



West Coast Sailors

Official Organ of the Sailors' Union of the Pacific

Volume LXXIV No. 12



SAN FRANCISCO, CALIFORNIA

Friday, December 16, 2011

Matson slated to depart Alexander & Baldwin

On December 1, Alexander & Baldwin, the Hawai'i-based land company with interests in real estate development, commercial real estate and agriculture, announced it will spin-off its wholly owned subsidiary—Matson Navigation Company. Both will become, pending government approval, independent, publicly traded companies by mid-2012.

In a press release, Alexander & Baldwin Chairman Walter A. Dods said, "Over the past decade, Alexander & Baldwin's Board of Directors and management have periodically conducted strategic reviews, including an evaluation of the merits of separating into two companies. After thorough evaluation, we have concluded that the increased size, capabilities and financial strength of both our land and transportation businesses now enable these operations to independently execute their strategies to maximize shareholder value.

"This separation will create two financially strong public companies, each with more than one billion dollars in assets, a thousand employees, strong bal-

ance sheets and cash flow to fund future growth, Dods continued. The strength of our combined businesses has historically served us well. However, we have reached the point in the growth and development of each of our businesses where they can better achieve their full potential by operating as separate companies."

"We expect that both A&B and Matson will continue to serve Hawai'i's needs for generations to come," said Stanley M. Kuriyama, Alexander & Baldwin President and Chief Executive Officer. "The planned separation does not involve the sale of either business. Both companies will be incorporated and based in Hawai'i, and will be among the largest companies in the state. There will be no interruption in operations or service to our communities, and importantly, our customers, vendors, government officials and the general public will not experience any changes in the way we do business or the people they do business with. In addition, because our land and transportation businesses already perform nearly all of their day-to-day functions independently, there will be very little change to each business' organizational structure. While we expect some shift in our workforce between the two companies, there will be no net job loss as a result of the separation."

Upon completion of the transaction next year, A&B will be led by Kuriyama, who will serve as its Chairman and Chief Executive Officer. Christopher J. Benjamin, currently President of A&B Land Group, will serve as A&B's President and Chief Operating Officer. Paul K. Ito, the company's Contoller and Assistant Treasurer, will serve as A&B's Chief Financial Officer.

Matson's Chairman will be Dods. Matthew J. Cox, currently President of Matson, will serve as its President and Chief Executive Officer, and Joel M. Wine, Alexander & Baldwin's present Chief Financial Officer,

will serve as Matson's Chief Financial Officer upon completion of the transaction.

Each corporation will have its own independent board of directors, with industry-specific expertise. To further enhance the maritime expertise of the board, the company announced that retired four-star Admiral Thomas B. Fargo was appointed to the Alexander & Baldwin and Matson boards of directors. Admiral Fargo completed his military career as the Commander of the U.S. Pacific Command, the world's largest fleet

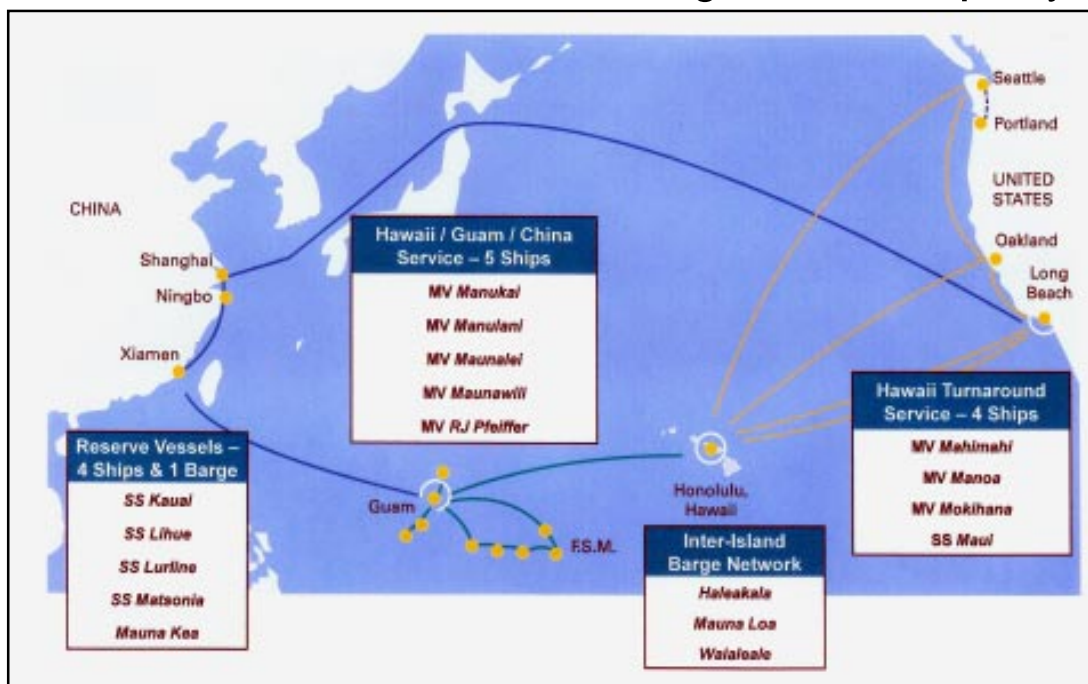
comprised of Matson and Matson Logistics, Inc.

For the twelve months ended September 30, 2011, the company's transportation and logistics segments reported revenues of \$1.5 billion and operating profit of \$104 million, and had 1,175 employees. Matson's assets will include 17 Jones Act vessels; approximately 47,000 company-owned containers and equipment; dedicated terminal facilities in Hawai'i; a top ten U.S. logistics company; and a 35% interest in SSA Terminals, one of the largest terminal op-

day time advantage compared to an average carrier.

As a non-asset-based, supply chain business with a nationwide network of transportation providers, Matson Logistics offers significant synergies with Matson Navigation Company, extending its reach as a stand-alone business. Matson Logistics' capabilities encompass all modes of transportation, including domestic and international rail intermodal service, long-haul and regional highway brokerage, less-than-truckload, expedited/air freight services, and

Ports-of-Call for Matson Navigation Company



As the West Coast Sailors went to press, the "reserve vessels" *Kauai*, *Lurline* and *Matsonia* were in active service. "F.S.M." is the Federated States of Micronesia.

Graphic courtesy of Matson Navigation Company.

command. Fargo also brings with him extensive public company leadership experience having served on several boards of directors. A longtime resident of Hawai'i, Fargo is active in the local community, serving on the boards of directors for the Japan-America Society of Hawai'i, the Friends of Hawai'i Charities, and Iolani School.

When the separation is completed, SUP-contracted Matson will be headquartered at Sand Island, Honolulu, while maintaining its offices in Oakland, California. The company will be

erators on the U.S. West Coast.

Matson is a leading shipping company in the Pacific, with major market share in its core trade lanes of Hawai'i and Guam. With five scheduled West Coast departures a week to Honolulu, and ten calls a week to the neighbor islands, Matson is an integral part of the supply chain for Hawai'i's businesses. Additionally, in China, Matson's expedited service offers the fastest cargo availability times of all the container carriers from Shanghai to Long Beach, usually a three to four-

warehousing and distribution services.

"Matson is well positioned in the markets it currently services, and we are excited about its growth prospects and future value creation opportunities as an independent company," said Matthew J. Cox, Matson's President. "Matson's valuable assets, strong balance sheet, and premium brand and service model position us to seek expansion into other markets. We also are looking to expand to niche

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Periodicals postage paid at San Francisco, CA (USPS 675-180)



Europeans to reduce Gulf of Aden anti-piracy naval force

The U.N. Security Council has reiterated its call for a comprehensive international response to the scourge of piracy but the European Union Naval Force (EU Navfor) has said there will be a shortage of navy vessels at the start of 2012.

The European Union's Operation Atalanta has a normal minimum requirement for four to six warships, but it is unlikely that this quota will be met between December and March of next year. An EU Navfor spokesman said that based on the current plans, there would be a period from January to March 2012 when the number of ships available to EU Navfor would be below the ideal requirement. He said this period coincided with the northeast monsoon in the Indian Ocean when conditions made it more difficult for pirates to operate. He added that the average number of ships allocated to EU Navfor for the whole year was greater than the minimum requirement.

Comparing EU Navfor figures from October 2010 and October 2011 shows that there were virtually the same number of confirmed attacks, 18 and 19, yet a drop from four ships hijacked last year to only one this year. "The good news is that the pirates are only 25% as successful, yet there are as many of them out there plying their trade. There is an air of desperation about them," the spokesman said.

In January this year, pirates were holding 32 ships, now this month [November] they are holding 11. The spokesman added that since May this year, there had only been five ships successfully pirated. In 2009, 46 ships were pirated, while in 2010 the number rose to 47. This year there have been just 25 successful attacks and the spokesman said that with one month to go before the end of the year, it was likely that the pirates were going to be only half as successful as last year.

EU Navfor's admittance that it is to reduce the number of warships in the high-risk area in the Gulf of Aden has come at the same time the U.N. Security Council has renewed its call on state and regional organizations to fight piracy by "deploying naval ships, arms and military aircraft, and through seizures of boats, vessels and any other equipment used to carry out acts of maritime piracy, or for which there is reasonable ground to suspect that they will be put to such use."

The Security Council has also urged all states "to take appropriate actions under their existing domestic law to prevent the illicit financing of acts of piracy and the laundering of its proceeds." In a resolution adopted unanimously, the council recognized the need to investigate and prosecute not only suspects arrested at sea, but also all those who facilitate piracy, including key figures to criminal networks involved in organizing, financing and benefitting from piracy.

The Security Council has extended state authorization to enter Somalia's territorial waters to suppress piracy and use all necessary means to stop the crime for another year. Member states have also been encouraged to continue to cooperate with Somalia's Transitional Federal Government. The European training mission is working with its third batch of just over 700 Somali soldiers while the council is still considering the establishment of specialized anti-piracy courts in Somalia and other states in the region with international participation and support.

MSP, Food for Peace funded for fiscal year 2012

President Barack Obama in November signed into law legislation funding the Maritime Security Program and shipments of U.S. food-aid under Food for Peace Title II for fiscal year 2012.

The Consolidated and Further Continuing Appropriations Act, 2012 (H.R. 2112) makes appropriations for five cabinet departments, including Transportation and Agriculture. The law provides full funding for the MSP and substantial funding for U.S. food-aid shipments under Food for Peace Title II.

The full amount requested for fiscal 2012 by the Obama Administration for the Maritime Security Program —\$174 million— was approved. A remaining \$12 million will be added by the Maritime Administration from current MSP funds to bring the fiscal 2012 MSP budget to its congressionally-authorized level of \$186 million.

Designed to serve U.S. national security and defense transportation needs, the MSP maintains military access to commercial tonnage and intermodal infrastructure, and allows the military to move equipment and goods quickly and efficiently at minimal cost. All 60 MSP vessels are U.S.-flagged and manned by U.S. citizens. The SUP is aboard nine APL vessels enrolled in MSP.

The President also approved funding for the PL-480 "Food for Peace" program Title II, at a level of approximately

\$1.47 billion, the same amount allocated in fiscal 2011. Although the amount is about \$200 million less than that originally requested by the administration, it is approximately \$400 million higher than the funding level originally sought by Congress for fiscal 2012.

