



# The Frontier Reporter

Spring/Summer Edition 2023

## Table of Contents

Latest news on outsourcing of Buffalo News jobs and printing.....	Page 1
Prepress staffer reflects on his remaining time at The News .....	Page 1
Analysis of Lee Enterprises’ financial reports to investors .....	Page 2
Roundup of major Guild news since winter edition .....	Page 4
Guild takes to social media over loss of page designers.....	Page 5
Comings and Goings from The Buffalo News/Sun papers .....	Page 5
Upcoming meetings .....	Page 5
Meeting minutes for Jan., Feb., March, April, May.....	Page 5

## Where things stand with outsourcing: Cleveland printing plan remains on track

*By Jon Harris* – It’s been a difficult first half of the year at The Buffalo News, with Lee Enterprises announcing a series of outsourcing plans that affect the jobs of 10 Buffalo Newspaper Guild members.

Most recently, Lee completed the outsourcing of The News’ award-winning design desk, which affected five Guild members. The newspaper is now designed out of state by Lee’s hub, leaving The News with a simple, templated format and severely eroding the flexibility that came with a locally based design team.

In addition, Lee is planning to outsource the Accounting, Bookkeeping and Credit (ABC) department at The News, which will affect three Guild members. As of now, it is expected this outsourcing will be complete by the end of August.

Since the outsourcing of design and ABC was included in the current contract, the Guild knew these moves could happen at some point. That doesn’t make them any less painful, however, and it is further proof of Lee pulling more resources and local control out of Buffalo.

Another major blow came Feb. 20, when the company announced it planned to shift print production to The Plain Dealer in Cleveland, Ohio, three hours from Buffalo.

That move, unfortunately, remains on track to be completed by Oct. 1, which will put 128 employees out of work. That includes 118 employees represented by a labor union, including two Buffalo Newspaper Guild members who work in PrePress.

The production shift marks an aggressive – bordering on rushed – change for Lee, which seems hell-bent on fully transitioning to digital operations even if it costs them subscribers and money.

Times are, indeed, difficult across the industry, which has seen layoffs at major outlets such as the billionaire-owned Los Angeles Times.

But in a challenging industry, The Buffalo News needs – and deserves – more investment from Lee, not less. That’s a message we’ll never stop pushing.

## ‘The end of an era:’ Guild member reflects on his time at The Buffalo News and the loss of local newspaper printing and newspaper jobs

*Guild member Mark Hanover works in The Buffalo News’ Prepress Department. He is one of the Buffalo News employees who is expected to lose a job because of plans to outsource the paper’s printing in the fall. Frontier Reporter Editor Sandy Tan asked for his reflections on his time at The News and what the transition means for him and readers. Interview is edited for space and clarity.*

**Tan:** Can you tell us how long you've worked at The Buffalo News and what it is that you and your colleagues do in Prepress?

**Hanover:** I worked there about 34 years. I started in September of 1990. I started out as a graphic designer, and my job has evolved into so many things over the years. Right now, we're basically

just relegated to plate making for the press. It's definitely a job where you need to be hands on.

**Tan:** How many of you were there in Prepress, say three or four years ago? What work did you do then? And how many of you are left?

**Hanover:** There's two of us left out of, I say, almost 20-22 people. Before me, there was a ton of people working in that department. And obviously, with technology, they have eliminated certain types of jobs and everything.

**Tan:** Since Lee Enterprises took over, there seems to have been an acceleration of the move away from the print product. Have you noticed that?

**Hanover:** Oh, for sure. I'm a member of a boat club, and some of the older guys, all they ever do is complain to me like it's my fault. I get so annoyed by that. But Lee has basically decided to crash and burn the print product. That's how I see it. They've made it so non-consumer friendly. Now, they're shipping it out to Canton, Ohio. You're going to end up not getting your sports scores. And forget about election results. You're not going to get those on the paper side of it.

**Tan:** You're obviously referring to the fact that Lee Enterprises intends to shut down our local printing operation and move that printing operation closer to the Cleveland area three hours away. What was your initial reaction when you heard that news?

**Hanover:** I was kind of dumbfounded. It doesn't seem like it would be all that cost effective. And from what I hear is, our guys are going to be driving to Canton, Ohio, to pick up the paper every day, and then bring it back. I guess it just seems silly.

**Tan:** It doesn't seem particularly bright in light of our weather and Lake Effect storms.

**Hanover:** They're definitely going to have issues. Yeah, it's strange. I tend to wonder if they bought The News mainly for the property, to set for a future sale or whatever. I don't think they care as much about The News as much as they do about the real estate.



**Tan:** What are you hearing from your colleagues over there [including in other unions] regarding the likelihood that they could be losing their jobs soon?

**Hanover:** The younger guys, that's who I really care about. I'm coming close to retirement, but some guys are in their 50s. That's a tough age to find a job in any economy. The young guys are probably a little more resilient.

**Tan:** Any other last message you want to leave with folks?

**Hanover:** I guess I wish people could make a statement about how they feel and get Lee to change their mind, but I think it's already too late. Like I said, I'll be okay and close enough to retirement, but I do think about other people losing their jobs and stuff. It's just another nail in the coffin of our economy, as far as I'm concerned. I've always taken pride in my job, and I think for the most part, other people I work with all do, too. It's the end of an era, for sure.

## **Lee Enterprises' belated annual report in Feb. and 2nd-quarter earnings report in May show ongoing declines and plans to grow digital**

*By Mike McAndrew and Jon Harris* – Lee Enterprises on Feb. 27 filed its annual report with the U.S. Securities and Exchange Commission, several months later than it was due, for its fiscal year that ended Sept. 25, 2022.

The company's total operating revenue dropped by 1.7% over 2021 to about \$781 million, while its total operating expenses were \$761.8 million, a 2.3% increase compared to 2021.

After taxes and non-operating expenses were added in, that left Lee Enterprises with net income of \$97,000 in 2022 fiscal year, compared to net income of \$24.8 million in 2021.

The report had some distressing statistics about The Buffalo News.

The News' daily circulation was 56,120 and its Sunday circulation was at 84,370, as of March 2022. The daily circulation ranked fourth among the Lee papers, behind Lee papers in St. Louis, Omaha, Neb., and Richmond, Va. The Sunday circulation was second in the chain, behind St. Louis.

