



March 14, 2019

To: CWA Executive Board

Subject: Update on PPMWS

Dear Colleagues:

You have received a packet of material from Dan Wasser describing his proposal to dissolve the PPMWS.

I would like to take this opportunity to provide some further background.

Dan, members of the PPMWS Laws and Finance Committee, and my team has had a number of telephonic and in-person meetings over the past year to discuss the dissolution of the PPMWS as an administrative structure and its consolidation into Districts. The Sector's administrative structure is no longer sustainable, financially or logistically. Consolidation with Districts would allow us to serve members more effectively and efficiently. Over the course of these discussions, both sides came to agree that the PPMWS administrative structure should dissolve. The most recent proposals from the Laws and Finance Committee would provide for that dissolution to occur at the July 2019 Convention.

During these discussions, CWA has sought to ensure that rights of PPMWS Locals are preserved and that the transition to District servicing be as smooth and seamless as possible for the Locals and members. We would provide PPMWS Locals with a per capita distribution of current PPMWS assets and funds.

Unfortunately, we have been unable to agree on all details surrounding the dissolution. For example, CWA proposed continued meaningful employment for the three existing CWA employees in PPMWS, Dan included, even after the dissolution of PPMWS. This has been a sticking point because the Laws and Finance Committee has instead proposed that these CWA employees be given an option of receiving a severance package in lieu of continued employment.

Per their proposal, PPMWS assets such as the strike fund and operating fund would be available to the Sector Conference to give Dan and the other employees a severance package of undetermined size.

I cannot agree to this provision and have previously rejected it because member resources should not be used to provide anyone with a golden parachute when resources are growing scarcer and when we are already offering Dan and the others continued employment. The severance package is simply unnecessary and wasteful.

Another flashpoint has been the CWA proposal that all union property be properly accounted for and that Dan and a Transition Committee cooperate with CWA in determining the proper disposition of all property. This seems like it should be a noncontroversial provision. However, ongoing questions spurred by an internal complaint of a Union Printers Home Foundation trustee suggest that the Union or its members may have certain property or other interests at stake in the Foundation that still need to be sorted out. As you may know, Dan is the President of the Foundation, which holds upwards of \$7 million collected from the Union Printers Home. Sorting out these questions has been difficult to do because Dan has taken the position that he must maintain the confidentiality of Foundation business. The latest proposal from Dan and the Laws and Finance Committee pointedly does not provide that Dan and the Laws and Finance Committee will cooperate in determining the proper disposition of all Union property. I strongly believe we all have an obligation to account for all Union property and interests. The Union Printers Home and the successor Foundation were set up exclusively to provide charitable benefits to ITU/PPMWS members and their families (nursing facilities in the case of the Home, scholarships in the case of the Foundation). ITU/PPMWS members contributed massive amounts of money to build and sustain the Home, ultimately producing millions in sale proceeds. Their interests in the Home and Foundation should be accounted for and protected. The resistance to doing so is troubling.

Further, you should be aware that Dan has refused to abide by my instruction to halt a lawsuit that he filed against the National Pension Plan (NPP). Dan filed suit in June 2018 to overturn a plan amendment voted on unanimously by Union and Management Trustees in attendance at a regularly scheduled trustee meeting which Dan did not attend.

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He sued in his own name as a pension trustee and in the name of PPWMS-CWA without conferring with or obtaining authorization from me or CWA's General Counsel. Such authorization is important because ultimately CWA is the responsible party when it comes to PPMWS.

He also filed the suit without first attempting to discuss the matter with his fellow trustees so that wasteful litigation could be avoided. After I obtained a copy of the suit and after reviewing Dan's case, I determined pursuit of this suit was not in the Union's interest. It lacked merit. I directed him to withdraw the Union from the suit in October 2018. He did not do so. I reiterated the order to withdraw in January 2019.

On February 8, 2019, Dan, through his lawyer, informed CWA he would not withdraw the lawsuit, thereby forcing CWA to intervene. We are in a ridiculous situation now as Dan is using members' funds to sue the NPP, members' pension funds are being used to defend the NPP, and CWA is forced to spend further members' funds to intervene in the case filed in our name.