Under a 1985 amendment to the Cargo Preference Act of 1954, up to 75% of PL-480 food-aid exports must be delivered in privately owned and operated U.S.-flagged merchant ships. American merchant mariners who work in PL-480 trades represent a significant manpower base for manning Military Sealift Command vessels during times of war and crisis to provide vital sealift support for the U.S. armed forces. U.S.-flagged containerships engaged in PL-480 trades are also important elements of sealift policy.

The program came under attack earlier this year when a farm budget bill amendment would have eliminated funding for PL-480 in fiscal 2012. The amendment was defeated by a vote of 338-83—one in a series of votes on amendments targeting PL-480. All eight measures seeking to cut funding for PL-480 cargoes were defeated by similar margins, demonstrating Congressional acknowledgement of the value of PL-480, not only to nations in need, but to the creation and maintenance of American jobs in seagoing and shoreside sectors.

NOL denies making bid for Hapag-Lloyd

Neptune Orient Lines (NOL), parent company of APL, has denied its negotiating to buy a stake in German shipping group, Hapag-Lloyd.

Media reports in Germany this month said NOL had held talks with travel group TUI about buying that company's 38% stake in Hapag-Lloyd, revisiting a failed bid by NOL for the stake in 2009.

"NOL wishes to state that currently it is not making another bid for a stake in Hapag-Lloyd," NOL said in a statement to the Singapore stock exchange on December 5. "NOL evaluates investment opportunities from time to time and will make the necessary announcements when appropriate."

The stock halved in value between January and August this year, and has been relatively stable since, amid a worldwide downturn in container shipping.

The company reported on December 13, its average revenues per feu from October 22, to November 18, were 14% lower than the same period last year. Volumes totaled 224,200 feu, down 7%. Freight rates remained unchanged at \$2,401 per feu, down from \$2,797 per feu for the same period in 2010.

Seychelles seek Chinese help to thwart Somali piracy

Seychelles has reportedly invited China to set up a military base to fight piracy in the region. "We have invited the Chinese government to set up a military presence on the island of Mahe to fight the pirate attacks that the Seychelles face on a regular basis," Seychelles Foreign Minister Jean-Paul Adam said this month. Adams said pirate operations have been pushed close to the Seychelles since warships were deployed in 2008 around the Gulf of Aden.

He made the comments as General Liang Guanglie was on the first-ever visit by a Chinese defense minister to the Indian Ocean archipelago. Seychelles has been asking for aid as its army of just 500 cannot fully cover its 115 islands scattered over 932 square miles. Adams said the United States already has a small air base in the Seychelles for fighting piracy.

Final Departures

William Fie, Book No. 2200. Born in Arizona in 1918. Joined SUP in 1960. Died in San Rafael, California, November 7, 2011. (Pensioner)

Alfred Rathbone, Book No. 2944. Born in Oregon in 1926. Joined SUP in 1944. Died in Tulsa, Oklahoma, November 9, 2011. (Pensioner)

Rudy Menchaca, Book No. 6440. Born in California in 1930. Joined SUP in 1961. Died in Torrance, California, November 15, 2011. (Pensioner)

Louis Minarik, Book No. 6094. Born in New Jersey in 1927. Joined SUP in 1947. Died in New Jersey, November 18, 2011. (Pensioner)

Franklin Green, Book No. 2595. Born in Oregon in 1926. Joined SUP in 1944. Died in Seattle, Washington, November 22, 2011. (Pensioner)

Charles K. Needham, Book No. 2442. Born in Hawai'i in 1930. Joined SUP in 1952. Died in Hawai'i, December 1, 2011. (Pensioner)

Timely Reminder

First quarter 2012 dues are due and payable now!

SUP Constitution ARTICLE VI DUES AND INITIATION FEE

Section 1. The initiation fee shall be Sixteen Hundred Dollars (\$1600.00) payable in installments with the sum of One Hundred Dollars (\$100.00) being due and owing upon the members's admission into the Union and the balance of Fifty Dollars (\$50.00) per month for each month or part thereof in SUP-contracted vessels.

The initial installment of One Hundred Dollars (\$100.00) shall accompany the application of membership and the dues shall be One Hundred Fifty Dollars (\$150.00) per quarter, payable in advance.

SUP Meetings

These are the dates for the regularly scheduled SUP meetings in 2012:

	Hdqs.	Branch
January	9	Tues. 17
February	Tues. 14	Tues. 21
March	12	19
April	9	16
May	14	21
June	Tues. 12	18
July	9	16
August	13	20
September	10	17
October	Tues. 9	15
November	Tues. 13	19
December	10	17

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Published monthly by the Sailors Union of the Pacific (an affiliate of the Seafarers International Union of North America, AFL-CIO), Headquarters, 450 Harrison St., San Francisco, CA 94105. Phone: 415-777-3400. FAX: 415-777-5088. Dispatcher: 415-777-3616. Website: www.sailors.org. Periodicals' postage paid at San Francisco. (USPS 675-180). Printed by Howard Quinn Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

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A&B and Matson to separate *continued from page 1*

services in other Pacific Island trades, and to leverage our strategically located terminals and logistics capabilities to take advantage of the growing international trade and domestic movement of goods. We never lose sight, however, of the fact that Hawai'i and Guam are our core markets, and we remain committed to providing our customers there with the highest quality, most reliable shipping service in the world."

According to Alexander & Baldwin, each company will be well capitalized, with strong balance sheets and credit profiles that will provide the financial flexibility necessary to pursue future growth opportunities. It is anticipated that approximately 40% of the company's existing debt will be allocated to A&B and approximately 60% to Matson.

It is expected that Matson will pay a dividend at or above market averages, currently projected to be in range of 50 to 70 cents per share annually. A&B is not initially expected to pay a dividend in order to maximize its investment in new, high-returning real estate opportunities. Until the separation is completed, the company expects to maintain its regular quarterly dividend.

Upon completion of the transaction, each company is expected to be listed on the New York Stock Exchange.

The transaction is subject to customary conditions, including receipt of a favorable ruling from the Internal Revenue Service to ensure the tax-free status of the separation, receipt of a tax opinion from counsel, the filing and effectiveness of a registration statement with the Securities and Exchange Commission, execution of intercompany agreements, further due diligence as appropriate, and final approval by the company's board of directors. The separation also is subject to the completion of any necessary debt refinancing. While it is the

company's intention to effect the separation, there can be no assurances regarding the final terms and structure of the separation or that it will be concluded.

Upon completion of the deal, shareholders of Alexander & Baldwin will own one share of A&B stock and one share of Matson stock for each existing share.

The histories of both companies are intertwined with the modern history of Hawai'i.

Alexander & Baldwin was formed in 1870 as Samuel T. Alexander & Company when Hawai'i was a kingdom ruled by King Kamehameha V. In 1893, the monarchy was overthrown by haole business interests who establish the Republic of Hawai'i (1894-1898). In 1898, Hawai'i was annexed by the United States and became the Territory of Hawai'i until statehood in 1959. Alexander & Baldwin was formally incorporated in 1900.

For years Alexander & Baldwin and the rest of the Big Five—Castle & Cooke, C. Brewer & Company, American Factors and Theo H. Davies & Company—virtually ran Hawai'i, controlling both the economy and politics of the Islands. It took years to break this oligarchy. Only Alexander & Baldwin of the Big Five survives.

Matson was established in 1882 when Captain William Matson departed San Francisco on April 10, in the three-masted schooner *Emma Claudina*, arriving in Hilo on April 23, carrying 300 tons of food, plantation supplies and general cargo. On the return voyage, the vessel carried 337 tons of sugar, 66 barrels of molasses and 240 barrels of sperm oil.

In 1908, Alexander & Baldwin invested \$200,000 in Matson and in 1969 Matson became a wholly-owned subsidiary of A&B.

For more on Matson, see the SUP President's Report on page 10.

TransPacific and Hawai'i freight rates to increase next year

Refrigerated cargo rates in the U.S.-Asia trade will increase from January 1, as lines seek to cover higher equipment and operating costs during the traditionally slow season. Members of the Westbound TransPacific Stabilization Agreement (WTSA) said the \$300 increase per 40-foot container would apply to all commodity segments and origin-destination pairs. This increase comes in the wake of an announcement by members of the TransPacific Stabilization Agreement that they would raise freight rates by \$400 per feu at the start of 2012.

"Refrigerated equipment, already in limited supply worldwide, tends to be diverted out of the TransPacific during winter months in the United States," the WTSA said. "That adds to operating costs in serving U.S. export shippers of agricultural and non-agricultural commodities."

WTSA members include APL, Hyundai Merchant Marine, Cosco Container Lines, K Line, Evergreen Marine, NYK, Hanjin Shipping, Orient Overseas Container Line, Hapag-Lloyd and Yang Ming.

Matson Navigation Company said that its 2012 rates for its Hawai'i service will increase by \$175 per container for shipments from the Mainland, while its westbound terminal handling charge will go up by \$50, starting January 1.

The combined increases mean shipping costs will go up next year by an average of 5.6%, according to Matson, a subsidiary of Honolulu-based Alexander & Baldwin.

The company's 2011 rates went up an average of 3.8%. In addition, Matson will raise its terminal handling charge by \$50 per westbound container and \$25 per eastbound container, also effective January 1, 2012.

Manoa was Matson's official Christmas tree vessel

SUP-contracted Matson Navigation Company delivered over 100,000 Christmas trees to Hawai'i this year.

The first shipment of trees, primarily for retail store displays and Neighbor Islands sales, arrived November 12, aboard the *Manoa*. The second shipment, carrying the bulk of this year's trees, arrived in Honolulu aboard the *Mau* on November 19. The final shipment arrived aboard the *Mau* on December 3.

Kudos for SUP Gang



From the left: Zibigniew Lewandowski, Waldermar Janczak, Captain Peter Webster, Chief Mate John Morehouse, SUP Delegate Mike ElMobdy, Bosun Noel Itsumaru, Cezar Paeste, and Napoleon Nazareno.

Captain Webster and Chief Mate Morehouse write: "We have to report that we have a very strong deck gang here on the *Manoa*. The ship is on the way to the ship yard in She-Kou, China and these guys have been doing a tremendous job of securing lashing gear, rods, turnbuckles, twistlocks etc.

"Bosun Noel Itsumaru was tasked with making up temporary name boards for the yard period and built these absolutely stunning replacements. He cut out the letters on a piece of 1/2" ply then laminated it to another solid piece of 1/2" ply to give the name board depth—wonderful carpentry work!

"Ziggy Lewandowski then used his skills to finish the board off with a hand cut bevel edge on the perimeter of the name board. All of these guys are working hard as a team to get things squared away on the *Manoa* and to protect Matson's assets during the China ship yard period. Delegate Mike ElMobdy has played a key roll in keeping communications rolling, we are happy to have him and all the SUP crew members aboard."

Horizon Lines settles remaining price-fixing claims; shareholders approve reverse stock split

Horizon Lines confirmed on November 30, that it had settled all "hold-out" civil claims related to its price-fixing in the Puerto Rico trade from May 2002 to April 2008.

The U.S.-flag carrier previously settled a civil class-action suit brought by Puerto Rico shippers, agreeing to pay \$20 million. The class-action agreement was reached in June 2009 and finally approved by the court in September 2011. But some major shippers "opted out" of that settlement, which allowed them to pursue individual claims. Horizon said that it has now settled with all these remaining plaintiffs and agreed to pay a total of \$13.75 million. The first \$5.75 million will be disbursed within 10 days, then another \$4 million by June 30, 2012, and the final \$4 million by December 24, 2012.