Buffalonews.com ranked second in the chain in unique visitors, with a monthly average of about 2.9 million. The News' website ranked fifth by page views, with a monthly average of nearly 15 million.

In March 2020, The Buffalo News daily circulation was 184,862 and the Sunday circulation was 221,944, according to Lee Enterprises' annual report filed in December 2020. (While that is what Lee reported in 2020, these numbers were actually from many years ago, likely the result of reporting delays from Berkshire Hathaway.)

## 2022 highlights

Lee Enterprises filed its 2022 annual report late after notifying the SEC that it was unable to file the report within the prescribed time period because it required additional time to complete an assessment of the company's internal financial reporting controls.

Some highlights from the 2022 annual report:

Lee had 532,000 digital-only subscribers across its websites, up 32% over 2021. Revenue from digital-only subscribers totaled more than \$40 million in 2022, up 42%.

Print subscription revenue was down 4.9% to \$313.5 million.

In 2022, total digital revenues, which includes digital advertising and marketing revenues, digital-only subscriptions, and digital services revenues, equaled \$240 million, or 31% of Lee's total revenues.

Lee's news organizations had almost as much revenue from digital advertising as they did from print advertising. Print ad revenue was down 18.8%, totaling \$184.9 million in 2022. Digital ad revenue was up 28.3%, totaling \$181.5 million.

Compensation for employees was down 4% to about \$318 million. The decrease is attributable to reductions in the number of full-time employees "due to continued business transformation efforts."

As of Sept. 25, 2022, Lee had approximately 4,064 full-time-equivalent employees, of which 722 were represented by unions.

A year earlier, Lee had 4,793 full-time-equivalent employees, including 805 represented by unions.

Lee identified the hostile takeover bid from Alden Global Capital LLC in November 2021 as causing a big increase in costs.

"Restructuring costs and other" were up 216.3% to \$22.7 million. That category includes severance costs, litigation expenses, restructuring expenses, and adviser expenses associated with the unsolicited offer from Alden.

Lee has 23 printing sites that print most of its dailies. Thirteen of its daily papers are printed on third-party presses.

One of the potential future risks that Lee Enterprises highlighted for investors was that it may not achieve

the intended benefits from its acquisition of the BH Media and Buffalo News.

## 2nd-quarter earnings report

In May, Lee Enterprises reported its second-quarter earnings, recording positive digital growth, further print declines and a net loss in the quarter.

Lee reported quarterly operating revenue of about \$171 million, a 10% drop from \$190 million in the same quarter a year ago.

The good news within that: Lee's digital revenue – which includes digital advertising, digital subscription and digital services revenue – increased nearly 12% to \$65 million. That means digital now makes up 38% of the company's total revenue, a share that continues to increase.

As that indicates, print still accounts for 62% of the revenue coming in the door – but that percentage is declining.

Lee's total print revenue in the quarter – which includes print advertising, print subscription and other print revenue – totaled \$105.7 million, a roughly 20% decrease from a year ago.

Within that, the company saw big drops in print advertising revenue, which declined from \$44.2 million to \$31.5 million, and print subscription revenue, which dropped from \$77.3 million to \$64.6 million.

Operating expenses in the quarter totaled \$169 million, which was a 13% decline from \$195 million in the same quarter last year.

The company is spending less on compensation – \$69 million in the second quarter this year, compared to \$84 million a year ago – and slightly less on newsprint and ink, which could be a reflection of declining print circulation.

A big drop in operating expenses also came from restructuring costs, which totaled \$3.7 million in the quarter. In the year-earlier period, Lee spent \$10.6 million in this category, mostly fighting off the bid from Alden.

While the company recorded operating income in the quarter of \$2.9 million, it ended up reporting a net loss of \$5.4 million after factoring in interest expenses. That was actually an improvement from a year ago, when the company reported a net loss of \$6.7 million.

CEO Kevin Mowbray, on an earnings call with analysts, pointed out that when Lee launched its digital growth strategy 2½ years ago, digital revenue represented 21% of overall revenue. Now at 38%, Mowbray predicted that by 2026, more than half of the company's revenue will be digital.



Goal by 2026: Lee would have 900,000 digital subscribers – it has about 600,000 today – and more than \$100 million of “highly profitable digital subscription revenue,” Mowbray said.

We were confused when Mowbray said this: “We’ve made significant progress ... by improving the user experience in our digital products and hiring top digital native talent.”

Maybe he’s using a different website or mobile app than we are?

Mowbray and Chief Financial Officer Tim Millage made it clear on the call: They are pushing to transform Lee into a digitally-centric company.

Millage said over the last three to four years, Lee has been able to retain more of its print subscribers and print subscription revenue than its peers in the industry.

But now, the decline is accelerating. We fear Lee’s own defective, short-term cost-saving strategies are speeding things along.

## Major Guild happenings since winter 2022-23

- **Late February 2023** – Lee Enterprises announces it will move Buffalo News printing operations to the Cleveland area, eliminating about 130 jobs, including two Guild Prepress positions. Efforts to maintain printing operations in Buffalo are rebuffed. Guild agrees to “adopt” two striking members of the Newspaper Guild of Pittsburgh, contributing \$200 per week to their pay.
- **March 2023** – For the first time, the Buffalo Newspaper Guild issued a vote of “no confidence” in the executive leadership team of Lee Enterprises, citing the disastrous employee benefits transition, continued disinvestment in the news organization, its poor communication with customers and employees, and its poorly designed and user-unfriendly digital platforms.
- **April 2023** – The drastic, negative impact of Lee Enterprises ownership is highlighted in a lengthy, [high-profile Poynter story](#) by Angela Fu. Guild members participate in the Buffalo Niagara Waterkeepers annual spring cleanup. Two dozen Guild members and their family members gathered to remove garbage near the mouth of Scajaquada Creek in Buffalo as part of the April 22 event.



*Guild members and their families participate in the 2023 Buffalo Waterkeepers cleanup effort.*

- **May 2023** – Lee Enterprises announces its intent to outsource the Accounting/Bookkeeping/Credit department, which would result in the layoff of three members in the accounting department. At least four nonunion employees would also lose their jobs. That work is slated to be centralized at a Lee hub in August. The Guild had previously negotiated enhanced severance for affected union employees.
- **June 2023** – Guild signs a five-year contract with Delft Printing after negotiating the strongest union contract with an outside Guild-represented printing company, which includes guaranteed raises, improved holiday benefits and new severance language. The Guild also says goodbye to its award-winning page designers, all of whom finally had their work outsourced this month. The Buffalo

News is designed at a design hub with unimaginative template designs. As part of a Unions of Lee Enterprises public awareness-raising effort, the Guild highlights the negative impact on social media.

