pres. Andrew Genga, Asst. Bus. Mgr./Treas. Heather Adkins, Rec. Sec. Vanessa Cuffee, Fin. Sec. Bob Weyant, and Executive Board members Ginny Williams, Bernie Hastings, Billy Swift, Chris Sonnier, Chris Wheatley, Mitch Jones, Harry Moore, Jimmy Schnepel and Charles Harris Jr.

Receiving plaques for their dedication to Local 1307 were: David Adkins, past president/business manager; Lindley Hudson, past vice president; Eddie Sparks, past financial secretary; and Debbie Fidderman, past recording secretary. At this writing, they are looking forward to their upcoming retirement.

Our annual Christmas party last year was a big success. Thanks to Fourth District Int. Reps. Charles W. "Chuck" Tippie and Steven R. Crum for attending. Once again, Local 1307 met the challenge from a local charity to help families in need during the holiday season.

Local 1307 mourns the loss of Bro. Otis Savage Jr. Bro. Savage, hired in 1988 by Delmarva Power, held the position of stock keeper when he passed away. He will be missed by all.

Save jobs, limit imports.

Charles T. Harris Jr., P.S.

#### **A Union Brother is Mourned**

L.U. 1393 (catv,lctt,o,t&u), INDIANAPOLIS, IN—With great sadness we report the passing of a fellow union member, Bro. Brent Minton. Bro. Minton, who was age 33 and a journeyman lineman, died in an on-thejob accident on the morning of Tuesday, Oct. 2, 2012, while performing his duties for Orange County REMC. Bro. Minton was an 11-year member of IBEW Local 1393 and served as a member of the union's Bargaining Committee. Bro. Minton is survived by his wife, Crystal, and his young son and daughter.

The aging work force in the recent years and lack of hiring at the utilities have the work force at such an all-time low that one utility, Duke Energy in Indiana, is looking to hire 15 qualified journeyman linemen and 30 lineman apprentices in 2013.

The devastating impact of Superstorm Sandy has at this writing mobilized our brothers and sis-



A group of Local 1393 members at Vectren Energy mobilized to assist recovery when Hurricane Sandy struck.

ters to help the people on the East Coast hit by the storm. The local had over 600 members dispatched to the East Coast from Duke Energy, all construction agreements and Vectren Energy; those dispatched included gas workers to journeyman linemen. Vectren Energy dispatched over 80 employees in the gas division alone (photo above).

Robert C. Fox, P.S.

#### **Election of Officers**

L.U. 1501 (ees,em,mo,pet,rts&t), BALTIMORE, MD— Local 1501 completed its election of officers with little opposition. There was one office for Executive Board member that had opposition and the only other office open was for the Executive Committee of 1501-2. Congratulations to all newly elected officers. They are as follows:

Bus. Mgr./Pres. Dion F. Guthrie, Vice Pres. Fred Richards, Rec. Sec. Thomas J. Rostkowski, Treas. George Fulton, Fin. Sec. Ray Donet and Executive Board members Anthony Behrens (Southern District), Delaney Burkart (Mid-Eastern District), Jeffrey Dunn (Northern District) and Corey Snell (Canadian District).

Local 1501-2 Officers: Chmn. Fred Richards, Vice Chmn. Jason Strawhorn and Recorder Robert Taminelli. Executive Committee: Nathan Allen, Neil Becker, Delaney Burkart, Richard Keim and John Phillips.

Thomas Rostkowski, R.S.

#### **IBEW Members Re-elected to** Alaska Legislature

L.U. 1547 (c,em,i,o,t&u), ANCHORAGE, AK—Local 1547 Bus. Mgr. Mike Hodsdon presented a 50-year pin to his father, retired journeyman lineman Max



Local 1547 Bus. Mgr. Mike Hodsdon (right) presents service award to his father, retired member Max Hodsdon.

Hodsdon. Bro. Max Hodsdon was initiated into the IBEW July 1, 1961.

Two members from Local 1547 were re-elected to the state legislature. Sen. Bill Wielechowski, associate general counsel for IBEW Local 1547, was re-elected to a four-year term in the Alaska State Senate. Rep. Chris Tuck, a Local 1547 organizer, was re-elected to a twoyear term in the Alaska State House.

Melinda Taylor, P.S.

#### Improving the Union Brand

L.U. 1579 (i&o), AUGUSTA, GA—If you walk into the grocery store and buy a gallon of milk, you will probably buy the store brand because it tastes the same and the price is cheaper. If the name brand is better, we would (in most cases) buy it.

When a general contractor is shopping around for an electrical contractor, they think exactly the same way. In the eyes of a general contractor, nonunion is cheaper and the result is the same. Our job as IBEW members is to prove that this thinking is wrong.