The company had previously confirmed individual settlements with four "opt-out" shippers. It also paid \$1.8 million to the government of Puerto Rico in March 2011 to compensate the island's citizens for inflated shipping services. In addition to payouts for civil claims, Horizon agreed to pay a \$15 million criminal fine to settle felony charges in April 2011.

Horizon also estimated that it incurred a \$32 million in legal and professional services through October 2011 related to the antitrust case. This raises the total price-tag of the company's price-fixing violations.

In other Horizon news, the company shareholders approved a one-for-25 reverse stock split, in an apparent bid to regain its stock exchange listing and keep its recent recapitalization on track.

Horizon Lines' shares were taken off the New York Stock Exchange list and moved to the over-the-counter market in October, in the days immediately following its \$752 million financial rescue in which equity control has in effect been ceded to bondholders.

The company opposed the delisting and suggested the possibility that the delisting could affect its recapitalization by preventing it from converting bonds to shares as mandated in the rescue. Such a conversion will not be possible until the company lists again on a national stock exchange. The proxy statement mailed to shareholders states that the proposed reverse split "may allow the common stock to meet certain minimum stock price listing requirements" that are required by the national stock exchanges, including the New York Stock Exchange and the Nasdaq Stock Market.

"Maintaining the company's listing on the New York Stock Exchange or moving the company's listing to another national stock exchange such as the Nasdaq Stock Market could improve the liquidity of the common stock and the company's ability to raise capital in the future through the sale of common stock," shareholders have been advised. A reverse stock split also will "increase analyst and broker interest" and increase the number of eligible fund investors who cannot buy shares trading below a certain price threshold, the proxy statement added.

SUP Honor Roll

Voluntary contributions from the membership to the following funds in 2011:

Organization/General Fund

Albert Abramson	10.00	Diane Ferrari	50.00	Michael Koller	50.00	Arsenio Purganan.....	50.00
Abe Acosta	60.00	Justin Foster	25.00	James Kolm	50.00	Emmanuel Rezada	10.00
Noel Balaguer	50.00	Oliver Franceliso	70.00	Norman Kurtz	75.00	Steve Ross	200.00
John Benson.....	50.00	David Frizzi	200.00	David Larsen.....	100.00	Greg Schauf	20.00
Michael Binsky	25.00	Joey Gallo	100.00	Albert Laurel	20.00	Andy Simkanin	50.00
Robert Burns	50.00	Art Garrett	50.00	James Linderman	40.00	Ponciano Siquinia.....	20.00
Liam Casement	200.00	Dale Gibson	50.00	Mahmoud Mahmoud	50.00	Ernest Stimach	50.00
George Castege	200.00	Marvin Glasgow.....	50.00	John McAuliffe	100.00	Dennis Sumague.....	10.00
Joseph Castege in memory of Frank Castege	1500.00	Robert Greene	50.00	Joseph McShane	400.00	Douglas Taylor	50.00
Jing Ming Chiang.....	500.00	Clinton Gregg.....	300.00	Steve Messenger	100.00	Robert Taylor	50.00
Jonathon Clark.....	45.00	John Hamann.....	20.00	Adrian Minty	10.00	Morris Thibodeaux	90.00
Robin Colonas	50.00	Rex Harper	50.00	Leo Moore	150.00	Samuel Trujillo	50.00
Dave Connolly	100.00	Timothy Hill	50.00	Dave Munroe	50.00	R.W. Turner	30.00
Donald Cushing	100.00	Phil Howell	200.00	Charlie Noble	30.00	Peter Villanueva.....	50.00
Maunawili Deck Dept.	100.90	Harry Ibuyan	10.00	Remigio Noble	20.00	Richard Watkins	50.00
David Eriksen.....	100.00	Noel Isumaru	50.00	Edwin Pastolero	30.00	Peter Winter	200.00
Thor Erikson.....	10.00	Jan Peter Johnson	20.00	John Perez	225.00	J.B. Winterling	100.00
		John Kessler	50.00			Roy Yates	150.00

Sailors' Political Fund

Wilson Abanto	80.00	Mike ElMobdy.....	150.00	Thomas Koppel.....	40.00	John Rawlings	50.00
Abe Acosta	60.00	David Eriksen.....	100.00	Peter Kramer	50.00	Rich Reed	150.00
James Acosta	40.00	David Fadoul.....	250.00	Norman Kurtz	75.00	David Reinking	50.00
Keith Adams	25.00	John Farley	100.00	David Larsen.....	100.00	Emmanuel Rezada	150.00
Saher Ali	10.00	Diane Ferrari	150.00	Jim Larsen.....	50.00	Frank Ribera	25.00
Jose Angeles	10.00	Cesar Fiones	25.00	John Linderman	75.00	Jonathon Rose	50.00
Pio Aujero	150.00	James Flaherty	50.00	Gunnar Lundeberg.....	600.00	Randy Runyan.....	50.00
Emo Aulelava	90.00	Justin Foster	25.00	Raoul Macalinao	70.00	Greg Schauf	120.00
Rogelio Bacalia	50.00	Michael Fox	50.00	Nick Manessiotis	50.00	Dmitri Seleznev	30.00
Noel Balaguer	75.00	Oliver Franceliso	65.00	Joe Mantanona	10.00	Ralph Senter	500.00
Billy Bell	50.00	Lymel Gador	20.00	Duke Maringer	50.00	Anton Seravaseiyar	25.00
Dennis Belmonte	100.00	Tortana Gago	20.00	Gerry Marshall	10.00	Rex Simbre	20.00
John Benson.....	200.00	Dave Garcia	120.00	Joseph Marusak	140.00	Andy Simkanin	50.00
Timothy Benton	100.00	P. Tadoo Gardiner	150.00	Brian McCarthy.....	25.00	Gabriel Sipin	25.00
Bill Berger	555.90	Art Garrett	50.00	Charles McDougall	100.00	Mike Soper	20.00
Rogelio Berioso	55.00	Joseph Ginez	40.00	Mick McHenry in memory of John Hernandez.....	30.00	Knud Sorensen	100.00
William Berry	20.00	Marvin Glasgow.....	100.00	Ryan McLaughlin.....	100.00	Philip Spinaio	50.00
Archie Bickford	200.00	Allen Gonzalez.....	30.00	Mike McLavy	200.00	Jim Stelpstra	40.00
Ellis Blacksmith	300.00	Juan Gonzalez	55.00	Dave Mercer	100.00	Richard Stinson	50.00
Brendan Bohannon	200.00	David Green.....	130.00	Steve Messenger	50.00	J. Stofanik	40.00
Robert Booth.....	50.00	Robert Greene	150.00	Ramiro Montoya	30.00	Vincent Sullivan	100.00
Chris Bunheirao.....	20.00	Scott Griggs	250.00	Tony Montoya	40.00	William Sullivan	100.00
Robert Burns	60.00	Nabeel Hafid	190.00	Dave Munroe	150.00	John Svane	50.00
Milton Caballero	20.00	Mark Hargus	200.00	Dennis Murphy	100.00	David Sylstra.....	250.00
Cris Calairo	150.00	Rex Harper	50.00	Harry Naeole.....	70.00	Tulilo Tautala.....	90.00
Marc Calairo	150.00	Michael Henderson	200.00	Duane Nash	25.00	Ray Tavai	20.00
Steve Campbell	400.00	Ken Herzstein.....	20.00	Charlie Noble	50.00	Robert Taylor	240.00
Alex Capistrano	80.00	Timothy Hill	50.00	Remigio Noble	50.00	Arthur Thanash	500.00
Edward Ching	30.00	Jill Hollerman.....	40.00	Kenneth O'Halloran	10.00	Morris Thibodeaux	450.00
Norm Christianson	50.00	Kim Hoogendam	100.00	Vince O'Halloran	300.00	Gary Thompson	10.00
Jonathon Clark.....	55.00	Nick Hoogendam	20.00	Jose Obsuna	10.00	Daniel TinTun	50.00
Reynaldo Clores.....	50.00	Thomas Hooke.....	75.00	Bill Ofthus	100.00	Julian Torre	10.00
Richard Cogswell	120.00	Steve Huggins.....	50.00	Scott Oliphant	30.00	Ruta Tulenkun	10.00
Robin Colonas	100.00	David Ibarra	100.00	Richard Pangan	230.00	Roger Tupas	50.00
Dave Connolly	550.00	Isnin Idris.....	200.00	Hamilton Parone	40.00	R.W. Turner	30.00
Kevin Conroy	100.00	Noel Isumaru	100.00	Edwin Pastolero	120.00	Louie Urbano	100.00
Nick Cooper	25.00	Leszek Jeziorski	100.00	John Perez	400.00	Emani Vili	20.00
Jennifer Corner	175.00	Vern Johansen in memory of Henry Johansen	50.00	Mark Pfaff	50.00	Albert Villacrusis	80.00
Richard Crowell.....	50.00	Jan Peter Johnsson	10.00	Jesper Pfeil	10.00	Peter Villanueva.....	50.00
Donald Cushing	50.00	Monte Kalama	200.00	Michael Pflieger	100.00	Francis Walsh	100.00
William DeBenedictis	90.00	Arthur Kardinal	100.00	Ray Pinochi	45.00	Scott Weideman	10.00
Colin Dewey	100.00	Brandon Keopuhiwa	50.00	Jordan Polon	80.00	Eric Weintraub	100.00
Michael Dirksen	150.00	Melvin Kessler	150.00	Arsenio Purganan.....	200.00	Erick Weiss.....	50.00
John Drolla	50.00	Czeslan Knobbe	70.00	David Purganan	180.00	Wil Williamson	400.00
Marc Dulay.....	40.00	Mike Koller	60.00	Paul Purugganan.....	100.00	Gilbert Wilson	50.00
Franklin Dyer.....	100.00	James Kolm	50.00	Napoleon Ramon	10.00	Elroy Wong	30.00
Earl Eastmark	40.00	Jerry Komoto	200.00	Knut Rasmussen	110.00	Elston Wong	20.00
Joseph Eckert.....	30.00					Dan Ycoy	130.00