## **Guild takes to social media to raise awareness about loss of page design team**

*By Aaron Besecker* – In late June, the Buffalo Newspaper Guild joined other unions at newspapers owned by Lee Enterprises in a public awareness campaign to highlight the cuts and disinvestment the paper is making in news operations. At smaller Lee papers, the company in June slashed daily printing to only three days a week, with those papers being delivered by U.S. mail. We localized our own public awareness campaign, using the Unions of Lee Enterprises hashtag #LeeUnionsRaisingAwareness, to focus on disinvestment here in Buffalo.

We put together a Twitter thread showing the before-and-after impact of Lee Enterprises getting rid of our award-winning news design desk. The last of the local workers whose job was to create gorgeous, eye-catching newspaper pages lost their jobs a few weeks ago.

Lee took their work and moved it to a corporate hub.

The Guild's Twitter thread posts drew a massive response, getting roughly 40,000 views and tons of reader engagement in just a few days.

We noted that because of this cutback on local design jobs, The News' pages are put together for "efficiency" by workers who do the same work for

multiple other publications at the same time. So our readers are left with the boring, plain and uninspired pages we see today.

This change is NOT because the actual printing of the paper has moved — at least not yet. Lee wants to move the printing of The News three hours away to Cleveland. The company plans to shift printing to Cleveland by Oct. 1, putting 128 employees out of work.

We also noted that these aren't the only ways Lee has disinvested in operations in Buffalo and Western New York. Lee previously outsourced customer service work from Buffalo. Two photojournalist positions were cut last year. In February, in response to imposed cuts in the newsroom, three veteran Guild journalists took buyouts in order to spare others from losing their jobs. The News will soon be outsourcing its accounting department.

"We stand in solidarity with the Unions of Lee Enterprises as we highlight the destructive actions of our owner," our message read. "Since Lee bought the News, the message has been clear. We're left to wonder how much cutting will be enough for Lee. We want them to invest in The Buffalo News. To invest in Buffalo. To invest in us."

## **Comings & Goings from The Buffalo News/Sun papers**

### **Comings**

Yvette LeClerc/District Manager - PT

#### Newsroom Interns:

Grant Ashley

AJ Franklin

Johanna Sommer

Cole Bambini

Joshua Thermidor

William Karr

Lauren Larsen

Sean Birmingham

### **Goings**

Francesca Bond/Editorial - Hamburg Sun

Bryan Bischel/District Manager - PT

Tyler Coon/District Manager - PT

Phil Palisano/District Manager - PT

Leah Samol/Editorial - Design Desk

Like Gao/Editorial - Design Desk

Chris Fisher/Editorial - Design Desk

Tadeo Huazo/Editorial - Design Desk

Ben Chee/Editorial Design Desk

Jeff Miers/Editorial - Features

Anthony Turello/District Manager - PT

## **Upcoming meetings**

The next general membership meeting will be held Aug. 16. Meeting time and format to be announced. The next Executive Committee meetings are scheduled for Aug. 14 and Sept. 11. For more meeting dates/times, visit: [buffaloguild.org](http://buffaloguild.org)

## **Meeting Minutes**

*Meeting minutes in the Frontier Reporter are abridged. To view full minutes, visit [buffaloguild.org](http://buffaloguild.org), select "Meeting Minutes" tab and enter password. If you need the password, email [aaron.besecker@gmail.com](mailto:aaron.besecker@gmail.com)*

### **Executive Committee Meeting Minutes: Jan. 9, 2023**

Present: Vice President Mobilization and Communication  
Aaron Besecker, Inside Circulation Steward Melissa Burrowes,  
Sports/Photo Steward Mike Harrington, President Jon Harris,

Treasurer Alva Hill, Administrative Officer Kim Leiser, Secretary Mike McAndrew, Editorial Delegate David Robinson, Editorial Delegate Scott Scanlon, Editorial Alternate Delegate Mark Sommer, Past-President Sandra Tan, Vice President Contract Administration Steve Watson, District Manager North Steward Rick Wiorkowski, Editorial Delegate Trey Wydysch.

Absent: Sun Newspapers Steward Francesca Bond, District Manager Central Steward Eric Bridenbaker, Pre-press Steward Mark Hanover,

Excused: District Manager South Steward Jason Kremblas, Editorial Alternate Delegate Rachel Lenzi, Editorial Alternate Delegate Libby March

Harris calls the meeting to order at 5:37 p.m.

Besecker moves to approve minutes of Dec. 12 Executive Committee meeting. Watson seconds. Motion carried.

### **President's Report – Harris**

Harris: So what a start to the year's it's been. We thought it couldn't get any worse than the rushed open enrollment process, and it's kind of carried into this year. Well, 2023 has somehow started as rocky as it was, but it's not totally surprising given everything that happened last month.

It could all have went better if Lee provided more time for the transition and agreed to work with the Guild to ease this rollout, in which they literally tried to change all our benefits and jam the uniqueness of The Buffalo News into one-size-fits-all Lee.

Our first paychecks got screwed up – and hopefully that got corrected for everyone today – and our benefits remain a pressing issue. We also going to talk a little about customer service calls being directed to the Philippines and elsewhere.

We have a lot to do. But our members continue to do great work, through difficult circumstances, including the Tops mass shooting, the blizzard, a fatal fire that killed 5 children, and Damar Hamlin.

I hope this is the low point for 2023 and that things get better from here. And I think it's times like this that we're all happy to have a union and grateful for the hard work that Guild leaders and members that have come before us. My feelings on a union are that it gives workers a voice and provides an avenue to enact positive change in the workplace. Lee has plenty of problems, and I look forward to working with all of you to try to fix as many as we can.

I'm going to turn it over to Sandy briefly, who has some news to share about a new role for her.

Tan: Over the weekend, I was elected, uncontested, as the Region 3 vice president for the International News Guild. I'm like an Executive Committee member representing the locals of WNY, Western PA, Ohio, Indiana and Michigan.

### **Mobilization Committee – VP Besecker:**

Besecker: Since the last Executive Committee meeting, we sent out eight emails and three texts. We still have 45 members on the text list. We've been doing regular social media posts and updates.

