Volume LXXVIII No. 11

SAN FRANCISCO, CALIFORNIA

Official Organ of the Sailors' Union of the Pacific

Friday, November 20, 2015

# Danish and French companies in talks to buy APL parent NOL

eptune Orient Lines (NOL), the parent company of American President Lines, confirmed this month that it is in preliminary and separate negotiations with Denmark's A.P. Moller-Maersk and France's CMA CGM (Compagnie Maritime d'Affretement-Compagnie Generale Maritime) for the possible sale of the company.

The SUP recently ratified an agreement with APL covering nine U.S.-flag vessels enrolled in the Maritime Security Program.

The NOL announcement comes in the wake of months of speculation regarding the future of the company (see the July *West Coast Sailors*).

NOL, which operates 91 vessels globally under the APL brand, has been unprofitable since 2009. The company sold its profitable logistics business, APL Logistics Ltd, for \$1.2 billion to Kintetsu World Express Inc. of Japan in May, but posted a third-quarter loss of \$96 million in October.

A.P. Moller-Maersk, which operates 617 vessels, is the number one container carrier globally while CMA CGM is the third largest, operating 471.

As the West Coast Sailors went to press, the Wall Street Journal reported that CMA CGM is emerging as an early favorite to buy NOL, according to people familiar with the negotiations. NOL's Asia to North and South America routes would fill a weak spot for Marseille-based CMA CGM where company officials have repeatedly stated

they are looking to expand into new territory.

According to the *Journal*, CMA CGM faces pressure to expand as two state-owned Chinese shipping giants, China Ocean Shipping Company and China Shipping Group, are in advanced talks to merge. That combination would create the fourth-biggest shipping line – just behind CMA CGM— would likely reduce the French company's market share in Asia.

As quoted by the Journal,

Lars Jensen CEO of Copenhagen-based Sea Intelligence Consulting said, "CMA CGM needs to boost its scale more than Maersk." Jensen added that Maersk is bigger on TransPacific routes, and it would make less sense to buy NOL at a time when it is cutting its workforce by 4,000 and ratcheting back expansion plans elsewhere.

Maersk operates 22 U.S.-flag vessels enrolled in the Maritime Security Program which could create potential hurdles with U.S. government regulators.

# Unions urge President Obama to reject the European Union's maritime and aviation trade proposals

n October 28, the maritime and aviation Unions affiliated with the Transportation Trades Department (TTD), AFL-CIO sent President Obama the following letter regarding the TransAtlantic Trade and Investment Partnership Agreement:

"Dear Mr. President,

80

As the elected leaders of Unions representing American maritime and aviation

workers, we are extremely concerned by elements in the proposal for the services, investment and e-commerce chapter of the Trans-Atlantic Trade and Investment Partnership (TTIP) recently released by the European Union (EU). On May 10, 2013, the Transportation Trades Department, AFL-CIO (TTD) submitted comments to U.S. Trade Representative on behalf of the undersigned

Unions which urged trade negotiators to resist efforts by the EU to include air and maritime transport services in the TTIP negotiations. The proposal released by the EU on July 31,2015 confirmed that the EU is seeking to use the TTIP process as a means to undermine and dismantle many critical U.S. aviation and maritime laws and regulations at the expense of U.S. workers.

Air traffic rights and related services have been largely excluded from broader trade negotiations, and with good reason. Air traffic rights and related services have been negotiated through bilateral "Open Skies" agreements overseen by subject-matter experts at the Departments of State and Transportation. Since 1993 the Open Skies regime has dramatically liberal-

ized aviation trade between the U.S. and its trading partners throughout the globe, with Open Skies agreements currently in place with over 110 countries. In fact, in 2010 the U.S. and EU signed stage two of the U.S.-EU Air Transport Agreement, liberalizing air services between the U.S. and the 28 member states of the EU

continued on page 5

# Senate oks increased Maritime Security Program funds, enactment expected

The U.S. Senate has passed a revised version of the National Defense Authorization Act (NDAA) for fiscal year 2016. The bill contains an increase in funding for the Maritime Security Program (MSP), which provides financial assistance to eligible American-flagged vessels.

MSP, enacted in 1996 and administered by the Maritime Administration, is intended to "establish a fleet of active, commercially viable, militarily useful, privately-owned vessels to meet national defense and other security requirements." Sixty vessels are currently enrolled and receive annual financial

assistance from the government.

The revised \$607 billion appropriations bill has been passed by both the House and Senate and will be reviewed by President Obama. If the bill is enacted, the MSP provision will increase the program's subsidy to \$3.5 million for each program vessel during fiscal 2016, up from \$3.1 million. Total program cost will increase by \$24 million.