West Coast Sailors

Abe Acosta 60.00	Leo Endries 50.00	Brandon Keopuhiwa 75.00	James Phelps 50.00
James Acosta 25.00	Anita Enright 50.00	James Kerns 25.00	Earl Phillips 25.00
Keith Adams 25.00	David Eriksen 100.00	Melvin Kessler 50.00	George Pope 25.00
Archie Aki 50.00	Charles Erikson 100.00	Richard Kingsbury 25.00	Jack Post 25.00
Gerald Allen 50.00	Thor Erikson 40.00	James Kula 25.00	Charles Rafael 100.00
Karl Andersen 25.00	Scott Fiore 10.00	Hannu Kurppa 20.00	Roberto Ramirez 25.00
Walter Arndt 25.00	James Flaherty 25.00	Norman Kurtz 25.00	John Reed 25.00
Pio Aujero 50.00	Mike Fox 50.00	Thomas Larkin 60.00	Rich Reed 50.00
Noel Balaguer 75.00	Oliver Franceliso 65.00	Gunnar Larsen 25.00	Carl Reinhold 25.00
John Ban 25.00	John Frankel 25.00	Hans Lilledahl 100.00	John Rescino 25.00
Robert Barbee 25.00	Mamoru Fukano 25.00	Belfred Lomba 25.00	Emmanuel Rezada 10.00
Tom Basford 30.00	John Gabourel 30.00	Armando Martinez 25.00	Rizal Rillo 25.00
Billy Bell 25.00	Joe Gallo 20.00	John Masterson 40.00	Angelo Rossano 25.00
Archie Bickford 25.00	Allen Gonzalez 30.00	Gary McDevitt 10.00	Stephen Rydberg 25.00
Michael Binsky 25.00	George Gooden 25.00	Gabrial McDonald, Jr. 10.00	Carl Schou 50.00
Herbert Blake 25.00	Burnett Green 35.00	Charles McDougall 100.00	Charles Schroeder 40.00
Richard Blossom 30.00	Robert Greene 50.00	Joseph McShane 25.00	Dmitri Seleznev 25.00
Brendan Bohannon 50.00	Fred Gregorio 50.00	MEBA D1-PCD N.O. 25.00	George Shaffer 25.00
Donald Bohle 25.00	Ruben Guerra 25.00	Joseph Meehan 25.00	Andy Simkanin 25.00
George Boyeas 25.00	John Gugich 30.00	Rodolfo Menchaca 25.00	Ray Simpson 25.00
Joseph Bracken 25.00	James Hall 10.00	Steve Messenger 50.00	Bruce Smith 25.00
Roy Bradshaw 25.00	Herman Hallman 25.00	Jack Milano 25.00	William Smith 25.00
Stanley Branch 25.00	John Hamann 25.00	Reynold Minoli 20.00	Kai Sorensen 25.00
Cris Calairo 150.00	Rex Harper 25.00	Angela Moore 10.00	Eugene Souza 50.00
Marc Calairo 150.00	Michael Haslam 60.00	Joseph Muir 25.00	James Stelpstra 20.00
George Castege 25.00	Franklin Haugen 25.00	Dennis Murphy 100.00	Joseph Suire 25.00
Claude Chandler 25.00	Timothy Hill 50.00	Duane Nash 25.00	Vincent Sullivan 25.00
Edward Ching 25.00	Lester Hofstad 25.00	Charlie Noble 20.00	John Svane 25.00
Richard Chung 25.00	William Holladay 25.00	Remigio Noble 30.00	Tulilo Tautala 25.00
George Cooney 80.00	John Houlihan 25.00	Robert O'Brien 25.00	Robert Taylor 10.00
Douglas Crute 25.00	Phil Howell 30.00	Kenneth O'Halloran 15.00	Morris Thibodeaux 50.00
Cal Cunningham 25.00	ILWU Local 8 25.00	Bill Ofthus 50.00	Tim Thomas 25.00
Donald Cushing 50.00	Anthony Ingeneri 25.00	Scott Oliphant 10.00	Bruce Thompson 25.00
Hector deAragon 25.00	Arne Jakobsen 25.00	Robert Palakiko 25.00	William Tice 25.00
Thomas Dougherty 25.00	Herbert James 25.00	Edward Pardo 25.00	Robert Torano 25.00
Robert Doyle 25.00	James Kawaski 25.00	Hamilton Parone 10.00	Joseph Valverde 25.00
		Edwin Pastolero 20.00	Peter Villanueva 25.00
		Tonni Pedersen 50.00	Colin Walker 25.00
		John Perez 50.00	Richard Walsh 45.00
		Armund Pettersen 25.00	Carl Walters 25.00
			Richard Watkins 50.00
			Michael Webb 25.00
			Charles Weber 25.00
			Franklin Whitman 25.00
			Elroy Wong 10.00
			Paul Wuestewald 25.00
			Roy Yates 50.00
			Bud Yost 25.00

Greek maritime Unions oppose armed ship guards

Greek seafarers' Unions have condemned legislation to allow armed guards on Greek-flagged vessels.

The Panhellenic Seamen's Federation announced on November 28, that the bill "does not tackle piracy, nor protect seafarers, but instead raises the chances of mishaps and puts seafarers under psychological pressure". In a separate announcement, the Masters & Mates' Union of the Greek Merchant Marine (PEPEN) said: "The content of the bill is unacceptable and leaves a ship's master and crew exposed to danger." PEPEN expressed "great surprise" at the bill being put forward without prior consultation with the Unions.

Under the proposal, up to six armed guards per ship, acting under the authority of the master, would be allowed on Greek-flagged ships serving routes outside its territorial waters.

Speaking on Greek state TV, Deputy Shipping Minister Adonis Georgiadis accused Citizen's Protection Minister Christos Papoutsis, who runs the Coast Guard and put forward the bill, of meddling with his portfolio. Papoutsis "has no authority over" guards, said Georgiadis, who insisted the issue "is the sole concern of the shipping ministry".

Maui vegan activists want to stop pig shipments

Laurelee Blanchard, a vegan activist on Maui, has collected over 8,000 signatures calling on Matson Navigation Company to stop shipping pigs from the Mainland to Hawai'i.

According to Blanchard, the trip across the Pacific exposes the animals —hundreds of which arrive in Hawai'i every week— to "stress and exhaustion, rough handling, hunger, thirst, extreme temperatures and filthy conditions. Upon arriving in Honolulu it is usually several hours before the pigs are unloaded from the ship. They are left suffering in the heat with minimal ventilation before they travel another hour by truck to the Hawai'i Livestock Cooperative slaughterhouse —which has been cited numerous times by the USDA for the inhumane

handling and slaughter of animals— where they are slaughtered and processed. The pigs destined for slaughter on Maui at the Pukalani pig slaughterhouse continue to be confined in Honolulu for another 1-2 days before departure."

"As someone who provides refuge for rescued pigs at Leilani Farm Sanctuary, I know the intelligence and sensitivity of these animals," said Blanchard, who launched the Change.org campaign. "Matson is attempting to shift the blame to the consumer, but is indeed directly responsible for causing unconscionable suffering to pigs by continuing to facilitate this cruel trade. These shipments need to stop immediately."

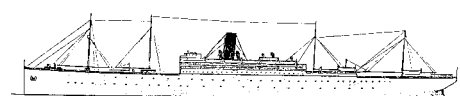
Matson has not commented on Blanchard's allegations.

Sea Star fine reduced due to its "tenuous condition"

Prosecutors fined U.S.-flag carrier Sea Star Line \$14.2 million for price-fixing because they believed a higher penalty would "jeopardize" the company, newly filed court documents reveal.

The guilty plea by Jones Act container line Sea Star was announced last month and reported in the November *West Coast Sailors*. Recently released documents in that case, filed by a Department of Justice attorney, state: "Sea Star is in tenuous financial condition." The attorney noted that under standard guidelines, Sea Star could have been liable for more than \$100 million in fines. "The recommended fine of \$14.2 million is the product of two years of exhaustive financial analysis by an outside expert retained by the United States and experts retained by Sea Star."

Sea Star's fine reduction in light of its financial weakness mirrors the previous fine reductions for Horizon Lines. Horizon faced a statutory fine of \$336-\$672 million for fixing prices in the U.S./Puerto Rico trade. That was reduced to \$45 million due to Horizon's financial woes—then reduced again to just \$15 million to allow Horizon to avert bankruptcy.



Dues-Paying Pensioners

Gordon Abbott	Book #3785
Robert Copeland	Book #4763
Donald Cushing	Book #4777
Romaine Dudley	Book #2593
Alexander Earle	Book #1885
Knud Jensen	Book #3940
John Jewett	Book #4291
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Eli Lalich	Book #4062
Stanley Lane	Book #4106
James K. Larsen	Book #4055
Volkert Lolies	Book #4097
Duane Nash	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323

ESU Office Assignments

For the month of January, John Straley will be in the Seabrook office.



DECEMBER 2011

Official Publication of the Exxon Seamen's Union

Change of Command at SeaRiver's helm

SeaRiver Maritime Inc. President and Director W. E. (Will) Jenkins has elected to retire effective January 31, 2012. Mr. Jenkins had an illustrious career that spanned more than 33 years of Company Service.

Mr. Jenkins joined Mobil Exploration & Production Company, Morgan City, Louisiana, as a Safety, Security & Health Coordinator in 1978, and progressed through a number of field and headquarters environmental, health and safety (EHS) positions in the U.S. as well as Norway, Indonesia, and Saudi Arabia. He was appointed Loss Prevention, Environment Protection, and Safety Manager, Mobil North Sea, Exploration & Production, Aberdeen, UK, in 1988. In 1994, he became EHS Systems and Strategic Planning Manager, Exploration & Production, Dallas, where he remained until 1995, when he became GREF Redesign Team Leader, Staff Redesign Project, Fairfax. In 1996, he was then appointed Risk Management Technology Manager, SSO Americas, and in 1997, became VP Operations MOSAT, ST&T Marine Transportation. He became President, International Marine Transportation Limited, Leatherhead, UK in 1999, where he remained until he accepted his current position as SeaRiver President in 2004.



Will Jenkins

He is a consummate professional and deserves the highest accolades for a job well done. The Exxon Seamen's Union would like to thank Will for his many contributions and leadership to SeaRiver and wish him and his wife Catherine a long and happy retirement.



Jack Buono

Concurrent with Mr. Jenkins retirement announcement, the Company also announced the return of J. J. (Jack) Buono, currently a Global Marine Transportation Optimization Manager with Supply & Transportation, ExxonMobil Refining & Supply Company in Fairfax, VA. Mr. Buono will join SeaRiver Maritime, Inc. in Houston on January 1, 2012. It is anticipated that he will be appointed as President of SeaRiver and elected to its Board of Directors.

Jack is not a stranger to the SeaRiver fleet and in some ways this will be a homecoming for him. Jack began his career as a third mate in the then Exxon Shipping Company, Ocean Fleet in August of 1978. After progressing to Master in 1987 he was assigned regu-

larly as Captain aboard the *Exxon Jamestown* where many current ESU members had the opportunity to sail under his command. After his vessel assignments in the fleet he assumed various shore assignments before he eventually became Vice President of Operations for SeaRiver. In 2003 he accepted an assignment to his current position as Manager Marine Transportation Optimization, ExxonMobil Refining & Supply, Supply & Transportation, Fairfax, Virginia.

The Exxon Seamen's Union would like to welcome Jack back to his roots and look forward to his leadership and offers our support towards continuing the overall success of the Company.

ESU Election results

On December 9, 2011 the ESU office received the election results from the American Arbitration Association (AAA) in New York. The ESU mailed a total of 110 ballots to the membership and the AAA office received 64 ballots. Take in account that for the position of Board Member at Large two (2) votes are counted therefore the 128 final count, there was 26 blanks that means 26 ballots only had one vote instead of two.

The voting results are as follows:

President/Secretary		Ship Representative Kodiak	
John Straley	Unopposed	Joe Butler	47
Board Member at Large		Tim Williams	17
Joe Bernavich	32	Blank	0
Ein Cooley	31	Total	64
John McCarthy	39	Ship Representative Sierra	
Blank	26	Thor Floreen	Unopposed
Total	128	Ship Representative Wilmington	
		Kevin Conroy	Unopposed

The Union congratulates the winners of the election and would like to express our thanks to all the candidates who were willing to step forward and serve their union.

The Ship Representative *Wilmington* position is no longer needed due to the vessel going out of service. One of the most important aspects of the election process is the electorate, for it is you, the rank and file members that insure the union's success or failure. It is you, the membership, through the democratic process of casting your vote that determines the future direction of your union.

In this election, 42% of the eligible voters failed to exercise their right to vote. Voter apathy sends the wrong message, all ESU members are urged to become involved and participate in their union. Let us strive to have 100% participation in all future elective endeavors. The ESU extends its thanks to those members that demonstrated their support for the Union by exercising their right to vote.

