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NOW'S YOUR CHANCE — ASK THE DEMOCRATS TO WORK FOR YOU!

By Linda Guyer, President, Alliance@IBM

What a stunning election we just had! Both houses of Congress have dramatically changed power bases. And we, as IBM employees and retirees, must not let this opportunity go by.

Now is the time for us to talk to our newly elected officials and demand they represent us. For too long, Congress has allowed a torrent of jobs to flow out of America; allowed the abuse of overtime laws, the gutting of pension plans, and the rights of ordinary workers to join unions to go by the wayside.

The abuse of corporate power has gone on long enough. Many of our retirees can no longer afford health insurance — ask your representatives, what will they do about this?

Many of our coworkers have lost their jobs to “global resourcing” — a euphemism for ditching U.S. workers for the sake of not just profits, but even higher profits and bonuses for executives who are already fat from bennies like 26% raises. Ask your rep-representatives, what will they do about this?

The ERISA laws, which protect pensions, were changed for the worse under the previous Congress. Ask your representatives, what will they do about this?

We all know the issues. Our mandate as citizens is to reach out to this new government, tell them what matters most to us, and demand that they work for our well being.

Don't put this off. This evening, write letters to your representatives and to the Committee chairs to let them know, you expect them to represent YOU. If you are at an IBM location, get together with other employees and retirees and

as a group, make an appointment with your local reps, visit them, voice your concerns, and ask them to support legislation that will help us keep our jobs, our health care, and our economic security.

Below is a list of extremely important bills that you can print off and include in your letter or your visit. Now is the time for all of us to expect from our elected officials that they will work for us. It's about time!

1) Demand that they support the **Defend the American Dream Act (H.R. 4378)** which will reduce the number of foreign workers corporations are allowed to use under the H-1B program and will create strong enforcement policies. This bill is sponsored by U.S. Rep. Bill Pascrell, Jr. (D) of New Jersey.

2) Demand that they support reforming the **Trade Adjustment Act (H.R. 4156 and S. 1309)** to extend benefits to service sector workers who lose their jobs due to foreign trade. This bill is co-sponsored by U.S. Rep. Adam Smith (D) of Washington and U.S. Senator Maria Cantwell (D) of Washington.

3) Demand that they support the following three bills sponsored by U.S. Rep. Rosa DeLauro (D) of Connecticut:

The Nonimmigrant Reform Act (H.R. 3381), which will reduce the number of foreign workers corporations are allowed to use under the L-1 program and will create strong enforcement policies.

The United States Worker Protection Act (H.R. 3406), which prohibits the federal government from outsourcing government work to foreign companies, and prohibits giving federal funds to state governments that ship government jobs offshore.

The Understanding Off-shoring and Outsourcing Act (H.R. 6279), which will require the Bureau of Labor Statistics and the Bureau of Economic Analysis to increase the amounts and

types of economic data they collect about public and private sector business operations, services, and international trade.

Excessive Cancer Deaths Found Among IBM Manufacturing Employees.

Alliance@IBM CWA Local 1701 calls on IBM to take action

A study by Dr. Richard Clapp, an epidemiologist at Boston University School of Public Health, and published in Environmental Health Journal has raised alarms with IBM employees and retirees.

The study, called “Mortality among US employees of a large computer company: 1969-2001,” specifically details cancers and mortality rates among IBM employees. The study confirmed that overall *and* cancer-related mortality is considerably higher among workers engaged in manufacturing computers and component parts when compared with the general population.

While this was generally known, this study includes data from the largest database so far—IBM's own “Corporate Mortality File”. This data comes from 31,941 records about the deaths of people who had worked at IBM's plants for at least 5 years. The study is on the Alliance web site at www.allianceibm.org.

Earl Mongeon, Alliance@IBM Vice President and a manufacturing worker at the IBM Burlington, Vermont site, said “This study confirms to those of us working in IBM manufacturing processes that the rumors and talk about high

levels of cancers and other health problems from working with toxic substances wasn't just idle shop floor talk.”

The Alliance@IBM, the advocate group for IBM employees, is calling on IBM and Local, State and Federal officials to take the following actions in response to this study:

- Health surveillance of all who worked at IBM by the company and appropriate Health agencies.
- Increase the use of non-toxic substances in all processes and reduce the use of harmful substances.
- Employee exposure levels of toxic substances within IBM facilities be reduced significantly.
- States and municipalities with computer manufacturing plants to compile cancer maps of areas around the facilities and areas where employees are likely to reside. Results to be made public.
- The setting up of a fund to help alleviate the medical costs of affected IBM employees and their families.