Our website is on the same back-end system it was when it was set up in 2009, which is WordPress.org. We pay someone to host it and we pay for the domain. What it's running on is kind of old and not simple to use. I'd like to switch it to wordpress.com. I think it will be at a lower cost. It's \$96 annually for the next year. We were paying A Small Orange to host our website, \$130 total a year, and we were paying separately for our domain, buffaloguild.org. We would be spending \$96 for a year on wordpress.com. The most we can do it is two years at a time, and we'd get a 6% discount if we do that.

Kim: A Small Orange's prices have been increasing. We're at \$131 a year now. If we can lock in two years at a lower rate, that would be advantageous. I don't see any reason we shouldn't approve it.

Tan: Motion to move hosting to wordpress.com for two years. Scanlon seconds. Approved.

### **Grievance Committee – VP Watson**

Watson: No Grievance Committee meeting was held prior to tonight's Executive Committee meeting, but he met with Jon and Kim on Thursday in the office. We agreed to file 4 grievances with The News based on what's been happening. Kim, thank you for drafting them. They were sent Friday to The Buffalo News.

First grievance: Employees denied proper access to health care and dental insurance. This includes login issues, the issue of people showing single coverage when supposed to have family coverage, Express Scripts not recognizing coverage, Wellmark Blue Cross Blue Shield of Iowa customer service not being accessible.

Second grievance: Paychecks: Some people who worked Jan. 1 did not receive premium pay and employees who were scheduled to work Mondays didn't receive straight holiday pay for Jan. 2.

Third grievance: Former employees who were bought out in the past were supposed to get healthcare as part of their separation agreement but were denied coverage.

Fourth grievance: Employees not credited with flex credits in their paychecks.

Leiser: No response yet from The Buffalo News. I got an out of office response from Astrid Garcia, Lee Enterprise's vice president of human resources.

Watson: I believe everyone should have gotten a copy of the letter Jon drafted that we're planning to send to Lee Enterprises over the benefits and pay issues.

After discussion, Harris agreed to make suggested changes to the letter and send it out the next day, Jan. 10.

Watson also brought up that we have found out customer service calls are being routed to a call center in the Philippines.

Leiser: Our contract language says customer service work has to be outsourced to a Lee-owned customer service office. MOA number 43: Guild agreed to outsourcing of customer service work to a Lee-owned call center with 120 days notice. They outsourced the work in August. When we were negotiating this, Lee said they had call centers in Mexico and Tulsa. And we said we would only let them move the work to the Lee-owned call center in Tulsa. It is a blatant violation of our contract.

Scanlon talked about grievances he filed in 2022 that are still pending, including paid content that looks like news on buffalonews.com. One was Spotlight Real Estate ads. He said they met with Lee and Buffalo News officials, and they told us they would respond to us within a week.

Scanlon: Said he also followed up with a note this week to Buffalo News management about our complaint about non-editorial employees creating content.

### **Old business**

#### Holiday Party update

Leiser: The party was Dec. 14. We had about 84 or 85 people there. Revenue of \$910 for tickets. Our cost was \$5,926 for food and beverages. It think another \$200 or \$300 for Rachel. So it will cost about \$6,500, well under budget of \$9,000. Attendance was lower compared to the last pre-Covid Guild holiday party.

#### Discussion on stipend changes

Harris: Tan proposed in December changing the stipends for some of the Guild officers. Let's move this to next month. Harris created a subcommittee of non-officers of the Guild, including Mark Sommer, Scott Scanlon and Trey Wydysch, to meet over the next month and discuss whether stipends should be increased. They will present their suggestions at the next Executive Committee meeting.

Leiser: We have Tan's proposal and we also got a spreadsheet created by former Guild Treasurer Hilary Osborn.

### **New business**

### Donation for Liggans Family

Harris: We got an email from Tom Wiley's Jan. 4. The home where five children died in a fire was the home of Clarence Liggans, an independent contractor for The Buffalo News since 2013. He lost five grandchildren in the fire. A GoFundMe to benefit the family has been set up, raising almost \$182,000 as of last night. I know many members have already made individual donations. I think we, as a Guild, should consider a donation to the GoFundMe in recognition of his years of service to The News and for everything the family is going through right now, which is pretty unimaginable. I suggest a donation of \$500.

Watson: His wife was still in the burn unit at ECMC.

Tan: Motion to contribute \$500 to the gofundme fund. Scanlon seconded. Motion approved.

### Digital subscription prices/digital update

Harris: I just wanted to provide a little update to folks after Buffalo News Editor Sheila Rayam's email to the newsroom last week, in which she said our goal for the year is to have 34,423 digital subscribers. As of Dec. 22, we had 30,597 digital subscribers, and the storm pushed us to over 31,000. So that means we're looking to grow digital subscriptions about 11% this year, which seems doable. A new Buffalo News mobile app should launch this week.

### Mileage

Harris: A quick note about the new 2023 mileage rates. I noticed the IRS mileage rate changed. After I sent a note to Tammy Turnbull and Mark Blum last week, Tammy did alert employees today that, as of Jan. 1, the new mileage reimbursement rate is 65.5 cents per mile, up 3 cents from the midyear 2022 change.

### Change of Local Meeting date to January 25

Harris: I'd like to request that we move the local general membership meeting back two weeks, from this Wednesday to Jan. 25. This will give us more time to figure out a few things on the benefits front. In addition, the blackout period on the 401(k) transition doesn't end until Jan. 15, so this will give us a little more time to see whether issues arise on that front. And we need to find a good place to meet.

Tan: Moves to hold the general membership meeting to Jan. 25. Besecker seconds. Motion approved.

Harris adjourned the meeting at 7:06 p.m.

### **Executive Committee Meeting Minutes: Feb. 13, 2023**

Present: Vice President Mobilization and Communication Aaron Besecker, Pre-Press Steward Mark Hanover, Sports/Photo Steward Mike Harrington, President Jon Harris, Treasurer Alva Hill, District Manager South Steward Jason Kremblas, Administrative Officer Kim Leiser, Editorial Alternate Delegate Libby March, Secretary Mike McAndrew, Editorial Delegate David Robinson, Editorial Delegate Scott Scanlon, Editorial Alternate Delegate Mark Sommer, Past-President Sandra Tan, Vice President Contract Administration Steve Watson, District Manager North Steward Rick Wiorkowski, Editorial Delegate Trey Wydysh.