As in past elections, the current election was held under the auspice of the American Arbitration Association (AAA). The ESU Constitution and By-laws mandate in Article V, Section 7, Paragraph A, that; *All elections and referenda shall be held by secret ballot. Such ballots shall be forwarded to the American Arbitration Association or some similar outside organization qualified to conduct elections, and they shall be responsible for the conduct of the election...*

The AAA, founded in 1926, is the obvious choice to provide this service to the ESU. With 34 offices in the United States, and Europe, the organization is well respected and experienced in overseeing democratic elections. The AAA guarantee's that their administration of elections will be based on observance of applicable federal and state laws and adherence to democratic practices. Further, they offer a higher level of certainty that the voting membership of the Union will be allowed to participate fairly.

At no time does any ESU officer or member have access to submitted ballots. The American Arbitration Association keeps all ballots in their possession at all times during and after the election, protecting the sacred concept in a democratic society of the right to a secret ballot.

The ESU is only one of many organizations that rely on the integrity of the AAA to insure the legitimacy of its voting process. Among their prestige's and long list of organizations that use the organizations election services are; Association of Professional Flight Attendants, Studio Electrical Lighting Technicians, Screen Actors Guild, Transport Workers Union of America, and the American Nurses Association.

New contracts in the mail

By now everyone should have a copy of the new ESU Contract book that took effect September 1, 2011 and will remain in place until August 31, 2014.

The books were mailed out from the ESU office to SeaRiver mailroom during the week of December 1, and from there they should have been distributed to each member either at their home address or on the ship. This was prompted because the last time in 2008 the company sent boxes with the Contract books to the ships for distribution to the membership but in some cases contracts were not received by members. Apparently, there was some confusion with ship board managers providing copies to the officers group instead of giving them out to the unlicensed employees. In some cases a few members went all of the three years without having their own copy, so in order to avoid that the ESU took ownership of the distribution to each member.

Please carry this booklet with you to and from your assignments and it's also a good idea to once in a while read through your copy to familiarize yourself with the different sections of our labor agreement and how they apply to you in the work place.

Happy Holidays to ESU Members and their Families

ESU News

Special Election for Deck Department Trustee underway

Former Deck Trustee, Aaron Rathbun was affected by the employee surplus within the fleet and elected to take the layoff allowance instead of demoting to a lower rating, thereby creating a vacancy for this position.

The resignation of Mr. Rathbun necessitates a special election to fill the vacancy of Deck Department Trustee. Two candidates submitted their forms in accordance with the requirements for the position of Deck Trustee which are described in Article V, Section 1 of the Unions Constitution and By-laws. Requirements include: Candidate having his/her dues paid through the month in which the nomination is made and have at least two (2) years of continuous service in the Company and be a member of the Union for at least one (1) year. The nominee must be a qualified driver possessing a current, valid auto driver's license.

AB Kevin Conroy and AB Jeff Harris are both running for the position, they were notified by the Vice President/Treasurer of the Union that both are eligible and would be placed on the official ballot. The candidates are listed in alphabetical order as per the ESU Constitution and Bylaws.

Ballots were addressed individually to each eligible voter and should have arrived to you on board the vessel or at your home. If you did not receive a ballot, please see your ESU Ship Representative or call the Union office. Remember, an eligible voter is one whom has been a member in good standing at least 90 days prior to the start of the election. The voting period began on November 29th 2011 and will conclude on January 26th 2012 when the ballots are due at the American Arbitration Association office in New York. Following notification to the ESU office on January 26th, 2011 the results will be promptly announced to the membership, and the candidate will assume the position immediately.

The ESU thanks the candidates involved for their support and willingness to serve the membership. At a minimum, their willingness to serve should be recognized by every member casting a ballot during this important election for our Union. All ESU members are encouraged to participate in the elective process and strive for 100% voter participation in this election. PLEASE VOTE!

ESU members recognized at Environmental Achievement Awards



At an awards ceremony and dinner held November 17, at the Ronald Reagan Building in Washington, D.C., the ESU membership was officially recognized for their contribution to the exceptional performance in the field of environmental protection which has won several SeaRiver vessels the Chamber of Shipping of America Environmental Achievement Award. The ESU Board is very pleased that the unlicensed crewmembers have been officially recognized for the important part they have played in the winning of numerous safety and environmental awards over the years. SeaRiver Vice President for Operations Jon Evans invited ESU Vice President Leo DeCastro to jointly accept the awards on behalf of ESU membership. Alongside ESU Vice President Leo DeCastro is newly appointed SeaRiver Safety Manager Angelina Fuscheto who was also present to receive the awards. As many of you know Angelina made the recent transition from the fleet as Chief Mate to her new position within the last couple of months.

The awards were presented by U.S. Coast Guard Deputy Command for Operations Vice Admiral Brian Salerno and CSA President Joseph J. Cox and were given to the *S/R Wilmington*, *S/R American Progress*, *Kodiak* and *Sierra*. To win the award the vessels must have had no reportable spills, no Coast Guard citations for MARPOL violations and no violations of state or local environmental regulations for at least two years. Vessels were also eligible for the awards beyond the initial two-year period and indeed most SeaRiver vessels receiving the awards had been performing flawlessly well beyond the two year minimum. Joseph J. Cox, President of CSA said, "These awards celebrate the dedication to environmental excellence of our seafarers and the company personnel shore-side who operate our vessels to the highest standards. In today's world, it seems our industry only gets front-page news when spills or other environmental problems occur. It is encouraging to see how many vessels go for years achieving environmental excellence. It should be clear to the American public that we in the maritime industry take our stewardship of the marine environment very seriously."

The Exxon Seamen's Union likewise, commends all our members who have contributed so greatly to SeaRiver's recognition as an industry leader in the safe and environmentally responsible operation of their tanker fleet. These honors underscore what the ESU has been saying all along, that our members are performing at the very highest level of professionalism within the industry. If it were not for the exceptional standard of performance at which the rank and file consistently operate these prestigious recognitions of excellence would not be attainable. Congratulations to everyone.

Ship reports

S/R American Progress

The AP continues on the regular run between Valdez and the Puget Sound. ESU Board officer visited the vessel at Cherry Point in WA on December 12. AB Wen Shie Tai filling in as Ship Representative and reports everything running smooth. A couple small issues were addressed with the ESU Board officer and it was all taken care of. Wen also reports the unlicensed crew had the opportunity to meet the new Vice President of Operations, Jon Evans and had a very open discussion on issues and matters relating to work and about the Company. The general consensus was an optimistic feeling of hope towards the new management changes.

Kodiak

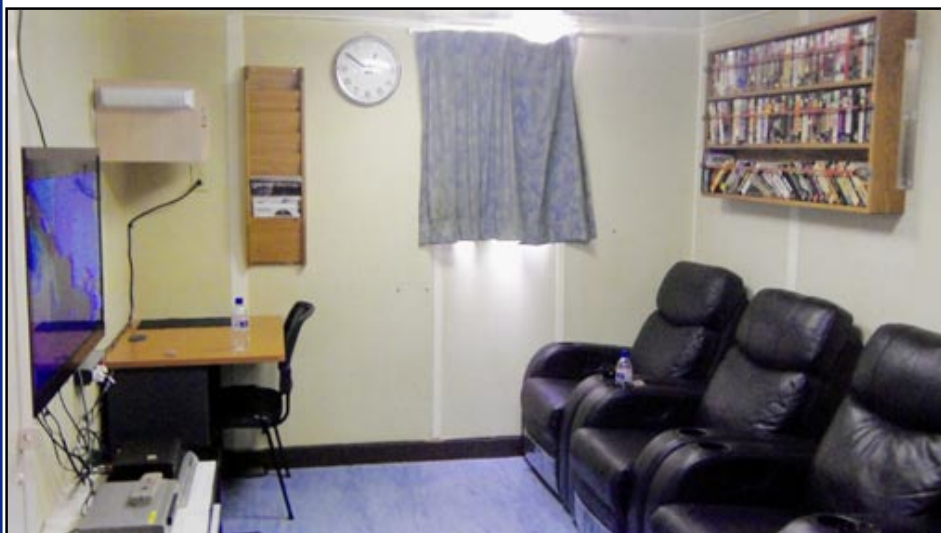
Vessel continues with discharges in the SF Bay area. Tim Williams, Regular Ship Representative on board and reports all is well. The gang enjoyed an extended stay in the San Francisco Bay the last time south due to a small fire at the Chevron Refinery where it took almost two weeks to get the necessary repairs completed in order to allow the vessel to dock and discharge cargo.

S/R Long Beach

The *Long Beach* continues in cold lay-up, in Labuan, Malaysia. There are no crewmembers assigned to the vessel at this time. Future plans for the vessel are unknown at the present time.

Sierra

The *Sierra* was visited by board officer on December 2 at the Shell Dock in Anacortes. Regular Ship Representative Thor Floreen onboard reports all is well and running smooth. The ESU board officer took the opportunity to check out the new redone smoker's lounge. Nice work from the shipboard management and Thor for being proactive on this item, (see picture) great setup just waiting for the new computer. The vessel will probably continue the Valdez to Puget Sound run for the rest of this year.



The ESU News is written and edited by the Exxon Seamen's Union.

2012 holiday schedule

As per the CBA, Article IV, the following is the schedule of holidays for 2012:

New Year's Day	Monday, January 2
Martin Luther King Day	Monday, January 16
President's Day	Monday, February 13
Memorial Day	Monday, May 28
Independence Day	Wednesday, July 4
Labor Day	Monday, September 3
Columbus Day	Monday, October 8
Veteran's Day	Monday, November 12
Thanksgiving Day	Thursday, November 22
Christmas Day	Tuesday, December 25.

EXXON SEAMEN'S UNION

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

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President/Secretary John Straley

Vice President/Treasurer Leo DeCastro

Board Member at Large Joe Bernavich

Board Member at Large John McCarthy

Deck Trustee TBN

Engine Trustee William Ackley

Steward Trustee Kurt Kreick

SUMMARY ANNUAL REPORT FOR SUP 401(k) PLAN

This is a summary of the annual report for SUP 401(k) Plan, EIN 94-3134523, Plan Number 002, for the year ended December 31, 2010. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust (benefits are provided in whole from trust funds). Plan expenses were \$160,880. These expenses included \$111,262 in administrative expenses and \$49,618 in benefits paid to participants and beneficiaries. A total of 722 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$4,758,983 as of December 31, 2010, compared to \$3,885,732 as of January 1, 2010. During the plan year the plan experienced an increase in its net assets of \$873,251. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$1,034,131, including employer contributions of \$50,783, employee contributions of \$445,034, earnings from investments of \$488,442 and other income of \$49,872.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report; 2. Assets held for investment; 3. Financial information and information on payments to service providers; and 4. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP 401(k) Plan, Inc., at 730 Harrison Street, Suite 415, San Francisco, California 94107, (415)778-5490. The charge to cover copying costs will be \$3.50 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, California 94107, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

U.S. grain exports projected to decline by 16% next year

U.S. grain exports for the 2011-12 harvest are expected to drop 16% year-on-year, a USDA report has predicted. The Agriculture Department noted in the report released last month that high bushel prices and increased competition from Russia and other exporting countries have brought grain inspections at U.S. ports to the lowest total since 2005. Sector players expect the harvest drop to drive down transport rates and demand for bulker capacity. The agency said lower demand combined with an excess supply of Capesize and Panamax vessels to increase pressure on freight rates.