In its rationale for increased MSP funding, Congress stated that "dedicated and enhanced support is necessary to stabilize and preserve [the program]... [it] assures a United States-flag pres-

ence in international commerce, supports a pool of qualified United States merchant mariners needed to crew U.S.-flag vessels during times of war or national emergency, and serves as a critical component of our national security infrastructure."

In October, the president vetoed the first version of the NDAA –including the same MSP appropriation— but it is believed he will sign the revised bill, largely because of a recent large scale budget deal.

In his rationale for vetoing the last edition of the bill, the president highlighted a section intended to block the closure of the Guantanamo Bay detention facility. The provision remains in the current version of the NDAA, but Democratic members of Congress have suggested that the president will look for alternative ways to phase out detention at Guantanamo.

Separately, MSP funding came up in an earlier – and so far unsuccessful – legislative effort to lift the American crude oil export ban. In October, opponents of the ban attached an MSP funding amendment to a House bill to permit oil exports. The amendment would have raised MSP subsidies to \$5 million per vessel in 2017.

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

## SUP Quarterly Finance Committee Report

SUP QUARTERLY FINANCE COMMITTEE REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015

The Quarterly Finance Committee, duly authorized to act by the regular meeting at Headquarters on October 13, 2015, hereby submits the following report:

#### SUMMARY OF CASH AND INVESTMENTS

General Fund	\$1,762,646.26
Political Fund	\$6,154.93
Strike Fund	\$ <u>1,293,730.99</u>
Total Cash and Investments 3rd Qtr. 2015	\$3,062,532.18

#### **GENERAL FUND**

income:	
Dues, Initiation, Assessments	\$104,786.05
Interest	10,078.34
Donations - West Coast Sailors	800.00
Tanker & Joint Committee, Hiring Hall	154,910.66
Advertising & Promotion	225.00
Miscellaneous Income, Reimbursements, Fines	1,306.07
Reimbursed Administrative Expenses	25,538.01
Contributions - General Fund	1,570.00
Total Income:	\$299,214.13
	<del></del>

ΕX	pense:
	Auto & Travel
	Rent

Rent	20,369.64
Postage, Printing & Office	8,897.59
Telephone & Telegraph	5,166.64
West Coast Sailors Publishing Expense	13,093.36
Contributions	625.00
Per Capita	13,293.00
Salaries & Payroll Taxes	197,942.44
Office Workers Pension	8,492.90
Insurance	49,986.81
Field Expense	925.99
Meeting/Committee & Neg., Conference & Conv	2,600.72
Investment Expense	1,780.72
Officials Pension	1,858.68
Subscriptions	(2,358.84)
Legal - Rep	13,125.02

Accounting	5,900.00
Miscellaneous	990.00
Total Expense:	\$342 899 67

#### **BUILDING CORPORATION**

Income:	
Rents	\$134,089.39
Bldg. Util. & Service Reim	<u>0.00</u>
Total Income:	\$134,089.39
Expense:	
Building Services & Utilities	¢21 509 67
Repairs & Maintenance	
Insurance	•
General Taxes	-,-
Salaries & Payroll Taxes	•
Pension	
Accounting	·
Office	· · · · · · · · · · · · · · · · · · ·
Total Expense:	\$148,986.41
POLITICAL FUND	
Income:	
Contributions	\$ <u>3,860.00</u>
Total Income	\$3,860.00
Expense:	
•	38.00
Office	
Contributions	
Total Expense:	<u>\$5,038.00</u>

/s/ Noel Itsumaru /s/ Romaine Dudley /s/ John A. Perez /s/ Frank Portanier /s/ Arthur Thanash /s/ Mike Worth

Net Income 3rd Qtr.....\$(59,760.56) Net Income YTD: \$146,836.34

ACTION BY THE MEMBERSHIP November 9, 2015. M/S/C—That we concur in the report of the SUP Quarterly Finance Committee and, as per past practice, publish in the West Coast Sailors. Carried unanimously.