The Alliance is also encouraging current employees and retirees who believe illness or cancer might be caused by work at IBM (or in the field) to fill out a Health Focus Survey on the Alliance web site www.allianceibm.org.

The Alliance is also forming a Health and Safety Committee that will bring together employees at IBM sites, retirees, Health and Safety activists, researchers and Medical experts. **If you would like to participate in this committee, please contact the Alliance.**

Join the Alliance@IBM/CWA

Join the Alliance@IBM/CWA and join with your coworkers in building the strength and unity that we will need to reverse anti-employee benefit and personnel policies at IBM. If we work together, we can make IBM into a better and more secure place to work. Sign up below and be a part of the movement for positive change at IBM!

Name _____ Job Title _____

Work Location/Division _____ Years with IBM _____

Home Address _____

City _____ State _____ Zip _____

Home Email _____ Home Phone _____

(Check boxes that apply)

Voting Member. I will pay monthly dues of \$10 and become a voting member of the Alliance@IBM/CWA Local 1701. Send me an application form.

Subscriber. I want to receive Alliance publications and be placed on the Alliance email list.

For information, go to www.allianceibm.org

IBM to pay employees \$65 million in Overtime Class Action Lawsuit

In a significant case involving workers in the IT industry, IBM has agreed to a \$65 million settlement over overtime pay.

The suit, *Rosenburg, et al. v. IBM*, was brought to the court by 8 law firms.

The class action lawsuit involves 33,000 current and former computer installation and maintenance workers in California and the USA.

For further information, please visit: www.overtimepaylawsuitagainstibm.com

IBM Employee Setback on Pension Class Action Lawsuit - IBM Wins Appeal

On August 7th, the U.S. Court of Appeals for the 7th Circuit and Judge Easterbrook, a Reagan appointee, ruled against IBM employees and ruled that cash balance plans are legal and valid and that IBM's plan treats all employees equitably regardless of age.

The plaintiffs' legal team for Cooper v. IBM said this about the ruling: "Judge Easterbrook's opinion in Cooper v. IBM ignores the fundamental differences between defined benefit and defined contribution plans and disregards the statutory provisions expressly enacted by Congress to protect older workers from age discrimination.

The decision judicially creates an "equal cost" defense for defined benefit plans even though Congress expressly chose not to provide such a defense for defined benefit plans. Because of the adverse impact of this decision on the statutory protections Congress provided all workers - young and old alike - plaintiffs intend to ask the entire Court to reconsider the panel's erroneous decision.

Pension Suit timeline and update:

On July 31, 2003, a federal district court judge ruled in favor of the employees in this case.

On September 28, 2004, IBM and the legal team on Cooper v. IBM announced that an agreement had been negotiated that settles some of the claims and set the amount of damages that IBM will pay to the class if IBM's appeal of the district court's age discrimination rulings is unsuccessful.

On August 16, 2005, after the August 8 fairness hearing, Judge Murphy issued an order finalizing the settlement agreement.

On August 30, 2005, IBM began the appeals process by issuing their notice of appeal.

On August 7, 2006, the 7th Circuit Court of Appeals ruled in IBM's favor.

On September 2, 2006, the 7th Circuit Court of Appeals rejected a petition from the plaintiffs for an 'en banc' review of the decision.