For the week ending November 10, the rate for shipping bulk grain from the Gulf of Mexico to Japan was \$56.50 per ton, down 4% from the same week last year, the agency noted. The Pacific Northwest/Japan rate was \$31 per ton, down 10%. During the same period, 36 grain bulkers were loaded in the Gulf, down 23% from a year ago.

Pirates harass hostage families

Somali pirates are reaching new lows by involving families in the torture of seafarer hostages, an International Transport Workers' Federation (ITF)-funded body announced.

The Maritime Piracy Humanitarian Response Program (MPHRP) said pirates are using extreme violence to press families to lobby shipping companies to speed ransom payments. The MPHRP said pirates have started phoning family members or "making the seafarer plead for this life while he is threatened with death and guns are fired, and filming the abuse and posting it online for relatives to see".

MPHRP Chairman Peter Swift said the level of violence used by pirates to extract vast ransoms has reached an all-time high. "The treatment meted out to the victims now frequently crosses the line from savagery into torture," said Swift, who added that the savagery is having horrendous effects on families, who were "firmly on the pirates' target list," not to mention the seafarers captured.

The MPHRP speaks for an alliance of owners, Unions, manning agents and welfare associations. The group has launched a new guide for shipping companies on how to support their staff and families coping with the trauma of pirate attacks.



Welfare Notes



December 2011



**The SUP Welfare Plan
Wishes you a Happy and Healthy
Holiday Season**

Michelle Chang—Administrator

Patty Martin

Michael Jacyna

Virginia Briggs

Wilma Alday



SUP Welfare Plan Telephone: 415 778-5490 or 1 800 796-8003

Port of NY-NJ plans maritime projects

The Port Authority of New York and New Jersey has announced plans to spend \$345.9 million on seaport projects in fiscal year 2012 and another \$15.2 million on work related to the planned elevation of the Bayonne Bridge.

The projects are part of the agency's preliminary \$3.66 billion budget for capital spending next year, including bridges, tunnels, airports and the rebuilding of the World Trade Center.

The preliminary budget for all spending totals \$7 billion, which the port authority said keeps operating expenses "virtually flat and maintains headcount at the lowest level in 40 years."

The agency allocated the largest amount of spending, \$87.4 million, on

development of the Global Terminal on the Port Jersey Peninsula in Bayonne and Jersey City. The money will also be used to improve intermodal rail and roads to the 98-acre terminal. The second-largest capital project involves spending of \$58.3 million on the development of a rail ramp at the Greenville Yards, which the authority acquired in 2010.

The budget allocated \$36.3 million for the project at the New York Container Terminal on Staten Island, including \$29 million designed for dredging. The agency plans to spend \$12.4 million on the revival of the Brooklyn Marine Terminal in Sunset Park in Brooklyn and \$198,000 on infrastructure at Brooklyn's Red Hook Terminal.

GOP candidate wants to fire school janitors, scrap child labor laws

Republican presidential candidate Newt Gingrich said at an address at Harvard University last month that child work laws "entrap" poor children into poverty, and suggested that a better way to handle failing schools is to fire the janitors, hire the local students and let them get paid for upkeep.

The comment came in response to an undergrad's question about income equality during his talk at Harvard's Kennedy School.

"This is something that no liberal wants to deal with," Gingrich said. "Core policies of protecting Unionization and bureaucratization against children in the poorest neighborhoods, crippling them by putting them in schools that fail has done more to create income inequality in the United States than any other single policy. It is tragic what we do in the poorest neighborhoods, entrapping children in, first of all, child laws, which are truly stupid.

"You say to somebody, you shouldn't go to work before you're what, 14, 16 years of age, fine. You're totally poor. You're in a school that is failing with a teacher that is failing. I've tried for years to have a very simple model," he said. "Most of these schools ought to get rid of the Unionized janitors, have one master janitor and pay local students to take care of the school. The kids would actually do work, they would have cash, they would have pride in the schools, they'd begin the process of rising."

SUMMARY ANNUAL REPORT FOR SUP MONEY PURCHASE PENSION PLAN

This is a summary of the annual report for SUP Money Purchase Pension Plan EIN 94-3134523, Plan Number 001, for the year ended December 31, 2010. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided by a trust fund. Plan expenses were \$1,343,329. These expenses included \$209,448 in administrative expenses and \$1,133,881 in benefits paid to participants and beneficiaries. A total of 833 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$23,724,067 as of December 31, 2010, compared to \$21,250,809 as of January 1, 2010. During the plan year the plan experienced an increase in its net assets of \$2,473,258. This increase includes unrealized appreciation in the value of plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$3,816,587, including employer contributions of \$1,596,998, earnings from investments of \$1,972,198 and other income of \$247,391.

Minimum Funding Standards

Enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report; 2. Financial information and information on payments to service providers; 3. Assets held for investment; and 4. Information regarding any common or collective trusts in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call the office of SUP Welfare Plan Inc, who is the plan administrator, 730 Harrison Street, Suite 415, San Francisco, CA 94107, (415)778-5490. The charge to cover copying costs will be \$3.25 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan at 730 Harrison Street, Suite 415, San Francisco, CA 94107, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

International economic organization downgrades 2012 forecasts for global economy and trade

The latest Economic Outlook from the Paris-based OECD (Organization for Economic Cooperation and Development) says that the global economy has deteriorated significantly since its previous forecast, warning that international trade growth will slow again next year. Its latest trade forecast expects growth for 2012 to slow to 4.8% from 6.7% this year, recovering to 7.1% in 2013.

The OECD has downgraded its economic and trade growth projections for 2012, saying: "Advanced economies are slowing down and the Euro area appears to be in a mild recession. Concerns about sovereign debt sustainability in the European monetary Union are becoming increasingly widespread. Recent contagion to countries thought to have relatively solid public finances could massively escalate economic disruption if now addressed."

Emerging economies are growing at a healthy pace, although rates of growth are moderating. In these countries, falls in commodity prices and slower global growth have started to mitigate inflationary pressures. "Contrary to what was expected earlier this year, the global economy is not out of the woods," the OECD said.

Economic growth in OECD countries is set to slow to 1.6% next year and to stagnate at 0.2% in the euro area. The OECD forecasts Chinese growth of 8.5% in 2012, rising to 9.5% in 2013.

Expansion planned for Jebel Ali

Dubai Ports World plans to expand its flagship port Jebel Ali in the United Arab Emirates (UAE) to 19 million teu by 2014, from its present throughput just exceeding 1 million teu per month.

The group said in a statement that it plans to convert 6,100 feet of wharf and 173 acres of land from an existing general cargo berth to a new terminal within the container port, with a 56-foot draft.

The plan also calls for adding cranes that would increase capacity by 4 million teu per year to ensure that the facility can handle existing and future vessels.

Total investment in the three-year expansion would be about \$850 million, to be drawn from existing cash resources and cashflow, with about 1,000 jobs created.

APL's Suez Express Service vessels call Jebel Ali.

USNS Martin in Saipan



USNS Martin in Saipan in November. From left: AB/Delegate Randy Fogle, AB Corey Burton, Bosun James Bailey, OS Jesus Hermosillo, AB David Burns, OS Andrei Didkovsky, AB Tim Conley and in front OS Winston Hunt. Not pictured is AB Nick Manessiotis. The Martin is a Maritime Prepositioning Force vessel operated by SUP-contracted Patriot Contract Services for the Military Sealift Command.

Wind Farm bill passed by House would benefit American workers

The House of Representatives this month passed H.R. 2360, the Providing for Our Workforce and Energy Resources Act (POWER Act), a bill designed to clarify that offshore wind farms must comply with the same laws as offshore oil and gas production. If approved by the Senate and signed into law by President Obama, the legislation would create a strong job market for American mariners.

The bill was introduced by Representative Jeff Landry (R-Louisiana) and approved by the House via voice vote.

"The POWER Act makes an important clarification to ensure wind energy follows the same play book that has made U.S. offshore oil and gas production such a nationally important, job-creating field," Landry said. "The POWER Act provides important certainty so investors can confidently support offshore renewable projects and create new jobs for American offshore workers."

The legislation would close a loophole in the current law that allows offshore renewable energy resources to be installed or serviced by foreign workers. Specifically, the bill would amend the Outer Continental Shelf Lands Act to ensure all of the nation's laws are applied to the emerging offshore renewable energy market on the Outer Continental Shelf.

As the offshore wind and solar industry continues to grow, so, too, will the need for qualified mariners to operate the vessels needed to install, service and maintain the wind turbines and other equipment. If signed into law, the POWER Act will help ensure that those jobs go to American workers.

GOP mounts full-scale attack on NLRB

The National Labor Relations Board (NLRB), the government agency charged with protecting workers' rights and limiting industrial conflicts, is seeing its very existence called into question by a ceaseless barrage of attacks from anti-labor Republicans in Congress. Since January, politicians have made nearly 50 separate assaults on the NLRB, from bills to gut its power and funding to hearings and subpoenas aimed at making it impossible for agency staff to function. In one of the most recent attempts to shut the board down, its Republican member, Brian Hayes, is threatening to resign and deprive it of the number of voting members needed to act.

The NLRB provides protections to 77% of all private sector workers in the United States, both Unionized and non-Unionized. Its mandate extends to protecting employers too, by regulating labor relations so as to reduce workplace strife.

"We're seeing something today I haven't seen in all my working life: an open attack on the rights of workers to form Unions and an attempt to put the nation's labor relations laws into cold storage," said Representative George Miller (D-California). Miller made the remarks this month during an AFL-CIO forum to call attention to the war being waged on the NLRB.

The impact of the attacks extends beyond the nation's Unionized workforce, threatening to further undercut the financial well being of the country's entire middle class. "There is a strong connection between the right of workers to form Unions and collectively bargain and the strength of the middle class," said another speaker at the AFL-CIO forum, David Madland, a director with the Center for American Progress. "The inability to protect workers' rights over the last 30 years is the biggest factor in the growth of income inequality in this country," he added.

"Organizing and collective bargaining are not just about Unions, but about the middle class," said Iowa Democrat Senator Tom Harkin. "We have to stop the dismantling of the NLRB. We have to draw a line in the sand."



SUP President's Report

December 12, 2011

CHEVRON SHIPPING COMPANY

In preparation for bargaining with Chevron, the SUP Negotiating Committee comprised of rank-and-file members Thor Erikson and David Fadoul, Vice President Dave Connolly and your secretary, caucused at Headquarters on December 5. All of the many proposals submitted the membership were thoroughly reviewed and discussed resulting in the drafting of bargaining proposals to submit to the company.

Negotiations began the following day with Chevron represented by Chris Brown, Assistant Fleet Manager for the U.S.-Flag and Lightering Fleet; Jason Marin, Manager for Manning Strategy and Analysis; and Stella Gonzales, Assistant U.S. Manning Representative.

The result of bargaining was a concession-free agreement that improved overall compensation plus key improvements to the work rules.

The following are the items that were agreed to when negotiations concluded on December 7:

Term of Agreement: Five years, from February 1, 2012 through January 31, 2017.

Wages and Overtime: Increased by 3% on February 1, 2012; 2% on February 1, 2013; 2.5% on February 1, 2014; 2.5% on February 1, 2015; and 2% on February 1, 2016. This is a cumulative total increase of over 12%.

It should be noted that the company proposed a wage freeze for 2012 with a one-time ratification payment of \$1,150.00 and a wage freeze for 2013 with a ratification payment of \$960.00 with percentage increases for the last three years. After the negotiating committee rejected that proposal, Chevron suggested an alternative which was a 1.6% increase for each of the five years. The company was told in no uncertain terms that if a five-year agreement was to be achieved, wage increases were a necessity every year.