Absent: Sun Newspapers steward Francesca Bond, Inside Circulation Steward Melissa Burrowes.

Excused: District Manager co-steward Eric Bridenbaker, Editorial Delegate Rachel Lenzi.

Harris called the meeting to order at 5:38 p.m.

Approval of minutes:

Executive Committee directed McAndrew to revise the draft minutes of the Committee's Jan. 9 meeting.

Tan: Motion to approve Jan. 17 Executive Committee emergency meeting minutes. Second by Wiorkowski. Approved.

Watson: Motion to approve Jan. 25 general membership meeting minutes. Second by Tan. Approved.

### **President's Report: – President Harris**

"I've been around for around 10 years in journalism and I've never seen a company treat employees as bad as Lee Enterprises has treated the Buffalo News employees." He mentioned the errors in rolling out health care benefits, the rushed enrollment, layoffs, proposed furloughs, and the design desk outsourcing. "Despite that, all members continue to do their jobs every day."

### **Mobilization Committee – VP Besecker**

Our new buffaloguild.org website has been launched. It was switched over to wordpress.org and is much easier to manage. He thanked Tan for assistance. Since the Jan. 9 Executive Committee meeting, he sent 11 total emails to union members and 7 text messages. The Guild has also posted many social media posts, especially supporting striking Pittsburgh Newspaper Guild members.

Tan: Frontier Reporter should be coming out this week.

### **Grievance Committee – VP Watson**

The Guild filed four grievances on Jan. 6 related to the botched rollout of benefits. None of the four have been resolved. Grievance Committee members met Jan. 31 with Lee executives. They indicated the rollout of health care and other benefits was in the works since last February.

Regarding a Letter of Concern filed by former VP Scott Scanlon last year about non-Guild employees doing work in the newsroom that is typically done by Guild members, Grievance Committee members met with Buffalo News management. This is not resolved.

The Guild has not received a response from Buffalo News HR Director Tammy Turnbull to its grievance from last year about non-labeled advertising on buffalonews.com that looks like news content.

The Grievance Committee is still discussing two other issues:

- The outsourcing of classified advertising work to a Lee-owned hub in violation of the contract.
- The outsourcing of customer service work to a company in the Philippines in violation of the contract.

### **Old Business**

#### Guild stipend proposal

Sommer: Scanlan, Sommer and Wydysh formed a subcommittee on stipends for Guild officials, studied proposal made in December by Tan, came up with a new proposal.

Recommendations:

- No change to the \$5,000 stipend paid to the Guild president;
- No change to \$2,500 stipends for two VPs;
- Drop stipend for treasurer from \$2,500 to \$2,000;
- Raise stipend for secretary from \$500 to \$1,500;
- Reinstate \$800 stipend for Frontier Reporter editor;
- Decrease district manager steward stipends from \$300 to \$100.
- Decrease stipend for inside circ steward from \$300 to \$100.
- Increase all other steward stipends from \$50 to \$100.

Total cost would be \$14,900, an increase of \$150 over the 2022 budget for stipends.

Leiser will put the subcommittee's proposal into a spreadsheet and send it to the Executive Committee to consider at March 13 meeting.

### **New Business**

#### Furloughs:



Harris: Lee wants the Guild to agree to furloughs for Guild members: two weeks total, 1 week before April 30, 1 week before Sept. 24. Lee wants this corporate-wide. Lee cannot unilaterally impose furloughs on Guild members. They would have to bargain over this with the Guild.

Harris: A few Guild members have approached him about taking voluntary furloughs. The maximum unemployment benefit is \$504 a week, and you'd only get it for 1 week, not both.

Executive Committee members pointed out that despite a long established, prior history of the Guild trying to work with management, Lee has demonstrated little reciprocal interest in working with the Guild. Committee members pointed to the many cuts Guild members already sustained this year, including the \$1 million in newsroom cuts, and Lee's abysmal roll out of benefits that left members shortchanged in their health care benefits and compensation.

Motion/Second/Carried by McAndrew/Hill to decline to negotiate over furloughs but to allow Guild members to voluntarily request furloughs if they make the requests through the Guild.

#### Pittsburgh Adopt A Striker request

Leiser: We've been asked to donate up to \$200 a week to adopt at least 1 striking member of the Pittsburgh Newspaper Guild. We could adopt more than 1. They are seeking a three-month commitment. We can adopt 2 strikers for 13 weeks for \$5,200.

Leiser: The Guild has \$1.2 million in its defense fund. Our grand total of members, including all units, is 115.

Scanlon: Motion to adopt two Pittsburgh Guild strikers for 13 weeks at a cost of \$5,200. Second by Sommer. Motion approved.

Harris adjourned the meeting at 7:23 p.m.

#### **Executive Committee Meeting Minutes: March 13, 2023**

**Present:** Vice President Mobilization and Communication Aaron Besecker, Inside Circulation Steward Melissa Burrowes, President Jon Harris, Treasurer Alva Hill, District Manager South Steward Jason Kremblas, Administrative Officer Kim Leiser, Editorial Alternate Delegate Libby March, Secretary Mike McAndrew, Editorial Delegate David Robinson, Editorial Delegate Scott Scanlon, Editorial Alternate Delegate Mark Sommer, Past-President Sandra Tan, Vice President Contract Administration Steve Watson, District Manager North Steward Rick Wiorkowski, Editorial Delegate Trey Wydysch.

**Absent:** Sun Newspapers steward Francesca Bond, Pre-Press Steward Mark Hanover.

**Excused:** Sports/Photo Steward Mike Harrington, District Manager Central Steward Eric Bridenbaker, Editorial Delegate Rachel Lenzi.

Harris called meeting to order at 5:38 p.m.

#### Approval of Minutes

January 9, 2023 Executive Committee meeting minutes – Scanlon motion, Tan second. Approved.

February 13, 2023 Executive Committee meeting minutes – Tan moves to approve minutes with an amendment to the language regarding the committee's motion to reject Lee Enterprises' requested furloughs but allowing Guild members to volunteer for them. Wiorkowski seconds. Approved.

#### **President's Report – Harris**

"I'll keep this brief, which is what I think we all want. Over the last month, the hits keep coming with Lee Enterprises, which now wants to outsource our printing to Cleveland, which will affect 160 union members, including two of our own in prepress.