### **Membership and Ratings Committee**

The Committee met on November 5, 2015, and found the following members eligible for advancement in seniority and rating stamps in the various departments:

Name and Membersh	nip Number	<b>Seatime</b>	Rating S	<u>Seniority</u>
Robert Bradley	#5761	6 Years	A.B.	A
Wilfredo Caido	#19417	1 Year	A.B.	В
Pedro Fuentez	#19418	1 Year	A.B.	В
Dannal Williams	#19419	1 Year	A.B.	В
Antonio Respicio	#19420	1 Year	A.B.	В
Limneo Bation, Jr.	#19421	1 Year	A.B.	В
Langston Holmberg	#19422	1 Year	A.B.	В
Pim Orosz	#19423	1 Year	O.S.	В
Wilfredo Angala	#19424	1 Year	A.B.	В
Westley Smith	#C-2553	30 Days	O.S.	C
Sean Cavanaugh	#C-2554	30 Days	A.B.	C
Robert Austin	#C-2555	30 Days	A.B.	C
Javier Rosales	#C-2556	30 Days	O.S.	C
Tynan Moeller	#C-2557	30 Days	O.S.	C
Erica Andrews	#C-2558	30 Days	A.B.	C
Brendan Floyd	#C-2559	30 Days	A.B.	C
Randy Cruz	#C-2560	30 Days	O.S.	C
Jeffer Baguio	#C-2561	30 Days	A.B.	C
Rating Stamps - None				

Membership and Ratings Committee's Report: M/S to concur in the Committee's report. Carried unanimously. Membership and Ratings Committee: Paul Fuentes #2239, Expeditus Abaya #19361, and David Larsen #19078.

### **Final Departures**

Gerald Dooley, Book No. 2726. Born in Montana in 1937. Joined SUP in 1967. Died in Washington, September 7, 2015. (Pensioner)

William Whoriskey, Book No. 3639. Born in California in 1939. Joined SUP in 1985. Died in Amanda, Ohio, October 1, 2015. (Pensioner)

**ATTEND YOUR MONTHLY SUP UNION MEETINGS!** 

### Oakland looks to develop seaport logistics complex

The Port of Oakland has announced that that's nearing completion. talks have begun to develop the next phase of a 170-acre Seaport Logistics Complex at the port. Oakland Port Commissioners gave their blessing for the project this month, authorizing exclusive negotiations between the Port and industrial real estate developer CenterPoint Properties.

The two sides were given six months to reach agreement on building a portion of the complex. The new project would encompass 20 acres of port property and would include transload and cross-dock facilities where importers could swiftly transfer containerized cargo from ships to trains. CenterPoint would build and lease the facilities to tenants involved in international logistics.

The 20-acre facility will be built on land acquired by the Port at the decommissioned Oakland Army Base. It will be adjacent to phase one of the Seaport Logistics Complex, a 13-track rail yard

### **SUP Meetings**

These are the dates for the regularly scheduled SUP meetings in 2015/2016: Hdas Branch

	mays.	Dranch
December	14	21
January	11	Tues. 19
February	8	Tues. 16
March	14	21
April	11	18
May	9	16
June	Tues. 14	20
July	11	18
August	8	15
September	12	19
October	Tues. 11	17
November	14	21
December	12	19

Officials with the Port of Oakland said they are creating the largest logistics complex at any port along the United States West Coast. The complex is intended to make the Port of Oakland a magnet to attract additional containerized cargo volume. In subsequent phases of development, the Port said that it plans to construct a regional distribution center and warehouses at the complex.

# West Coast

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 Francis co, 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 Commerce Printing Co., a Union shop. POSTMASTER: Send address changes to West Coast Sailors, 450 Harrison St., San Francisco, CA 94105.

### Teresa Anibale, Editor **BRANCH OFFICES**

Seattle, WA 98106

4269 22nd Ave. W. (206) 467-7944 FAX: (206) 467-8119 Wilmington, CA 90744

(310) 835-6617 533 N. Marine Ave. FAX: (310) 835-9367

707 Alakea St., Rm. 101 (808) 533-2777

Honolulu, HI 96813

FAX: (808) 533-2778 WELFARE OFFICE

(415) 778-5490

PENSION PLAN OFFICE (415) 764-4987

# **APL** to run between Japan, Saipan and Guam

There's a new shipping business sailing Guam's way -American President Lines. Company executives were in Guam to announce new service between Guam, Saipan and Yokohama, Japan starting in November. APL actually operated here for many years, before its local business was bought out by Matson in 1996.

Eric Mensing, the president and CEO of APL Maritime, told KUAM News, "They made us an offer we couldn't refuse. They wanted our U.S.-built ships, so we sold the service, but interestingly we stayed together in a joint operation for quite a while after that, where they owned the Guam space and we operated the ships, and then we moved the cargo from Asia."