First, we have to prove that we are the best and deliver the best value for the money. Second, when we walk away from a job, there is no reason the customer should have memories of labor issues. The customer should only remember the quality job that the union contractor installed. Lastly, take advantage of any training your union offers as this gives us the edge over nonunion contractors and will (in many cases) make our union contractor the winner of a large (or small) project.

In our jurisdiction, the work is great. Other jurisdictions are not as fortunate and we are looking forward to putting traveling brothers and sisters to work. However, we want to keep our work and we want to continue to have work, and I would appreciate everyone's help on improving the union brand.

Remember, our union meetings are the third Monday of each month with dinner starting at 6:30 p.m. and the meeting at 7:30 p.m. Let's all make a commitment to attend our union meetings. Until next time, God bless.

Will Salters, A.B.M.

#### NextEra Contract Extension

L.U. 1837 (rtb&u), MANCHESTER, ME—IBEW Local 1837 members ratified a one-year contract extension in late December with NextEra Energy just prior to its sale of Maine and New Hampshire hydro generation assets to Brookfield Renewable Energy Partners. Effective Feb. 25, 2013, all employees were to receive a 4 percent general wage increase, while employees in the Production Specialist and Senior Production Tech A classifications were to receive an additional 1.5 percent equity pay increase.

Approximately 90 IBEW members work for NextEra Energy (formerly FPL-Maine) generating electricity. They maintain and operate the oil-fired plant on Cousins Island in Yarmouth, Maine, and the hydro dams on the Kennebec, Androscoggin, and Saco rivers.

Both the contract extension and sales agreement include assurances that those IBEW members will continue working with all their present terms and conditions of employment. The contract extension also states that although the union has been assured in good faith that no Maine fossil assets are currently being considered for sale or transfer, IBEW Local 1837 would be given reasonable advance notice if the company decided to do so.

"I'm glad that our members at NextEra agreed to this extension," Local 1837 Bus. Mgr. Dick Rogers said. "It's a fair deal for all of our members and I'm satisfied that it's the best contract extension agreement we could reach."

FPL-Maine acquired the Maine assets from Central Maine Power Company in 1998, shortly after Maine's electric deregulation law prohibited a company from owning both generation and distribution assets. Many of the IBEW members who work at the NextEra facilities are former CMP employees who worked at their jobs prior to deregulation and the sale, and are longtime union members.

Matthew D. Beck, Organizer



IBEW Local 1837 Bus. Mgr. Dick Rogers (left) joined by IBEW members Ed Goodale (center) and Greg Sirois in counting contract ratification ballots.

## **IBEW. FOUNDERS' SCHOLARSHIP**

The IBEW Founders' Scholarship honors the dedicated wiremen and lineman who, on November 28, 1891, organized the International Brotherhood of Electrical Workers. Each year the officers of the IBEW are pleased to offer its working members scholarships on a competitive basis. It is hoped that the awards will not only contribute to the personal development of our members but also steward the electrical industry that our founders envisioned.

This award is for \$200 per semester credit hour at any accredited college or university toward an associate's, bachelor's or postgraduate degree in a field that will further the electrical industry overall (as determined by the Founders' Scholarship Administrator). The maximum distribution is \$24,000 per person over a period not to exceed eight years.

#### **RULES FOR ENTRY**

Eligibility Checklist

The Founders' Scholarship competition is an adult program, to be used solely by IBEW members. It is NOT for the children of members.

- Applicants must have been in continuous good standing and have paid dues without an honorary withdrawal for four years preceding May 1 of the scholarship year, or be charter members of a local union.
- 2. Each applicant must be recommended in writing by the local union business manager. If there is no business manager, then the recommendation must come from the local union president, system council chairman or general chairman.
- **3.** At least two additional letters of recommendation must be sent by individuals who are familiar with the applicant's achievements and abilities.
- Copies of all academic transcripts from high school, college, apprenticeship or other educational and developmental programs must be submitted.
- A complete résumé is required. The résumé should outline the applicant's education and work history; military service; special honors or awards; and involvement in union, civic, community or religious affairs.
- 6. Applicants are required to submit a 250-500 word essay (typed and double spaced). The title and topic must be: "How I Will Use My Founders' Scholarship to Benefit the International Brotherhood of Electrical Workers and the Electrical Industry."
- 7. Materials need not be sent at the same time but all must be postmarked prior to May 1 of the scholarship year.

#### **Selection of Winners**

Awards will be based on academic achievement and potential, character, leadership, social awareness and career goals.

The independent Founders' Scholarship Selection Committee will be composed of academic, professional and community representatives. They will examine the complete record of each scholarship applicant to choose the winners. All applicants will be notified, and the scholarship winners will be featured in The Electrical Worker.