These issues and actions have stymied our discussions surrounding an amicable dissolution plan. The last discussions were in December, at which my team proposed the attached dissolution agreement. I will update you with any further developments.

In Unity,

A handwritten signature in black ink, appearing to read "Christopher M. Shelton". The signature is written in a cursive, flowing style.

Christopher M. Shelton
President

Attachment

Agreement of Dissolution
of the
Printing, Publishing and Media Workers Sector of the
Communications Workers of America, AFL-CIO

This Agreement is between the Communications Workers of America, AFL-CIO (“CWA”), through its authorized representative, and the Laws and Finance Committee of the Printing, Publishing and Media Workers Sector of the CWA (“PPMWS”), through its authorized representative.

WHEREAS, the parties fully recognize the changes that have occurred, to the overall printing industry and organized labor, since the signing of their original Merger Agreement in 1987, which has aided in the significant decline of members within the PPMWS; and

WHEREAS, the parties recognize the necessity and obligation of strengthening and keeping locals fully functioning within the Union and, it is the parties’ intent, with this Agreement, to expand services to all members and Locals of the PPMWS; and that the members are better served when locals are fully functioning;

WHEREAS, the parties further recognize, as reported in Ready for the Future, the need for additional consolidations, within the Union, of not only the PPMWS, but other Sectors, Districts and locals, and encourage all representatives of the Union to expeditiously explore and adopt further consolidations; and

WHEREAS, the PPMWS and CWA agree upon the following terms, objectives, purposes, principles and procedures to accomplish the dissolution of the PPMWS, minimize any disruptions that may occur, and how the consolidation of PPMWS locals into CWA Districts shall occur

NOW THEREFORE the parties agree as follows:

1. This entire Dissolution Agreement (hereinafter “Agreement”) is subject to approval by the PPMWS delegates at the July 2019 Sector Conference in Las Vegas, Nevada. All other business at the PPMWS Sector Conference shall be suspended so adequate deliberation and debate can be given to this Agreement. This Agreement must be approved in its entirety and may not be amended by any action. The PPMWS President and the Laws and Finance Committee will support this Agreement and any Constitutional amendments necessary for its implementation.

2. In the event that the delegates of the 2019 PPMWS Sector Conference approve the Agreement, the effective date of the dissolution of the PPMWS will be immediate, and all the terms set forth below will take effect at 11:59 p.m. on the 27th day of July 2019.

3. In the event that the delegates of the 2019 PPMWS Sector Conference do not approve this Agreement, the CWA and PPMWS maintain any and all rights, known or unknown, that existed prior to the delegates' action, and may take any and all action either party deems appropriate.

4. All property, real, personal and mixed, and all rights, title and interest, either legal or equitable in any monies, funds or property, tangible and intangible, of all PPMWS local unions will remain in all respects vested in the name of those local unions and shall not in any way be impaired by reason of this Agreement and shall always be, at the time of dissolution, and any time thereafter, exclusively vested in the Local.

5. Effective with the approval of this Agreement, all PPMWS locals will transfer from the PPMWS Sector into their respective CWA Districts; in locals where their current area and/or jurisdiction covers more than one District, their home District will be where their local's office is currently located. Each local shall have full and regular access to the resources of their respective Districts, including but not limited to: contract and bargaining representation; grievances, arbitrations and paid legal costs of such grievances and/or arbitrations; mobilization, and all other rights and privileges under the CWA Constitution, as other CWA locals. In accordance with the CWA Constitution, the merger of Local Unions within other CWA Locals, while encouraged, will be voluntary and not be compelled.