Vacation Pay: Increased by one day (to a total of 23 for 30 days worked) effective February 1, 2012 and an additional day effective February 1, 2014, bringing the total vacation days during the term of the contract to 24 for 30.

Holiday: Added Martin Luther King, Jr.'s Birthday as a holiday beginning January 17, 2013.

Maintenance and Cure: Increased from \$8.00 per day to \$40.00 per day.

Joint Employment Committee (Tanker Industry Fund): Increased from \$3.00 per manday to \$4.00 in 2012 and an increase from \$4.00 to \$5.00 in 2014.

GENERAL RULES

Article VI C. Ventilation: Increased the payment for ventilation failure (heat, air conditioning) from \$50.00 to \$100.00 per night.

Article VII G. Quarters: If required to be onboard in a repair yard between 2200 and 0600 the payment was increased from \$50.00 to \$100.00 per night.

Article VIII Transportation and Subsistence: Included "open road steads" in the language regarding when launch service is available. This issue has a bone of contention for many years with company denying launch service because the vessel was in an "open roadstead".

Article VIII Transportation and Subsistence: Increased the allowances for meals not provided at sea as follows: In lieu of room from \$50.00 to \$100.00 per night; in lieu of breakfast from \$8.00 to \$10.00; in lieu of lunch from \$15.00 to \$20.00; in lieu of dinner from \$25.00 to \$30.00.

Article IX: Deleted the rating Ship's Utility and restored the ratings of Pumpman, Oiler (QMED), Wiper and Cook.

Article X General Application of Overtime, Overtime Rates: 6(A) Call-Out/Call-Back for the Deck and Engine Departments: After a 60-year struggle, the company finally agreed that overtime starts when called, not 30 minutes later. A major victory.

Article XI General Work Rules, Section 4: When anchor or gangway watches are necessary language

was agreed to that they shall be maintained from arrival to departure "on an alternating hour-for-hour basis."

The Union had several more proposals to clarify and improve the contract, but no agreement could be reached. However, the company did agree to inform the fleet that morning and afternoon coffee should not be interfered with by drills or safety meetings. The company also stated that it was working on improving internet connection and satellite radio, television and telephone systems aboard its vessels. It was also agreed to modify the separate agreement covering riding gangs regarding rates of pay.

The results achieved with Chevron came through hard bargaining. The SUP Negotiating Committee recommends general membership ratification of the agreement.

MATSON NAVIGATION COMPANY

On December 1, Alexander & Baldwin, the Hawai'i-based land company with interests in real estate development, commercial real estate and agriculture announced it will spin-off its wholly-owned subsidiary – Matson Navigation Company. Both will become, pending government approval, independent, publicly-traded companies by mid-2012. Full details of the transaction will be published in this month's *West Coast Sailors*.

Reviews of the split were generally positive. Brad Dechter, president of the logistics company Dependable Hawaiian Express, expressed the view, shared by many, that, "It will be great for Matson, because they will have a board of directors that understands shipping and logistics," adding that "Matson does an outstanding job and it might make the job of Matson management a lot easier now that they will be a pure transportation company."

Hawai'i's senior Senator Daniel Inouye praised the decision stating that he was "ready to continue to do everything I can to help these companies further their mission of providing for the people of Hawai'i."

However, Michael Hansen, President of the Hawaii Shippers Council said there was cause for concern saying that the move was probably a reflection of their [A&B's] disappointment with the failed operations of Matson's foreign-flag TransPacific service that lost \$50 million" Hansen, who a proponent for eliminating the "Build-American" requirement for ships in the Hawai'i trade, is also worried that the Matson separation "may very well reflect their view of how unsustainable the potential costs of fleet renewal in U.S. shipyards would be for Matson going forward."

It is hoped the vision of Matson President Matthew Cox is the reality when he stated that "Matson is well positioned in markets it currently services, and we are excited about its growth prospects and future value creation opportunities as an independent company."

SUPPLEMENTAL BENEFITS

In October, reported that effective September 27, the SIU-Pacific District Supplemental Benefits Fund office began withholding a flat 25% for federal taxes in compliance with the Internal Revenue Service publication "Circular E, Employers Tax Guide for 2011."

This decision by the Plan Office was not made out of the blue by the SUP, MFOW, SIU-Marine Cooks, Matson or APL, as some misinformed or uninformed members claim. Rather, it was made by the Plan when Matson told the Plan Office on September 26, that the IRS had sent the company a "Notice of Levy on Wages, Salary and Other Income" for members –SUP, MFOW and Marine Cooks– that owed the federal government back taxes. The Plan Office has a legal obligation to comply with federal law.

For many years some members of the respective Unions have claimed "EXEMPT" from federal taxes when filing out the IRS Form W-4 to claim Supplemental Benefits in order to either receive as much money as possible up front or to attempt to avoid taxes all together. Judging by the number of tax levies against Plan participants, some thought they could beat Uncle Sam.

To claim "EXEMPT" an individual must have no income tax liability last year and expect none this year.

There is a \$500 penalty from the IRS if a member: a) makes statements of claims withholding allowances on the W-4 that reduces the amount of tax withheld, and b) has no reasonable basis for those statements or allowances at the time the member prepares Form W-4. Criminal penalties of up to a \$1,000 fine or imprisonment up to one year or both, may be applicable if the filer (member) willfully supplies false or fraudulent information on the Form W-4 or willfully fails to supply information that would increase the amount withheld. This means that if a filer deliberately and knowingly falsifies a W-4 in an attempt to reduce or eliminate the proper withholding of taxes, criminal penalties may apply.

There is a second option, which is currently not available, in which a member applies for Supplemental Benefits by completing a Form W-4 claiming the same amount that was withheld from his or her latest employer –either APL or Matson.

Under a second option scenario, the Plan has tentatively projected, in order to be in compliance with IRS regulations regarding supplemental wages), that withholding for Supplemental Benefits would be the same as that of the Plan participant's W-4 filed for the latest voyage with each employer as documented by the participants payroll stubs. This would have to be done within 30 calendar days of the end date of the Plan participants latest voyage or if mailed, as evidenced by the postal mailing date indicated on the application envelope. Original payroll stubs and original discharges would be copied at the Plan Office and returned to the participant with the issuance of the Supplemental Benefits check at the conclusion of the application's processing.

A new Form W-4 would be needed to be filed with the Plan Office with each application for which the second option –rather than the 25% flat rate– is requested. Applications for multiple years' discharges, but not beyond the Plan's two year filing limitation, would be processed at the tax withholding rate documented by the Plan participant's pay stub from the latest voyage if submitted for processing at the Plan Office within 30 days.

Any application that is submitted beyond 30 days from the Plan participant's latest voyage, or for which proof of employer tax withholding cannot be provided would be processed at the standard 25% flat rate.

The possibility of implementing the second option will be discussed when the SIU-Pacific District Supplemental Benefits Plan Trust meets on January 27. The Trustees are Anthony Poplawski for the MFOW, Nick Marrone for the SIU-Marine Cooks, Bob Stephens for APL, Tom Percival for Matson and your secretary for the SUP.

The SIU-Pacific District Supplemental Benefits Fund was established on October 1, 1958, as a successor plan to the Sailors' Vacation Fund, the MFOW Vacation Fund and the Stewards Vacation Fund and as a result of bargaining with companies represented by the Pacific Maritime Association. The reason for establishing the Supplemental Benefits Fund was simple but farsighted. When a seaman collected vacation pay he or she would not be able to collect unemployment benefits. Back in 1958 the Supplemental Benefit was three days for every 30 days worked in lieu of paid vacation. Under the old vacation plans a seaman earned eight days vacation for seven months employment. Currently the Supplemental Benefit is 17 days per month under the APL and Matson agreements. To abolish this Fund, as some have foolishly suggested, would be detrimental to the best interests of the membership.

FOSS MARITIME COMPANY

In August, reported that the Union had met with representatives of Foss to discuss a company proposal to amend the current collective bargaining agreement to adjust the tripartite agreement between the SUP, Foss and the Inlandboatmen's Union (IBU) for call-out and

continued on next page

President's Report continued

intermittently crewed tugs which provides for the most efficient use of the company's vessels in San Francisco Bay (see the June and August *West Coast Sailors*).

This revised agreement, which was approved by members employed by Foss and at the August coastwise Union meetings, was contingent upon the IBU ratifying a new agreement. That occurred last month, therefore, the revised provision of the SUP/Foss agreement went into effect. That provision is as follows:

1.01 The EMPLOYER recognizes the UNION as the representative of all EMPLOYEES as classified herein and the sole collective bargaining agency for the purpose of acting for the EMPLOYEES in negotiating and interpreting the Agreement and adjusting disputes.

1.02 If Foss is unable to reach agreement with the SUP on joint jurisdiction conditions consistent with the joint jurisdiction provisions of this agreement, either party may reopen this contract for negotiation, providing the party requesting the re-opener does so within 30 days of ratification of the SUP agreement.

1.03 It is the Company's intention to honor each Union's proprietary and traditional jurisdiction when assigning vessels; however, the Company may dispatch vessels as necessary without regard to the proprietary and traditional work jurisdiction.

It is the intent to have an equal balance of cross jurisdictional work between the two (2) Unions (i.e. IBU work performed by SUP and vice versa). The Company will adjust call-out and intermittently crewed boats to maintain a balance of cross jurisdictional work.

1.04 Employees must declare one Union's list or the other, i.e., there shall be no cross-registration for regularly scheduled personnel.

1.05 The Company will crew call-out and intermittently crewed boats according to proprietary and traditional jurisdiction of the work to be performed at the time of the crewing. Each call-out shall go exclusively and completely to one Union or the other, subject to the availability of qualified personnel. The procedures for call-out and intermittently crewed boat personnel shall be in accordance with the respective Unions' collective bargaining agreements.

1.06 The Company will provide the Union a weekly report (to include year-to-date numbers) of the work performed by joint jurisdiction, outlining any imbalance in the work performed across jurisdictional lines. The Company agrees to make every effort to correct any imbalance that has occurred the preceding month no later than the 11th calendar day of the following month. In the vent that qualified personnel not available, the hours will be made up in the following call outs and/or intermittent crews. This adjustment will be made by giving 100% of call-outs and intermittent crewing to the Union that was under crewed (as defined by work performed by joint jurisdiction) until such time the year to date work performed by joint jurisdiction is in balance.

Upon request of the Union, the Company agrees to meet and review the administration of the Joint Jurisdiction Agreement. This meeting will include a review of work performed across jurisdictional lines.

1.07 The Union and Company agree to meet over any disputes arising out of application of this rule. Disputes arising out of the application of the Joint Jurisdiction Agreement may be referred to the grievance procedure.

The current SUP agreement with Foss expires on February 29, 2012. Members employed by Foss are urged to submit bargaining proposals. Membership caucuses and bargaining with Foss will commence the last two weeks of February.

PATRIOT CONTRACT SERVICES

SUP-contracted Patriot was an unsuccessful bidder for the operation and maintenance of the Maritime Prepositioning Force vessels *USNS Sgt. Matej Kocak*, *USNS Pfc. Eugene A. Obregon* and *USNS Maj. Steven N. Pless*.

The Military Sealift Command received six bids for the ships, awarding the contract to Keystone Prepositioning Services on November 28.