Responsibility of Each Founders' Scholar

Scholarship winners must begin their studies in the term immediately following receipt of the award or in January of the following year. Each term's earned grades must be sent to the Founders' Scholarship Administrator together with a Founders' Scholarship Progress Sheet. After the first calendar year in the program, and by each August 1 thereafter, the annual Founders' Scholar paper is due. The paper must be at least 1,000 words on a labor-related topic, covering any aspect affecting the current labor movement or labor history. Scholarships are not transferable and are forfeited if the student withdraws or fails to meet the requirements for graduation from the school. If a serious life situation arises to prevent continuation of studies, the scholarship winner may request that the scholarship be held in abeyance for a maximum of one academic year.

Please print clear	ly or type
Name	
Telephone # (	)
Email:	
Member of lo	cal #
Card #	V Membership Card or Dues Receipt
Initiated into I	BEW
Most recent e	mployer
Job classifica	tion
Work telepho	ne # ()
Proposed field	d of study
Degree expec	ted
· · ·	our first and second choices)

Did you take apprenticeship or skill-improvement training? Yes □ No □ Send transcripts to the Scholarship Committee.

Do you have any education certificates or professional licenses? Yes  $\Box$  No  $\Box$  Send evidence to the Scholarship Committee.

Have you taken any college courses? Yes D No D Send transcripts to the Scholarship Committee.

#### Name used on class records

The creation of this scholarship program is a free act of the International Brotherhood of Electrical Workers. The IBEW retains its right to alter, suspend, cancel or halt the IBEW Founders' Scholarship Program at any time and without giving any reason, provided that each scholarship winner already in school under the program will continue to receive the stipends until graduation or the receipt of \$24,000 for undergraduate study under his/her IBEW Founders' Scholarship (whichever comes first).

My signature is evidence that I understand and agree to all the rules governing the scholarship as listed on this application.

Signature



Mail application materials postmarked prior to May 1 to: IBEW FOUNDERS' SCHOLARSHIP COMMITTEE 900 Seventh Street, NW Form 172 WASHINGTON. DC 20001 Revised 09/12

#### Continued from page 9

The International Union appropriated investments of \$168,981,000 at June 30, 2012 to pay for future postretirement benefit costs.

#### Note 6. Mortgages Payable

The IBEW Headquarters Building LLC (the "Company") has two mortgages payable, \$40 million to Massachusetts Mutual Life Insurance Company and \$40 million to New York Life Insurance Company, secured by substantially all of the Company's assets. The mortgage loans bear interest at an annual rate of 5.63% and are payable in monthly installments of principal and interest totaling \$529,108, and mature on July 1, 2019, at which time the remaining principal and interest amounts of \$37,191,698 are due in full. Future minimum payments on the mortgage obligations are due as follows:

Year ending June 30,2013	\$6,349,296
2014	6,349,296
2015	6,349,296
2016	6,349,296
2017	6,349,296
Thereafter	49,890,303
	81,636,783
Less interest portion	(19,990,422)
	\$61,646,361

#### Note 7. Royalty Income

The International Union has entered into a multi-year License Agreement and a List Use Agreement with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) under which the AFL-CIO has obtained rights to use certain intangible property belonging to the International Union, including the rights to use the name, logo, trademarks and membership lists of the International Union, in exchange for specified royalty payments to be paid to the International Union by the AFL-CIO. In turn, the AFL-CIO has sub-licensed the rights to use the International Union intangible property to Household Bank Nevada, N.A., for use by the bank in connection with its marketing of credit card and certain other financial products to members of the International Union. These agreements commenced on March 1, 1997. For the years ended June 30, 2012 and 2011 the International Union recognized as revenue \$1,795,936 and \$1,800,070, respectively.

#### Note 8. Litigation

The International Union is a party to a number of routine lawsuits, some involving substantial amounts. In all of the cases, the complaint is filed for damages against the International Union and one or more of its affiliated local unions. The General Counsel is of the opinion that these cases should be resolved without a material adverse effect on the financial condition of the International Union.

#### **Note 9. Related Party Transactions**

The IBEW provides certain administrative services to the International Brotherhood of Electrical Workers' Pension Benefit Fund (Fund), for which the International Union is reimbursed. These services include salaries and benefits, rent, computer systems, and other administrative services. The amount reimbursed totaled \$3,175,000 and \$3,150,000, for the years ended June 30, 2012 and 2011, respectively.

In addition, the International Union collects and remits contributions received on behalf of the Fund from members.

The International Union also pays administrative services on behalf of the Pension Plan for the International Officers, Representatives and Assistants of the International Brotherhood of Electrical Workers, and the Pension Plan for Office Employees of the International Brotherhood of Electrical Workers. The administrative services include auditing, legal and actuarial services. The costs of the administrative services are not readily determinable.