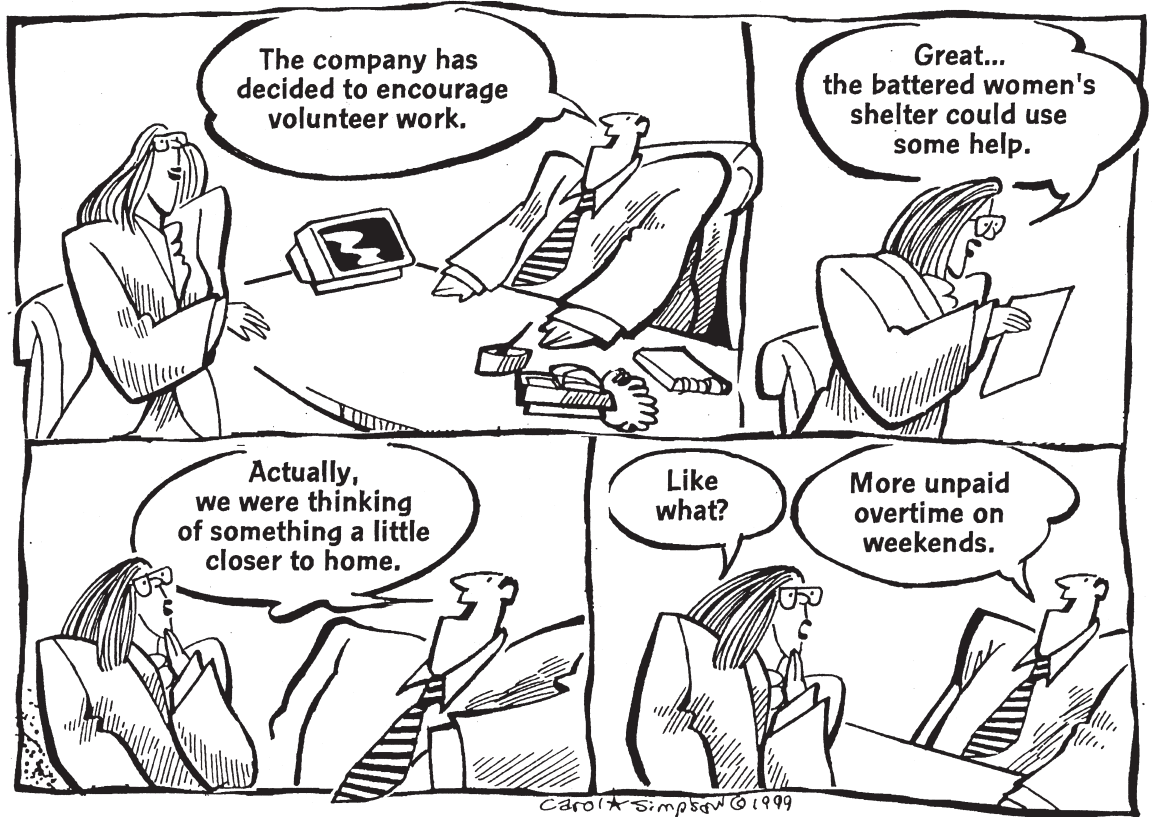
On November 30, 2006, the plaintiffs filed a petition for a Writ of Certiorari to the United States Supreme Court.

The settlement agreement says:

- No money will be paid out until the final appeal is completed;
- The earliest that might have occurred was November 2006;
- If the settlement were not distributed in November 2006, IBM would have to start adding monthly interest credits to it;
- If IBM wins the final appeal, then the class members will divide \$320 million plus interest credits;
- If IBM loses the final appeal then the class members will divide \$1.7 billion plus interest credits.

The current status is:

- The US Supreme Court will either grant a Writ of Certiorari for the case, scheduling oral arguments, or refuse the appeal.
- The US Supreme Court does not have deadlines; cases have taken years to move through the US Supreme Court docket.
- When the US Supreme Court issues its ruling, distribution of the settlement will begin approximately 6 months later.



IBM Pay for Skill, Performance, Retention, Merit?

By a North East IBM employee

Do you ever wonder why we have been "unofficially" told not to talk about our individual pay with our IBM peers? One would suspect IBM would not want "sour grapes" to spread, when two or more employees discussing salary and hourly pay - people with almost identical skills, experience, performance and appraisal - find out their pay is a few dollars less per pay period than a colleague. In fact, it could be a FEW HUNDRED dollars per pay period difference!

Before the "dot com" era in the early 1990's, IBM was secretive about employee pay: managers had access to pay scales and grids but employees did not have the "need to know." In the 1990's, probably forced by the "dot com's," IBM finally divulged pay scales and salary ranges with its employees.

Now it appears IBM is going back to the era when they did not openly discuss pay, market pay and pay relation in regards to "midpoint" in particular. One can easily get the impression if you can't get this information about pay that was

previously made available to you, then what is the reason now? Perhaps IBM is not reviewing your pay properly and you are not being treated equitably in pay for your skills, performance, retention, and merit. Not being paid equitably can affect an employee's entire IBM career. Perhaps the current IBM employee pay system is seriously flawed and needs a review of its equity treatments.

What can be done to help IBM pay more equitably? A thorough review and overhaul of the IBM employee pay system should be done; a frank, honest, openness in regards to employee pay treatment and guidelines is in order.

Employees in other companies have found that with collective bargaining rights, that they secure with a union contract, they can work together with the companies they work for to get pay equity and fairness.

Pay scales and re-banding issues would be items that must be negotiated and never presented to employees as a "take it or leave it" issue.

Full article and discussion of salary and raises at www.allianceibm.org.

Important information on the Alliance@IBM web site, www.allianceibm.org News and information updated frequently.



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