HOLIDAYS

Christmas Eve and New Year's Eve: Both of these days are holidays under the ILWU and ILA agreements and therefore are recognized holidays under the APL and Matson Maintenance agreements on the Pacific Coast and aboard APL and Matson vessels in port on those days. Christmas Eve and New Year's Eve are not holidays at sea.

Christmas Day: Since Christmas Day falls on a Sunday this year, all SUP halls will be closed on Monday, December 26.

New Year's Day: Since New Year's Day also falls on a Sunday, all SUP halls will be closed on Monday, January 2.

Jack Hall Day: The Honolulu Branch will be closed on January 3 for Jack Hall Day, an ILWU Local 142 holiday. It is an overtime day for Matson ships in Hawai'i ports and for the Paint & Rigging gang.

Martin Luther King, Jr.'s Birthday: All SUP halls will be closed on Monday, January 16. This is a holiday under all SUP contracts except those with Chevron and Foss. Due to the holiday, the Branch meetings will be held on Tuesday, January 17.

ACTION TAKEN

M/S to ratify the Chevron agreement. Carried unanimously.

M/S to concur with the President's report in its entirety. Carried unanimously.

Gunnar Lundeberg

Vice President's Report

December 2011

President Adams: Jon Rose, delegate. Boarded in New York and dealt with various issues including investigation of plans for armed security teams on APL ships (not likely), dispatch rules, benefit eligibility, training opportunities, and shipping rules clarification.

President Jackson: John Drolla, delegate. While in a two-man watch situation the watch may perform security duties on watch and the compensation is at the straight time rate.

USNS Gordon: Joe Nugent, delegate. Boarded in the Aker shipyard in Philadelphia just before Thanksgiving. In good shape. A hotel suite with per diem while still working overtime and a day off every week to explore Philadelphia; not bad but the best part is day-for-day seniority in the SUP.

APL Thailand: Joe Moniz, delegate. In at Oakland with no beefs. Delegate taking a trip off and new delegate to be elected at sea.

APL Agate: Gabe Moreno, delegate. Several email clarifications on internal disputes. Sailor not capable of standing his watch had to depart the ship in New York independent of any medical evaluation.

APL China: Juan Magana, delegate. Discussion on supplemental wage withholding policies. See President's Report.

Oregon Voyager: Mikaela Carnes, delegate. Delegate reported that results of negotiations met with favorable reception from the gang. On the El Segundo run.

Foss Maritime Company: JD Rymel, delegate. Held a meeting with management to resolve a payroll and dispatch dispute. Confirmed that Flex Tankermen have the right to refuse to turn to on their days off.

Dave Connolly

Aboard the USNS Gordon



SUP and MFOV crew together in the USNS Gordon on November 22, in the Aker yard in Philadelphia. No beefs, many questions, good visit. Subject to change of course the ship is scheduled to sail for Baltimore on December 22, and so presumably call for FOS crew between December 16-18. From left: SUP AB Scott Weiderman, SUP OS Robert Leeper, SUP AB/Delegate Joe Nugent, MFOV Dave Marcum, MFOV Carmen Garner, SUP Bosun Mike Thomsen, and MFOV Remegio Dejar. The Gordon is operated by Patriot Contract Services for the Military Sealift Command. Photo: Dave Connolly.



Nancy Pelosi
Democratic Leader

November 30, 2011

Mr. Gunnar Lundeberg
President
Sailors' Union of the Pacific
450 Harrison Street
San Francisco, California 94105

Dear Mr. Lundeberg:

Many thanks for your hard work on the America's Cup Act of 2011. I am proud that the City and County of San Francisco can move forward in hosting one of the world's premier sporting events while ensuring good union jobs, protecting our essential maritime cabotage laws, and highlighting San Francisco's rich maritime history. Your assistance will enable the America's Cup teams to participate in the only global sporting event currently committed to come to the United States in the next decade.

Thank you again. Your assistance and coordination with my staff was greatly appreciated.

best regards,

NANCY PELOSI
Democratic Leader

SUP Branch Reports

Seattle

November 21, 2011

Shipped 2 Boatswains and filled the jobs with one A member to a steady job and one C member to a Navy bottom; 11 Able Seaman jobs filled by 5 A's, 5 B's and 1 C; 4 went to Navy bottoms; 1 Ordinary Seaman to a Navy ship; and 16 standbys filled by 4 A, 4 B, 4 C, 3 D registrants, and 1 MFU member.

Registered 3 A cards for a total of 17; 18 B cards for a total of 38; 1 C card for a total of 13.

Ships Checked

Matson vessels *Maui* and *Manoa* called twice with little or no trouble. The *Manoa* is outbound to a shipyard in Asia for approximately two months. The *Kauai* called for standbys and will call for the crew this Friday and slip into the *Manoa's* slot in the Pacific Northwest run. The *President Jackson* called in New York and had quite a crew turnover. The Patriot Contract Services vessels *USNS Martin*, *Yano*, *Gordon* and *Gilliland* called for sailors.

I represented the SUP/MFU at the following meetings: the King County Labor Council Executive Board meetings. The Washington State Labor Council Political Action Committee meeting. The Puget Sound Ports Council, Maritime Trades Department AFL-CIO meeting. The King County Labor Council by-laws committee meetings. The Puget Sound Area Maritime Security Committee meeting. The Seattle Marine Business Coalition meeting.

Along with other labor leaders I attended a briefing from Congressman Jim McDermott (D-Seattle). Congressman McDermott sailed as a Merchant Mariner on the Great Lakes before joining the Navy. The Congressman spoke to those of us in the room about the importance of the Jones Act; maritime usage of the Harbor Maintenance Tax, and how a "container tax" can chase shippers away from U.S. ports.

Times have changed from when both sides of the aisle in Congress supported the maritime industry. That is not the case today and it is important to keep the few legislators that understand the importance of the maritime industry in Congress.

Last month once again we had two mariners come in to ship with recently expired passports. Please take a look at all your documents. If you have less than a year to go on your credentials before they expire; start the renewal process now. The Coast Guard does not "hold" your current documents while you are waiting for new credentials to arrive.

The Seattle Branch wishes "all hands" a safe and happy holiday season!

Vince O'Halloran, Branch Agent

Oakland TWIC relocates

On December 6, the Oakland TWIC Enrollment Center moved to:

2475-B West 12th Street
Oakland CA 94607-5025

The hours of operation will be Monday through Friday: 8:30 A.M.-12:00 P.M. and 1:00 P.M.- 4:30 P.M.

TWIC enrollment centers will be closed Friday, December 23, Monday December 26, and Monday, January 2, 2012.

Wilmington

November 21, 2011

Shipped 3 bosuns, 11 AB, 8 AB Maint., and 64 standbys.

Registration: 29 A cards, 21 B cards, 14 C cards and 11 D cards.

Ships Checked

On November 4, attended an MTD meeting. On November 15 attended AMMMC meeting. We are all proud of John Lindsey's bell rope on the *USS Arizona* Memorial. Speaking of marlin spike seamanship, encourage all members to take Romaine Dudley's course at Headquarters if there is any type of line that they cannot splice.

Happy to see retirees Barry Fisher, Carl Ziegler and Duane Nash stop by.

Merry Christmas and Happy New Year!

Mark Hurley, Branch Agent

Honolulu

November 21, 2011

Shipped the following jobs: 2 Bosun (steady), 2 ABD (steady), 3 ABW (steady), 1 AB Maint (steady), 1 ABD (relief), and 1 ABW (relief). The ship's jobs were filled by 6 A cards, 3 B cards and 1 C card. Also shipped 30 standby jobs. The standby jobs were filled by 8 A cards, 10 B cards, 6 C cards, and 6 D cards.

Registered in November: 8 A cards, 4 B cards, 6 C cards and 1 D card. To date totaled registered: 10 A cards, 9 B cards, 10 C cards, and 2 D cards.

Ships checked

Manukai, *Maunawili*, *Maui*, *Lurline*, *Matsonia*, *Manoa*, *Maunalei*, *Mahimahi*, *Manulani*, *R.J. Pfeiffer* and the Paint and Rigging gang. All running with few or no beefs.

Legislation introduced to promote Great Lakes shipping

Senators Rob Portman (R-Ohio) and Debbie Stabenow (D-Michigan) introduced legislation on December 8, designed to encourage the shipment of goods through the Great Lakes and the St. Lawrence Seaway, thus bringing additional economic opportunity and jobs to the Great Lakes region by improving the flow of goods, reducing congestion on roadways and by creating an additional route for the exchange of goods with Canada.

The Great Lakes Short Sea Shipping Enhancement Act would exempt shippers from paying the .125% Harbor Maintenance Tax (HMT) assessed on non-bulk cargo loaded at a U.S. or Canadian port located within the Great Lakes St. Lawrence Seaway System and transported to or unloaded at another U.S. port within the system.

"This pro-growth legislation removes an unnecessary and burdensome tax on container shipping companies, giving them the incentive to utilize our Great Lakes," said Portman. "The measure would enhance economic opportunity and spur much needed job creation in northern Ohio, at a time when our unemployment rate stubbornly remains at 9%."

The Cleveland-Cuyahoga County Port Authority applauded the bill, which could spur economic growth by removing a disincentive to the expansion of regional shipping services on the Great Lakes.

As highway and border congestion impedes the efficient flow of commerce, a number of new shipping services have been proposed on the Great Lakes to better facilitate both domestic and binational trade. However, since waterborne transportation is the only method which pays the HMT, it serves as a disincentive to move freight by ship, indirectly placing greater demand on the region's already congested highways.

Pride of seamanship in *Lurline*



Deck gang in the *Lurline* displays the name board, finished by Jim and John Linderman, on November 29, enroute from Honolulu to Oakland. From left: Jim Linderman, Chris Bujnowski, Keith Miller (MFOW, ex-SUP), Remoni Tufono, John Linderman, Art Thanash, Phillip Coulter, Edwin Pastolero.

I represented the SUP at Hawaiian Ports Maritime Council meeting, and the AFL-CIO COPE (committee on political education) meeting.

It is the end of one year and the beginning of a new year and the Honolulu membership wishes all our brothers and sisters and their families a Mele Kalikimaka and a Hauoli Makihika Hou (Merry Christmas and Happy New Year). Mahalo,

Michael Dirksen, Branch Agent

Dispatcher's Report Headquarters—Nov. 2011

Deck	
Bosun	1
Carpenter	0
MM	6
AB	8
OS	2
Standby	17
Total Deck Jobs Shipped	34
Total Deck B, C, D Shipped	13
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	0
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts. ...	34
Total B, C, D Shipped-All Depts. .	13
Total Registered "A"	26
Total Registered "B"	21
Total Registered "C"	21
Total Registered "D"	33

SUP member joins pension ranks

The following SUP member joined the rank of pensioner, bringing the total number of SUP members to 472:

Trevelyan Motlow, 59, Book No. 6493, joined SUP in 1977, 27 years seetime.

Rudolph the Union Reindeer

Rudolph the Union reindeer
Pulled the sleigh for old St. Nick
He signed a Union contract
He knew North Pole politics.
All of the other reindeer
Worked long hours around the clock
They paid no heed to Rudolph
They worked in non-Union shops.
Then one year on Christmas Eve
They all came to say
"We will do what your advise
Rudolph, help us organize!"
Then how the reindeer loved him
As they lined up with their sleigh
Now when they work on Christmas
They're all getting premium pay.

Happy Holidays to all Hands from the Sailors' Union of the Pacific