6. PPMWS Locals may retain their Local Union names and numbers if they so desire.

7. All PPMWS locals' dues structure shall remain unchanged and remain bottom up (unless the Local and CWA mutually agree otherwise): Locals are responsible for remitting their International dues to CWA no later than Constitutionally mandated. Such member dues shall be as follows:

a. Each active member will pay .61 percent of projected straight time monthly earnings, to the CWA. In the event that the CWA Constitution changes the amount of the International dues hereafter, the above percentage will be amended proportionately.

b. Each active member will pay no less than .69 percent of projected straight time monthly earnings, to the Local. In the event that the CWA Constitution changes the amount of Local dues hereafter, the above percentage will be amended proportionately.

c. Each member who is classified Not-at-the-Trade or Proprietor will be required to pay \$10.00 per month to CWA unless Constitutionally changed, and Local dues will be in accordance with the Local's Bylaws. For sick, disabled and unemployed members who have no earnings during the month, \$1.00 per month to CWA unless Constitutionally changed, and Local dues will be in accordance with the Local Bylaws.

d. Dues and rights of current retirees shall be in accordance with the attached PPMWS memo of October 10, 2014.

8. All PPMWS members and locals shall continue to have all the same rights and privileges (i.e. governance, strike fund, etc.) as defined and determined by the CWA Constitution as all other CWA Locals within CWA.

9. PPMWS Committee – The current president and Laws and Finance Committee members shall become the Transition Committee. This Committee shall serve until July 31, 2020. However, this Committee may be dissolved earlier if in the Committee's opinion, such transition has been satisfactorily completed. The Committee shall elect, from within their body, who will serve on the International Allied Printing Trades Association (“IAPTA”) Board of Governors. Such term will be in accordance with the IAPTA Agreement. In the event of any vacancy, the Committee members will elect to fill the position. This Committee shall also be responsible for the registration, application and maintenance of the CWA Label. All expenses of performing such duties shall be paid for by CWA and under the CWA HQ Budget. Once the Committee has been dissolved, the CWA President shall appoint the IAPTA representative in accordance with Article XVI, Section 13, of the CWA Constitution.

10. The PPMWS share of the Media SIF Silo shall continue to be available to support projects related to PPMWS Locals and their industry submitted by their District Vice President.

11. PPMWS Funds – All PPMWS funds (General Fund, Operational Fund, and Strike Fund) shall be dispersed to Locals with PPMWS members, on a per capita basis of PPMWS members, as determined by the CWA Secretary-Treasurer for purposes of the 2019 Convention pursuant to Article VIII of the CWA Constitution, to augment Local budgets for member services. These funds shall be distributed at the end of the transition period, in a transparent manner with the oversight of the CWA Secretary-Treasurer. Prior to such dispersal, PPMWS and its transition committee will provide from the appropriate funds the \$100,000 per fiscal year payment to CWA, as agreed in the prior 2015 agreement, to help offset any deficit spending, as agreed between the parties in that agreement, until the end of the transition period.

12. PPMWS Personnel – The PPMWS shall cease to have a designated seat on the CWA Executive Board immediately. The one represented staff and the two non-represented employees working for the PPMWS/CWA shall stay employed until and including July 31, 2020 to aid in the orderly transition including the processing and disbursement of PPMWS funds on or before July 31, 2020, the transition of work to Districts, and close down the PPMWS. Any and all expenses of the two non-represented employees, until July 31, 2020, shall be processed by the PPMWS personnel the same that they are currently. The CWA shall offer employment to these staff in the same geographic area where they currently work. Such offers shall include converting the PPMWS staff representative into a District 1 staff representative, converting PPMWS Executive Officer to a staff representative in District 2-13, and converting the PPMWS administrative secretary to an appropriate secretary title.

13. PPMWS Office – All historical memorabilia, furniture, and equipment obtained with ITU or PPMWS funds shall be disbursed to Locals in a fair and transparent manner by the Transition Committee, following an inventory of such items and any necessary data retrievals or other record preservation, conducted with the oversight of the CWA Secretary-Treasurer. The Transition Committee shall cooperate with CWA in efforts to determine the proper disposition of all union property.

14. The budget for the transition work during the transition period shall be consistent with past budgeting for PPMWS.

15. This Agreement replaces the Merger Agreement of 1987, its amendments, and any and all other agreements known or unknown between the parties, upon its approval and signing.

IN WITNESS WHEREOF, the parties hereto set their signatures this 27th Day of July 2019:

Chris Shelton
President
Communications Workers of America

Daniel Wasser
PPMWS President

Don McConnell
Chairman
PPMWS Laws and Finance Committee

Michelle Tovo
Secretary
PPMWS Laws and Finance Committee