#### Note 10. Operating Leases

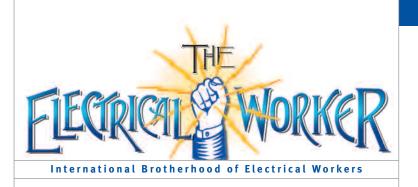
The International Union, through its subsidiary IBEW Headquarters Building, LLC, has entered into agreements to lease space in its building. In addition, the International Union subleases a portion of its office space. These leases, which expire at various dates through 2025, contain renewal options. Future minimum rental payments, excluding the lease payments due from the International Union, due under these agreements are as follows:

\$9,602,601
7,500,107
6,935,093
5,008,546
4,198,706
11,966,556

#### Note 13. Risks and Uncertainties

The International Union invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

#### 18 The Electrical Worker | March 2013



The *Electrical Worker* was the name of the first official publication of the National Brotherhood of Electrical Workers in 1893 (the NBEW became the IBEW in 1899 with the expansion of the union into Canada). The name and format of the publication have changed over the years. This newspaper is the official publication of the IBEW and seeks to capture the courage and spirit that motivated the founders of the Brotherhood and continue to inspire the union's members today. The masthead of this newspaper is an adaptation of that of the first edition in 1893.

EXECUTIVE OFFICERS	Fourth District William W. Riley	Third District Donald C. Siegel	THE ELECTRICAL		
Edwin D. Hill International President	Fifth District Michael Walter	Fourth District Kenneth Cooper	<b>WORKER</b> Editor		
Salvatore J. Chilia International	Sixth District Joe P. Smith	Fifth District Joe S. Davis	Edwin D. Hill C. James Spellane Mark Brueggenjohann		
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			Erin Sutherland Asifa Haniff		
			Ben Temchine		

# A CONTRACTOR OF CONTRACTOR OF



keep letters as brief as possible. The Electrical Worker reserves the right to select letters for publication and edit all submissions for length.

HOW TO REACH US



Letters to the Editor, *The Electrical Worker*, 900 Seventh Street,

N.W., Washington, D.C. 20001 Or send by e-mail to: media@ibew.org

 $\textcircled{\sc 0}2013$  International Brotherhood of Electrical Workers.

We welcome letters from our readers. The writer should include his or

her name, address and, if applicable, IBEW local union number and

card number. Family members should include the local union number

of the IBEW member to whom The Electrical Worker is mailed. Please

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#### FROM THE OFFICERS

## Path to Recovery



Edwin D. Hill International President

elp Wanted. It's been a long time since we've seen those two words connected with the construction industry. But after the biggest downturn since the Great Depression—and a recession that slashed 2 million construction jobs—contractors, economists and business managers are reporting the first shoots of economic recovery.

As a union, we don't set interest rates, tell companies when to invest or play a role in raising consumer confidence levels—all factors in construction's tentative recovery.

What we do control is our commitment to training and excellence and our market share—the percentage of electrical construction done by IBEW members and our signatory contractors. When our market share heads south, it means the nonunion guys—not us—set the standards for wages and benefits. And it means we have less power to capture the work that is out there.

Nearly 10 years ago, we began to grapple with some uncomfortable truths. In the middle of one of the biggest construction booms in decades, we were getting shut out. Even though jobs were plentiful, our control of the market was slipping year by year and

unless we changed how we did things, we would soon be irrelevant.

A lot of people didn't want to hear it, and I don't blame them. It's human nature to stay in our comfort zone, to stick with what we're used to.

But indecision and procrastination were luxuries we didn't have. We had a choice: become a dwindling core of craftsmen comfortable with holding onto our little corner of the market, or live up to the words of our constitution and aggressively organize all workers in the electrical industry.

Our market recovery program was well underway when the crash hit. Immediately we started to get pushback. Why are we trying to organize new members when we can't put our existing ones to work? Why are we bringing in new job classifications when 20-year journeymen are sitting on the bench?

The market numbers we report in this issue explain why. After dipping a couple of points in 2009 and 2010, our employment share is back to its pre-recession level of 30 percent.

Unions usually get wiped out by recessions. We suffered a net loss of members, along with the entire industry. But we're not about to be wiped out, which means more jobs and more work this time for our members as the economy picks up.

Getting back to where we once were is only a first step, not a reason to spike the football. We have to continue to focus, to paraphrase President Clinton, like a laser on jobs and winning more and more work.

The current administration needs to heed the same advice. The economy is improving, but we are still a long way from full recovery. President Obama—and the IBEW—can't afford to get distracted from what still must be our No.1 task: creating good jobs.

# **NLRB** Protections Targeted

t should be a simple proposition. Citizens, the majority of whom are workers, pay taxes to support a National Labor Relations Board that helps ensure the majority is treated fairly in our nation's workplaces.