We've had yet another issue with paychecks, and this latest one is the most egregious yet, which we'll talk about later in the meeting.

In happy news, we'll have a Guild happy hour this Thursday at Beltline Brewery as we amp up our efforts to bring members together more often – and not just for goodbyes."

#### **Mobilization Report – Besecker**

We do the annual waterkeepers clean-up, in memory of our late Guild member Jay Bonfatti. It is scheduled April 22 this year. Registration just opened. We will send a notice and ask people to sign up.

ProtectLocalJournalism.com, the website the Guild created during the last contract negotiations in 2021, is up for domain renewal. It will cost \$19 a year.

Executive Committee meeting minutes are now password protected on the <https://buffaloguild.org> website so that only Guild members can read them.

Happy Hour: Andrew Galarneau wants to cook a meal for a future Guild social gathering. The Guild would need to have an accurate count of how many people are planning to attend. There was discussion about whether to survey members on their interest in attending a social, along with questions about our workplace.

#### **Grievance Report – Watson**

The Grievance Committee met before the Executive Committee meeting. There was not a lot of movement from Lee Enterprises on a number of grievances.

Our grievance about sponsored content masquerading as news on [buffalonews.com](http://buffalonews.com) has been pending for more than a year.

Grievances filed in January:

- Health insurance roll-out.
- Flex credits – This is close to being settled.
- Holiday pay
- Express Scripts prescriptions.
- Retirees having trouble with health insurance. This is resolved.

Leiser: Today I got a listing from The Buffalo News management on what the legacy Highmark BCBS plans covered in 2022 and what the new Wellmark BCBS plans cover. I have to compare side by side.

Watson: Grievances were filed over the outsourcing of classified advertising and customer service. No response from management on those.

Watson: The Grievance Committee also agreed to file a grievance over the paychecks screw-up from last week.

Leiser: I initially became aware of problem with paychecks on Wednesday. By Friday it blew up. I've been in contact with News HR Director Tammy Turnbull. It appears that this was caused by the company correcting all of the previous mistakes made in paychecks going back to the beginning of the year. In this week's paychecks, numerous employees said they were shorted hundreds of dollars and Mark Sommer got a paycheck with no money direct deposited in his bank account. We put thru an info request for detailed info on everyone's paycheck. Lee may have violated New York State Labor Law. Companies are required to give three days notice and explanations to employees before deducting \$\$ from paychecks for corrections. And Lee Enterprises didn't do that.

Sommer: No one from The News or Lee Enterprises has contacted him about the mistake on his paycheck.

Leiser: The deductions for Guild dues are wrong. We've known they were wrong since January. My understanding was that too much money was paid by some members. And some members weren't paying dues at all. Or at least it wasn't being forwarded to the Guild. But there is no way the members underpaid by \$7,000.



McAndrew: Motion for the executive committee of the Guild to issue a vote of no confidence in the entire team of Lee Enterprises executives, who have proposed outsourcing our printing to Cleveland, which will cost the jobs of 160 Buffalo News employees; who have given themselves big raises in compensation at a time when the company is barely making a profit; who have made our Buffalo News customer service awful and caused our digital and print customers to leave us; and who have screwed up the health care benefits and paychecks of Buffalo News employees this year. Scanlon seconds; Motion approved.

Harris will write up a flyer about the vote of no confidence to send to Guild members.

## Old Business

### Guild officer stipends:

Harris: At our last meeting, Mark Sommer presented the stipend proposal that he, Scanlon and Wydysch came up with. Kim sent a summary of this proposal out Feb. 17 to all Executive Committee members, and I hope you all had time to look it over. I think, personally, they gave it a thoughtful response with good suggestions, ensuring all officers and stewards are compensated for their work. The only change I would like to see is I want to spend the same or less overall on stipends as currently budgeted, because we obviously have declining membership rolls. I'd suggest lowering the secretary's proposed stipend from \$1,500 to \$1,200. It would still be a good increase for that job, from the original \$500, but lowering it \$300 would ensure we're spending less on stipends overall than we were before.

The subcommittee's recommendations were:

- No change to the \$5,000 stipend paid to the Guild president;
- No change to \$2,500 stipends for two VPs;
- Drop stipend for treasurer from \$2,500 to \$2,000;
- Raise stipend for secretary from \$500 to \$1,500;
- Reinstate \$800 stipend for Frontier Reporter editor;
- Decrease district manager steward stipends from \$300 to \$100.
- Decrease stipend for inside circulation steward from \$300 to \$100.
- Increase all other steward stipends from \$50 to \$100.

Total cost would be \$14,900, an increase of \$150 over the 2022 budget for stipends.

McAndrew: Said he supported lowering the secretary's stipend to \$1,200.

Sommer: Motion to change stipends as proposed by the subcommittee, with an amendment that the secretary's stipend be \$1,200. Scanlon seconds it. Motion approved.

Leiser: That brings us \$150 below what we budgeted for stipends in 2022. \$14,750 was budgeted in 2022; stipends will cost \$14,600 in 2023.

## New Business

### Lee Enterprise plans to shift printing of Buffalo News print edition to Cleveland:

Harris: Leiser and I took part in a meeting March 1 with the other seven unions that represent employees of the print production plant, work Lee wants to shift to Cleveland by October. After the meeting, we agreed to send a letter to Lee CEO Kevin Mowbray advising him that we had formed a council with the other production unions, that we rejected the outsourcing plan and that we would not bargain separately on this issue. That letter was sent March 3. Mowbray responded to CWA Area Director Debbie Hayes on March 6, and informed her that Astrid Garcia was designated as the executive in charge of the production outsourcing and that Garcia has full authority on how to proceed in this matter.

Garcia also sent a letter to Debbie Hayes on March 6, claiming that there are real differences between the various production units that require separate bargaining meetings. In her letter, Garcia also noted that the company is not planning to

outsource the drivers or hoppers work. We have not yet responded to Garcia.

Harris: He will talk with the leaders of the other unions again to find out how they would like to proceed. Additional meetings will be held.

Meeting adjourned at 7:18 p.m.

