

June, 2009



**OFFICERS:**

President: Johnny Phillips  
Vice President: James Messer  
Recording Secretary: Edwin Smith  
Financial Secretary: Ray Boston  
Treasurer: Bill Flippo  
Trustees: Keith Hensley, Junior Holden, Kevin Messer  
Guide: David Dutton  
Guards: David Garrison, Robert Poellnitz

# USW LOCAL 1137

*Representing the Maintenance, Storeroom, Transportation and Fire Control employees of International Paper's Courtland, AL mill*

## News and Notes—

Although definite dates have not been set, it is almost a certainty the Fall major outage will be moved from the end of September. Right now, it looks more likely to be the first week of November. The company will confirm the dates as soon as they know for sure.

Blue Cross Blue Shield will be issuing new cards to all of us, beginning right away. If you have not received a new insurance card by June 15, contact Blue Cross Blue Shield.

The USW District 9 Summer Training Institute will be held the week of August 24. At our June 8 meeting, we will need to discuss and decide how many people we want to send to this training. There is also a meeting of the USW's IP Council scheduled for August 3 & 4, in Pittsburgh.

*American Income Life* provides each of our members with an accidental death and dismemberment insurance policy. The amount of coverage on this policy has been raised to \$4,000 and it is provided at no cost to you or to the Local. You may be contacted by [AIL](#) to confirm your beneficiary and they may try to sell you additional coverage. Local 1137 does not endorse this or any other insurance company. This coverage is provided as a benefit for our members and, as with all financial investments, you should make your own decision regarding any purchases.

Because our July 4 & 5 Holidays fall on Saturday and Sunday this year, management has informed us they intend to allow day workers to take off July 2 & 3.

**Stewards Meeting**  
**Friday June 5**  
**7:30 am**  
**Training Center**  
**Room 108**



**Upcoming Meetings:**

**Monday June 8**

**Monday July 13**

**Monday August 10**

**3:45 PM**

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*David Dutton was the winner of the USW jacket at our May meeting.*

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**Reminder: There is no general wage increase this year. Courtland employees will receive a lump sum payment of \$1,000 on June 18.**

*"If I were a worker in a factory, the first thing I would do would be to join a union." - Franklin D. Roosevelt*

Say something GOOD about your Union today

## VPP—Gain Sharing Update

The OSHA VPP audit is scheduled for the week of July 13. A positive outcome from that audit will open the door for a mill-wide Gain Sharing program here at Courtland. IP has a safety ‘gate’ which any facility has to pass through in order to get Gain Sharing. That gate can be opened by either of two ways—being in the top 1/2 of all IP facilities in TIR or by obtaining VPP Star status. Although our TIR continues to improve and we hope and expect to be among the top facilities in that number some day, the VPP audit will be the quickest way for us to get through that gate.

The mill has formed a Gain Sharing team consisting of people from all three locals and people from the salaried and management groups. This team has, after looking at the programs in place at other mills, put together a plan for Gain Sharing at Courtland.

Any new Gain Sharing plan in IP has to go through a standard corporate approval process. The first step for us was the readiness assessment done a couple of weeks ago when HR managers from two of our sister mills were here. We passed that hurdle with flying colors. The plan also has to be reviewed and approved by a corporate Gain Sharing group, headed by Mr. Greg Wanta. That has been tentatively done and we expect it to be formally approved very soon.

More specific details will be provided as we get closer to implementation but I will share some of the basics of the plan now.....

First, payouts will be done quarterly and will be based on an average of numbers from the preceding two quarters. The maximum payout for any quarter will be 8% of an employee’s earnings for the previous quarter.

In order to receive a payout, the mill and the sector must be EBIT (earnings before interest and taxes) positive for the quarter. This shouldn’t be much of a hurdle for us.

**Suggestions and ideas for the newsletter can be turned in to any of the officers. We want this to be interesting and useful for the members of Local 1137 so let us know what you want and need to see in the newsletter and on the website!**

The payout will be determined by the mill’s performance in three areas—Productivity, Cost and Quality. Productivity is based on how well the machines run vs. budget (% of Std.). A machine above 100% of standard means money in the pot, below 100% means money out of the pot. Cost is based on OPS variance, but basically means the less we spend to make a ton, the more money in the Gain Sharing pot. Quality is based on the number and amount of customer complaints vs. budget. The bottom line, I guess, is more paper out the door with fewer quality issues means more payout for the employees at Courtland.

Another important thing to know is that the company has agreed, should we be successful in our VPP efforts, to begin payouts in the 4th quarter of this year. That means the metrics of our plan would be applied to the mill’s results for the 2nd and 3rd quarters and we could receive a check in October. What we are doing right now will effect our first payout.

Again, more specifics of the plan will be provided as we get closer to implementation. There will be postings, handouts and information on Conet and everyone will be able to see how what they do everyday can help or hurt the potential payouts.



[www.usw1137.org](http://www.usw1137.org)

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*Everyone, especially our stewards, should check out our website at [www.usw1137.org](http://www.usw1137.org) fairly often. We try to keep it updated with the latest information for our members. If you have anything you would like to see posted there, let us know and we will try to do it. We have links there to several interesting websites for union members.*

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