That was the reason that the National Labor Relations Act was passed in 1935, creating the board charged with enforcing the legal right of workers to form unions and collectively bargain with their employers.

Seventy-eight years after the NLRA was passed, three judges on the U.S. Court of Appeals for the District of Columbia—all appointed by Republican presidents—have rendered a decision that could cripple the recent work of the NLRB and set a precedent for more damage in the future.

In late January, the judges ruled that President Obama's recess appointments of new members to serve on the board—made during the break between Congress's 2011 and 2012 sessions—were illegal.

Since their appointment by President Obama, the new members of the board have rendered decisions protecting workers—like covering tax liabili-

ties in back pay awards or protecting the right to criticize one's employer in social media.

Big business interests complained to their friends in Congress that the NLRB was too "aggressive." So, Republicans, who lead the House, slickly set the table for the judges to knock down the president's appointees and leave their decisions over the past year in legal jeopardy.

At the time of the recess appointments, Congress left Washington for home without pounding the gavel for a full recess, keeping Congress only nominally in session simply to block any presidential appointments.

They succeeded in court, despite the fact that presidents—as far back as James Madison—have made recess appointments, including 23 to the NLRB since 1988.

The Obama administration is expected to appeal the D.C. Circuit's decision to the U.S. Supreme Court. We don't know how the Supreme Court will rule. But we do know that we value a democracy where rules are made in the interests of the majority, not a small, powerful and wealthy minority.

The slick, sinister moves of this Congress remind us that elections have consequences. As long as the U.S. House of Representatives remains under its current control, the rights of all working people are in jeopardy.



Salvatore J. Chilia International Secretary-Treasurer

## Letters to the Editor

#### Why Union?

My grandfather was a proud union man. "Steffy," he would say, "make sure that you get into a union when you grow up, otherwise you might be employed with some character that likes to stick it to the man." It wasn't until several years later that I understood. Before becoming an electrician I saw how big companies were "sticking it to the man." My first electrical job was nonunion. I felt lucky to have made it home safe every day. Now that I belong to Local 213 as a sister, I see why everyone should belong to a union.

IBEW ensures that safety protocols are followed by the companies. They ensure wages that are not going to leave me working but barely able to afford housing and food. They accept all genders and nationalities. They endorse training, and a feeling of acceptance. There's a brotherhood and sisterhood that happens with its members. Not to mention all of the other health and pension benefits.

I catch myself paraphrasing my dear grandfather to my four children: "When you grow up, you make sure you belong to a strong union. Otherwise you risk working for a company that likes to stick it to the man."

Stefany Tunshell, Local 213 member Vancouver, B.C.

#### In the Spotlight

I would like to congratulate this year's winners of the IBEW Photo Contest. I enjoy viewing the photos and have also offered entries in the past. I do have issues with some of the photos that are chosen by the committee that make it to the final selection to be voted on by the public. It is stated that the photos should "spot-light [the] IBEW at work." While this year's top three winners include our members at work, many photos do not include any actual membership involvement. Sure photos of high lines covered in ice, bridge lights and wind turbines are very scenic. Where in any of these types of photos is there any real proof that the work was even performed by our members? I am just stumped as to how each year this continues. I truly enjoy the contest, but I will never submit a photo that doesn't include a member doing the work that truly spotlights the IBEW.

#### Thomas Zielke, Local 86 member Rochester, N.Y.

(*Editor's Note*: We're glad Brother Zielke enjoys the contest, which has proven popular among our members and the public. We would point out that the full text of contest rule 5 states: "Photo entries must have an IBEW theme of some sort, with IBEW members at work, engaged in union-related activity or subjects conveying images of the electrical industry or the union." We feel that shots of power lines, conduit and the like taken on the job meet these criteria and reflect the pride our members take in bringing such projects to completion.)

#### **No Apologies**

I am a retired 42-year member of the IBEW. My son is a union electrician. Bob Walton, Local 103, ("A Diversity of Views," December 2012) says he votes with his wallet as his guide. Brother Wickwire, Local 424, ("Politics and the Working Class," December 2012) would call me ignorant for having a different set of priorities. I have difficulty supporting a president who changes his mind and endorses gay marriage, will not support the Defense of Marriage Act, and won't support the rights of the unborn. I find it almost laughable as well, that out of hundreds of candidates the IBEW endorsed, there was not one Republican among them. Even International President Hill suggested that, "we find common ground," and reject "short-sighted partisan bickering." That might go a long way for union members as well, if we are willing to have the discussion.