## Executive Committee Meeting Minutes: April 11, 2023

**Present:** Vice President Mobilization and Communication Aaron Besecker, Editorial Delegate Mike Harrington, President Jon Harris, Treasurer Alva Hill, Administrative Officer Kim Leiser, Editorial Alternate Delegate Libby March, Secretary Mike McAndrew, Editorial Alternate Delegate Mark Sommer, Past-President Sandra Tan, Vice President Contract Administration Steve Watson, District Manager Co-Steward Rick Wiorkowski, Editorial Delegate Trey Wydysch.

**Absent:** District Manager Co-Steward Erik Bridenbaker, Inside Circulation Steward Melissa Burrowes, Typographical Steward Mark Hanover, District Manager Co-Steward Jason Kremblas, Editorial Delegate David Robinson.

Excused: Editorial Alternate Delegate Rachel Lenzi, Editorial Delegate Scott Scanlon.

Harris called the meeting to order at 5:36 p.m.

Approval of March 13, 2023 Executive Committee meeting minutes - Motion to approve by Sommer, second by Wiorkowski. Approved.

### President's Report – Harris

Harris: By Lee standards, at least, the last month since our last executive committee meeting was relatively quiet. There are obviously still issues with paychecks and benefits, but we've made progress on fixing at least some of them. We'll also talk more later in the meeting about Lee's plans to outsource printing to Cleveland.

### Mobilization Report – Besecker

There is still time to sign up for the April 22 Buffalo Niagara Waterkeeper Spring Shoreline Sweep, the annual clean-up of trash. The Guild members will be cleaning up at the mouth of Scajaquada Creek in the same spot as last year.

The Executive Committee's March 13 vote of "No Confidence" in the Lee Enterprises executive team: Guild members were asked if they wanted to also sign it. Thirty-three members joined in supporting the no confidence vote.

March 16 the Guild held a happy hour for members at Belt Line Brewery.

Survey of Guild members: There were 40 responses to the 12-question survey conducted between March 27 and April 8. Besecker sent the survey to executive committee members

### Grievance Committee Report – Watson

The January 2022 grievance about sponsored content masquerading as news on buffalonews.com is still unresolved. This mostly involves spotlight real estate ads and the gambling ads.

The October 2022 grievance over vacation time for new employees has been resolved. This involved one employee not getting as much vacation as owed.

The November 2022 grievance over classified advertising work outsourced to a Lee hub was rejected by The News.

Of the January 2023 four grievances, one has been resolved, related to retired employees having health benefits denied; One is 90% resolved, related to the rollout of the health care benefits. Another grievance, over the loss of holiday and premium pay for people who worked Jan. 1st and Jan. 2 is partially resolved. It has been worked out for the people who worked Jan. 1. It will be resolved when The News issues checks for those who worked Jan. 2.

The February 2023 grievance about customer service work being outsourced to the Philippines was rejected by The News.

The March 2023 grievance about Lee correcting paycheck issues without telling workers ahead of time is still pending. This relates to the March 10 paycheck. We're optimistic it will be resolved.

The March 2023 grievance about health care providers that were in-network in 2022 but are now out-of-network is still pending. The provider network was supposed to stay the same. Mark Hall, Lee's director of benefits, said they are working on it. He expects in the next month or two to see some providers switched to in-network.

Leiser: The Guild is still working with management to resolve complaints about insulin and diabetic supplies, which were supposed to have zero co-pay. Lee Enterprises has a new policy that all maintenance drugs have to be issued by Walgreens or ExpressScripts. If you are on one of those drugs, you have already been notified.

Watson: Ten grievances have been filed by the Guild since January 2022; At least 3 have been resolved.

Besecker: What about the Guild dues errors in the paychecks?

Leiser: Five Guild members had no dues withheld until March 10, then were hit with 10 weeks of dues. We have other members with many other dues issues. Lee is supposed to be fixing it.

Wiorowski: To fix the union dues mistakes, you have to go through every members' paychecks from the beginning of the year. Leiser: It will probably be News HR Director Tammy Turnbull and I doing that.

## Old Business

### Lee's Proposed Shift of Production of The News to Cleveland:

Harris: We had our most recent meeting over the production shift on March 24, a meeting that was on Zoom and between Lee VP Astrid Garcia, Turnbull and all of the production unions. In that meeting, Garcia said Lee doesn't think all of the production unions bargaining together is a good idea because of the different units.

She reiterated Lee wants to end printing in Buffalo by the end of the fiscal year, which is the end of September. The plan would be for a company to come in and take apart the presses for scrap, though Lee may keep some of the machines for parts. Pressed on whether Lee will change its mind, Garcia reiterated that she didn't think so, as Lee is looking to get out of the printing business. By that, she meant Lee doesn't want to be in the business of maintaining printing equipment and would rather invest money in digital – which is a laughable claim, given what they've done to this newsroom and others so far this year. Leiser: The union representing the largest number of the 160 production workers is the Mailers, which is also a CWA unit like the Guild. Their contract expires in June. The contract has a clause that says the printing of The News cannot be outsourced.

Harris said he will talk again with representatives of the other seven unions to discuss what should be done.

## New Business

Harris: He sent Sheila Rayam, Margaret Kennedy and Denise Gee a note urging them to hire at least one reporter because there are two Guild members in editorial leaving The News.

Harris said the Guild has not notified Lee Enterprises yet about the Guild executive committee's vote of no confidence in the Lee executive team. There was discussion about how and when to do that.

Harris adjourned the meeting at 7:32 p.m.

## Executive Committee Meeting: May 8, 2023

**Present:** Vice President Mobilization and Communication Aaron Besecker, District Manager Co-Steward Eric

Bridenbaker, Inside Circulation Steward Melissa Burrowes, President Jon Harris, Treasurer Alva Hill, Administrative Officer Kim Leiser, Editorial Alternate Delegate Rachel Lenzi, Editorial Alternate Delegate Libby March, Secretary Mike McAndrew, Editorial Delegate David Robinson, Editorial Alternate Delegate Mark Sommer, Past-President Sandra Tan, Vice President Contract Administration Steve Watson, District Manager Co-Steward Rick Wiorowski, Editorial Delegate Trey Wydysh.

**Absent:** Typographical Steward Mark Hanover, Editorial Delegate Mike Harrington, District Manager Co-Steward Jason Kremblas, Editorial Delegate Scott Scanlon.

Harris called the meeting to order at 5:30 p.m.

Approval of April 11, 2023 Executive Committee meeting minutes.

Motion to approve by Besecker, second by Watson. Approved.