#### Gary Vander Bent, Local 21 retiree Chicaao

(*Editor's Note:* We respect Brother Vander Bent's opinion, but the facts tell a different story. The IBEW contributed to <u>at least</u> the following numbers of Republican candidates up for election in 2012: 11 candidates for federal positions; 42 candidates for local positions and 80 candidates for state positions. We do not require local unions to provide the political party of candidates at the state and local level. Therefore, it is likely the IBEW contributed to more Republican candidates than are counted above. Local 21, Mr. Vander Bent's local union, contributed money to Donald Moffit, a Republican running for the Illinois State House of Representatives. It has always been our policy to support those politicians who support us on the issues that affect our ability to make a living: right to work, project labor agreements and David-Bacon laws, as well as those whose votes reflect the values that make the middle class thrive. These candidates are overwhelmingly from the Democratic Party.)

# Who We Are

If you have a story to tell about your IBEW experience, please send it to media@ibew.org.

# Niagara Falls Local Packs Political Punch

ong before Niagara Falls, N.Y., was a popular tourist destination, inexpensive hydroelectric power from the powerful Niagara River thundering over its legendary waterfalls sustained a major concentration of industry, an expanding middle class and hundreds of jobs for members of Local 237.

With the decline of westernNew York's industrial base, NiagaraFalls and Local 237, founded in1914, have seen some hard times.1914, have seen some hard times.More than 26 percent of the city'sresidents have incomes below thepoverty level. The region's unemploymentrate averages more than 7 percent. In2010, Bloomberg News carried a storyentitled "The Fall of Niagara Falls" thatjuxtaposed the city's empty factories withthe swanky hotel-casinos serving touristsjust across the border in Canada.

Local 237 Business Manager Russell Quarantello doesn't think the decline of Niagara Falls' industrial base and its skilled work force is inevitable. He's never given up hope that organized labor can help to shape public policy and encourage the county's industrial development authority to ensure that any new projects on his side of the border—in industrial production, tourism or other quarters—use local workers and pay family-sustaining wages.

"Instead of sitting back and waiting for other people to make change, the members of Local 237 decided to get personally involved," says Quarantello, who serves on the Niagara Falls Bridge Commission.

He knows that delivering on hope for his city's economic renewal will necessitate moving his members and his community into action on the political front. He was arrested in August while protesting against a Canadian company that is using out-of-state, nonunion electricians to build a \$430 million factory despite receiving \$142 million in state funding for the construction.

"Watching companies bring in workers from out of town instead of investing in local workers and the tax base is a crazy system," said Richard Lipsitz, Western New York AFL-CIO Area Labor Federation president. "It just doesn't lead to the type of jobs we need."

Protests are important, says Quarantello. But building enduring political influence is a long climb that is achieved only by well-trained activists.



Local 237 members work on Niagara Community Clean Sweep: Russ Quarantello, left, (business manager's son), Fred Dumais, Jack Jenkins, Keith Mitchell, Josh Walker, Jared Call and Chris Miles

Josh Walker is one of those activists. A fourth-year inside wireman apprentice, Walker is one of 18 Local 237 members who serve on the Niagara County Democratic Committee. In October, the local's members and their allies in other unions helped elect a new party chairman, Nick Forster, a public employee union steward, to replace a leader who had distanced himself from organized labor.

"It's very encouraging to be involved on the political front. People in Niagara County are saying 'enough' of living in a depressed economy. They want incumbents out and fresh new minds coming in," says Walker, 30, president of the local's apprenticeship association.

He has registered fellow apprentices to vote, participated in hand-billing and phone banking in the last election cycle and is now considering running for a seat on the county legislature. He tells his fellow apprentices their job is "more than a tool pouch." He says, "If they are not motivated now, it will be a lot harder later on."

Tim Cantrell, a 20-year local member, joined the county Democratic committee after following reports of Wisconsin Gov. Scott Walker and Ohio Gov. John Kasich attacking unions.

"It was time to get off the sidelines and see what I could get involved in," says Cantrell. "We have IBEW members in every town in the county. When they get active, our voice gets heard. Today, more politicians give us a nod and recognize our contributions," he says.

Nick Forster, the newly-elected Niagara County Democratic Party chairman, says Local 237's efforts have been critical in "getting the Democrats and the unions back in sync."

"If we don't listen to labor and develop teamwork between the party and unions to push for local hiring and fight daily against the agenda of right-wing Republicans, our county will be left with only rich people and poor people in the end," Forster said.

Last November's election defeat of former U.S. Rep. Kathy Hochul (D), a labor-friendly legislator, offers important lessons, says Jim Briggs, president of the Niagara-Orleans Central Labor Council. A Republican-led state Legislature succeeded in gerrymandering Hochul's district, giving their party a 6 to 1 advantage in registered voters. But Hochul, who was the first Democrat to serve the district in 40 years, lost by a much smaller percentage.

"We made a statement that, regardless of demographics, organized labor was in the game," and Local 237 played an important role, says Briggs. "Russ Quarantello takes a lot of time to talk to his members and the community at large about how political involvement is key to their quality of life."

As Walker joins two other members considering runs for public office, he reflects upon the changes he has experienced since leaving the nonunion electrical sector and joining the apprenticeship. "I kind of grew up with the political stuff," says Walker, whose grandfather helped found the county's Conservative Party chapter and whose father, Dean Walker, is business manager of Niagara Falls Local 2104, representing workers at the New York Power Authority. By joining the union, Walker gained the support and constituency to deepen his activism.

The resident of Gasport, a rural hamlet, said being married to the daughter of a dairy farmer helps keep him familiar with the important issues facing his neighbors.

Always looking to seize on new opportunities, Quarantello is planning to step up efforts to rally more of the local union's retirees behind upcoming political campaigns, in support of the movement to demand local hiring in return for any public monies going to businesses and volunteering for community-based projects.

A recent letter to the editor of the Niagara Hub blog from Joseph Ruffolo, president and CEO of Niagara Falls Memorial Medical Center, thanks Local 237 for its "stunning" holiday lighting display and for work on the recent expansion of the center's surgical unit. "Not only do they do quality work," says Ruffolo, "they are good neighbors who consistently display their willingness to give back to our community."

# IBEW Helps Build World's Largest Yogurt Plant in Idaho

hobani Greek-style yogurt came out of nowhere five years ago and blew the bigger brands off the shelves. Founded by Hamdi Ulukaya, a Turkish immigrant from a dairyfarming family, Chobani is a classic entrepreneurial success story, one that started in upstate New York and gathered a commanding market force that couldn't be denied or contained.

Last November, the Chobani story's next chapter was celebrated with the grand opening of a new plant in Twins Falls, Idaho. The 955,000-squarefoot facility is the largest yogurt plant in the world, processing 11 million pounds of milk a day and 12 million cases of yogurt a week. It is estimated that nearby dairy farms will need to add 70,000 cows to produce enough milk to keep the plant producing.

If those numbers are hard to fathom, so is the fact that the entire \$450 million plant was up and running 10 months after groundbreaking, with no small credit going to 400 electricians working for five signatory contractors who didn't only work long hours running miles of conduit and cable tray, but redesigned massive equipment manufactured elsewhere to meet U.S. standards.



Four hundred electricians worked long hours to construct the 955,000square-foot Chobani yogurt plant in Twins Falls, Idaho, in just 10 months.

benefits 50 percent greater in the eastern counties than in the western quadrant where Chobani broke ground. Local 449 negotiated to increase wages \$4per-hour and won double-time for overtime hours, attracting travelers from Las Vegas and other jurisdictions.

Contributing to the success in boosting wages and building a stable work force available for the duration of the project, James tapped the market

"My compliments go out to Business Manager Rodney James, members of Local 449 and supporting travelers for using Code of Excellence principles and alternate classifications to bring the Chobani project in under budget and on time."

- Ted Jensen, Eighth District International Vice President

"Every IBEW man or woman who worked on this project should stand proudly with their heads held high," says Pat Bristol, general foreman for Shambaugh and Son, a signatory design/ build firm and subsidiary of EMCOR.

"They worked diligently, sometimes six and seven days a week to accomplish a quality job in record time," says the 14year member of Pocatello Local 449. The plant is expected to employ 400 workers and have an economic impact to the region of more than \$1 billion.

Local 449 Business Manager Rodney James says before the Chobani project kicked off, local union members who were fortunate enough to stay working through the recession were spread across Idaho and south to Salt Lake City. Dispatching enough hands to the job was the first challenge, not made any easier by the local's steep wage scale differential between Idaho's eastern and western counties.

Wages are \$4-per-hour higher and

recovery agreement, supplementing journeymen and apprentices with 28 construction electricians and construction wiremen.

Using alternate job classifications, says James, "didn't look like it would be real popular at the beginning, but [with a huge new project] it was an opportunity to organize." He says rank and file members accepted the program after seeing increases in their paychecks as many of the new hires exhibited their skills on the job. Six CEs promoted to journeyman wiremen after three months in the field. Eight CWs became indentured apprentices in 2012.

Chris Lochridge, a Local 449 shop steward who is still working at Chobani on punch-list jobs and installing an ongoing stream of new equipment says, "We had a load of travelers from Boise, Washington, Montana and other places. We were all IBEW, we had a job to do and we got it done." While many of his local union coworkers had worked on everything from residential wiring to nuclear power plant construction, the 19-year member says some of the travelers had scant experience working with rigid pipe and other features. "We worked together to get guys on track," he says. "We need to thank the travelers for stepping up," says Bristol.