## President's Report – Harris

Since we last met, there's been some good news and bad news. In good news, the in-depth story from Poynter came out, in which The Buffalo News was essentially a case study for what Lee has been doing to its papers this year.

Also in good news, we have a handshake agreement with Delft Printing, one of the print shops where we represent two employees, on a new five-year contract, and we hope to have it signed as soon as tomorrow. Credit to Sandy and Kim on this one, which, if signed and approved by members, will add a successorship clause, give those employees severance language, set minimum starting wages that keep pace with state changes in minimum wage and allow new employees to have a 401(k) plan.

Also in kind of good news, I'm in the process of setting up an initial meeting with Sheila and Margaret to discuss the workplace survey results. From there, I will likely form a Guild committee that would meet monthly with them.

In bad news, we were given the required 120 days' notice for the company to outsource our Accounting, Bookkeeping and Credit department, which will affect three Guild members. It's part of a larger outsourcing that also affects finance.

## Mobilization Report – Besecker

Besecker: The Andrew Galarneau cooked meal: We are planning it for Tuesday, May 30. I had set a deadline for Friday for RSVPs. The total number who have RSVPed is 10 people. Besecker to contact Galarneau to see if we want to change the date.

We will start a Slack channel for Guild members to make it easier to communicate with Guild members. It's [buffalonewspaperguild.slack.com](https://buffalonewspaperguild.slack.com)

Tan and Besecker are also working on updating the Guild website with news updates.

Besecker sent out six emails and one mass text since the last Executive Committee meeting.

Besecker asked if we want to organize a get-together to say goodbye to the ABC Guild members in ABC whose jobs are being outsourced. Leiser said the outsourcing cannot happen before Aug. 28.

Harris: The News management is planning a mid-June get-together for employees on the Design Desk, whose jobs are being outsourced.

Leiser: The party for Jeff Miers, who left The News, was planned for mid-May but I don't have a date yet from Geoff Nason.

## Grievance Report – Watson

Watson: I'm hoping things are starting to calm down. We've been making progress on the many filed grievances related to

the botched rollout of the new payroll system and healthcare benefits.

Leiser: Not a lot has happened since the last meeting. I got summary descriptions of the new Wellmark health insurance plans. I was told Lee Enterprises would do their best to address any differences between the new plan and the old Highmark BCBS plan. I didn't find many. I found some problems with the vision benefits. The vision benefits under Highmark were much better than the vision plan under Wellmark. The medical plan issues seem to have been fixed. With dental insurance, we had a lot of problems with dentists showing up as out of network. Some problems are occurring due to dentists looking up patients on the Highmark plan. They have to look it up on the BCBS national plan. Those are the last of the remaining issues.

Leiser: Regarding payroll, we have a couple things still popping up. If you have an issue, let me know, we'll work on it.

Leiser: Two grievances will be filed this week related to district manager vacation time and work schedules. Our contract requires work schedules to be posted two weeks in advance. That is not being done. The other requirement is vacation schedules must be posted by March 31. They were not.

Watson: We're not always getting schedules two weeks in advance in editorial.

Leiser: Usually in editorial it just takes a conversation to fix that.

Watson: We had two rejected grievances. The Guild has not filed for arbitration since late 90s or early 2000s. **Old Business**

#### Lee Enterprise plan to shift Buffalo News print production work to Cleveland:

Harris: We had another meeting a couple weeks ago with most of the seven other unions representing the 160 production workers who would lose their jobs. We'll meet again next Monday, May 15. In the meantime, we're coming up with a mobilization strategy to present to them. Not sure how many bargaining meetings the Mailers Union has had with Lee. They are the largest of the affected unions.

Leiser: The Mailers have had at least three more bargaining sessions since we met with them.

Members discussed possible messages that could be used in a mobilization campaign against moving printing The News in Cleveland and cutting 160 jobs.

Burrowes: Do we have an official date yet on when Lee plans to move printing to Cleveland?

Harris: We've heard by the end of the fiscal year, end of September. They have to give 90 days notice. If they want to do it by the end of September, Lee will have to file a notice by mid-June.

#### **New Business**

##### ABC outsourcing notice

Harris: We were given a notice that The News will outsource the work of the ABC office. Aug. 28 is the earliest date they can outsource. We don't have a firm date for when workers would be laid off.

Leiser: I've asked for a list of work they expect will remain here. Some work can't be outsourced. I was told there was no plan yet. The plan is to outsource the entire ABC unit, not just the Guild portion. Severance has to be paid in a lump sum. When each worker receives it is up to the worker. They can collect it right after the outsourcing or can wait 30 days. The severance is taxed. About 40% off the top.

##### Lee Enterprises 2nd quarter earnings:

Harris: I put together a flyer on Lee's 2nd quarter earnings, which were reported Thursday. It was a mixed report. Lee missed on some expectations. There is some good news, some bad news. Digital revenue continues to grow, but it's not

growing as fast as print is declining. Digital is growing and represents 38% of our revenue now. A couple years ago we were at 21% digital revenue. Print did not have a great quarter. Print advertising dropped from \$44 million to \$38.5. Overall, Lee had an operating profit, but had a net loss of about \$5 million when you factor in interest expenses.

I listened to the quarterly call. CEO Kevin Mowbray talked about the digital strategy. Lee's goal is by 2026 to have more than half of our revenue from digital.

Tim Millage, our CFO, said Lee has performed better than its peers in the industry. He said they've been able to retain print revenue better than most, but the decline is starting to accelerate.

Tan: Communications Workers of America economist Tony Daley said Lee is actually healthier than others. But he pointed out that every print subscriber you lose is a bigger net loss, even if you keep them as a digital subscriber, because it is worth more.

Harris: Well over half of our advertising revenue is now from digital advertising.

#### TNG Sector Conference & CWA Convention:

Leiser: It's July 7-9 for the TNG Sector Conference and July 10-12 for the CWA Convention, both are in St. Louis. She said she thinks that she and Tan are supposed to attend the Sector Conference and Leiser is to attend the CWA Convention. One TNG proposal would require that if there are two CWA/TNG units at one employer, that one of them cannot go on strike unless a majority of both units voted to go on strike. This would help avoid a situation like what happened in Pittsburgh.

Besecker: Motion to name Leiser as our delegate to attend the CWA Conference and to authorize up to two attendees to go. Hill seconded. Approved.

Harris adjourned the meeting at 6:50 p.m.