To power the facility, contractors needed to bring in 20 megawatts of additional power from Idaho Power. Chobani is weighing plans to build a power plant on the premises.

While Lochridge and Bristol had worked on other major projects like the advanced waste treatment plant for lowlevel nuclear wastes at the sprawling Idaho National Laboratories, they see more promise in expanding the local's market share through a growing relationship between signatory contractors, members and Chobani. Forty to 50 members are still at work at the new plant and Chobani is already discussing expanding the cold warehouse and adding a new plant to produce cheese.

"My compliments go out to Business Manager Rodney James, members of Local 449 and supporting travelers for using Code of Excellence principles and alternate classifications to bring the Chobani project in under budget and on time," says Eighth District International Vice President Ted Jensen.

"Sometimes it looks like the whole country is against unions, but the immensity of this job and the quality of our work shows that we're not the bad guys," says Bristol. When folks dip into their favorite Chobani flavor, he says, they should understand that the yogurt wouldn't be on their tables without the IBEW members and other building trades who worked so hard and skillfully to make the new plant a showcase of quality American construction.

# Transitions

#### APPOINTMENT Jim Ross



International Representative Jim Ross was appointed Director of the IBEW Political/Legislative Department effective Jan. 1. Ross, who had been assigned to the Construction and Maintenance Department, replaces Brian Baker, who was promoted to Executive Assistant to the International Officers.

"My first IBEW job was as a registrar in my local union," says Ross, a journeyman inside wireman who was initiated into Parkersburg, W.Va., Local 968 in 1977 after attending col-

lege for two years. Assigned to the Construction Department in 2007, Ross was responsible for the National Maintenance Agreement, the General Presidents Agreement, the Joint National Industrial Agreement for Instrument and Control Systems Technicians and overseeing jurisdictional disputes and grievances.

"I'm excited for the opportunity that my new position holds," says Ross, who adds that he is fortunate to be moving into an arena where the IBEW has "recognizable influence" backed by a "strong, dependable, knowledgeable staff."

"Coming from a small local, we didn't have lots of staff. I dealt with local and state politics on a regular basis," says Ross, who was elected business manager of his local in 1995 and served on his area's AFL-CIO central labor council.

While being involved in national politics is important to help shape policies on everything from job safety to the environment, Social Security and health care, says Ross, "involvement in local politics is equally or more important."

The key to being effective in local politics, says Ross, is building coalitions and ties across party lines. While the West Virginia Legislature had a Democratic majority during his tenure as business manager, he learned that "reaching out to all members of the Chamber of Commerce and the city council, not just the Democrats, was essential."

"I've always been a hard worker who is willing to accept new challenges," says Ross. "None of this would be possible without the support and sacrifice of my wife, Valerie," says Ross, who has three sons and enjoys golf and woodworking in his spare time. On behalf of the entire staff and membership, the officers wish Brother Ross great success in his new position.

#### DECEASED Ernest Hanson 'Han' Massey Jr.



We regret to report that retired Tenth District International Representative Ernest "Han" Massey Jr. died on Jan. 16 at the age of 68.

Brother Massey was born on July 21, 1944, in Mecklenburg County, N.C., and was initiated into Charlotte Local 1902 in 1964, serving on the negotiating committee and as shop steward. For seven years he was president of Local 1902 until 1976, when he was appointed as an International Representative assigned to

the then-Twelfth District staff, now the Tenth District.

Massey began his career as a journeyman gas man after two years in the North Carolina National Guard. He serviced locals throughout the Carolinas for 22 years

before his retirement—on the 35th anniversary of his initiation—on Aug.1, 1999. International Representative Jim Springfield remembers Massey as a life-long organizer.

"He was the youngest International Representative I ever heard of," Springfield said, adding that Massey was 32 when he joined the district staff. "He was a young, assertive, very competent, smart guy."

Retired International Representative Gene Ruff worked with Massey for 15 years. Ruff said the challenge that best captured Massey at work was an unfair labor practices dispute with Pirelli Power Cables & Systems in Abbeville, S.C. Workers struck Pirelli several times and the legal battle bounced up and down in the federal court system.

"That dragged on for years, but Han won millions of dollars in back pay for the workers," Ruff said. "He held that group together."

Ruff said it was how he did things as much as what he did that made him successful. "He was thoughtful, and really pleasant, with a real quick dry wit. He had a manner that made you trust and confide in him," Ruff said. "The world just isn't as nice a place without Han."

Massey leaves behind his mother, Mary Edith Boyd Massey, his son, Chris, his daughter Cissi and his four granddaughters: Marissa, Kennedi, Kathryn and Christin. He was preceded in death by his wife, Karen.

The officers, members and staff express our deep condolences to Brother Massey's family and many friends.