Mensing says a lot has happened since the mid-1990s. And when another shipper, Horizon Lines left, APL saw an opportunity to return. "So we've been watching the situation, and we saw an opening. We've noted the growth in Guam. We've noted some key decisions are going to increase growth in certain areas and we felt the timing was right so we're really excited to be back," he added.

Mensing says APL does a lot of business with the U.S. military, and so it's no coincidence that the upcoming U.S. Marines relocation to Guam is one of the reasons the shipper is back. "We do know that the military is going to increase its presence in Guam. That was a piece, but we also, the opportunity for an expanded scope of commercial business," he added.

The vessel routing means Guam and Saipan shippers will be able to connect with APL's U.S.- flagged ships out of Japan, giving them access to service from the U.S. mainland. The Japan connection also allows customers access to a global network, as Mensing said, "So APL in addition to offering service from the United States, we're a worldwide carrier with 80 different services, so we're interested in working with the customers in Guam and the shippers to look at cargo from Europe, from Australia, Asia, Latin America, we're going to be able to provide service from all those locations into Guam."

The biweekly service dubbed "The Guam-Saipan Express", or GSX, has a dedicated vessel that can carry the equivalent of 1,100 20-foot containers. General manager for Guam John Selleck says the vessel will arrive on weekends which gives customers more flexibility for the week ahead. "One of the things is we're going to be able to provide redundancy in the supply chain. We're going to be hubbing our ship from Yokohama down to Guam and Saipan, and our ship will be self-sustaining and in the event of a natural disaster as they just had in Saipan where say the port cranes are down, or there's lack of power, our ship will be able to offload and load on its own power," he explained.

Selleck continued, "So we've got dry containers, we've got refrigerated containers with controlled atmospheres for the fresh fruits and vegetables that want to come in from places like the Philippines or places like China. We've also got flat racks and open tops for odd sized cargo. And the ship we're bringing in is quite large, it's 1,100 TEUs, so we're going to have a lot of capacity to really move as much cargo as people want to give us."

Guam imports virtually everything it consumes. How much a new shipping company will impact consumer prices remains to be seen.

APL declined to discuss rates, but says it intends to be competitive. It also says it won't hesitate to expand service if the demand is there. "There appears to be quite a bit of interest to support our business. There's a great desire for competition, particularly from the states, and if that support is there, and if we can fill the ships, we'll put on a second ship, absolutely," said Mensing. "We also met with the governor and lieutenant governor who were just fantastic. And we're really excited to have an increase in service and additional competition on the island."

APL's origins date back more than 160 years, to 1848, according to its website. And its first regular TransPacific service was in 1867, also through Yokohama and to Hong Kong. APL merged with Singapore-based global shipping giant Neptune Orient Lines in 1997, soon after it sold its Guam operation.

For more on APL's Guam service, see the SUP President's Report on page 10.

### Wreckage of El Faro located at depth of approximately 15,000 feet

The National Transportation Safety Board (NTSB) on November 2, reported that wreckage found by the U.S. Navy is El Faro, which is located at a depth of approximately 15,000 feet in the vicinity of the ship's last known position.

A search team onboard the USNS Apache found the wreckage of El Faro at about 1:36 P.M., October 31, during the fifth of 13 planned search lines surveys, the NTSB reported. Sophisticated sonar equipment towed from the USNS Apache first detected the vessel using Orion, a side-scanning sonar system.

El Faro went missing on October 1, during Hurricane Joaquin.

Shortly after the NTSB opened its investigation into the accident, it contracted with the U.S. Navy to locate the missing ship, document the wreckage and debris field, and if possible, recover he voyage data recorder.

Specialists on the USNS Apache deployed CURV-21, a deep ocean remotely operated vehicle (ROV), to survey and confirm the identity of the wreckage that was found on October 31, the NTSB reported. According to an update, released November 3 by the NTSB, the ROV had documented the port and starboard sides of the vessel, and determined the vessel is oriented in an upright position with the stern buried in approximately 30 feet of sediment. The navigation bridge and the deck below had separated from the vessel, and at that time, had not been located.

# AFL-CIO says TransPacific Partnership deal "even worse than we thought"

month released the full text of the controversial Trans-Pacific Partnership (TPP). Publication of the 30-chapter, 12-nation pact on November 5, starts a 90-day period before President Obama can sign the deal and send it to Congress for a vote.

AFL-CIO Trade & Globalization Policy Specialist Celeste Drake summed up the reaction of the labor community in a blog entitled, "TPP Text: Corporations Win, Working People Lose." "It's hard to believe but the text of the TPP is worse than we imagined when it comes to working families," she wrote. "As it stands the TPP deal is made by corporations, for corporations, at the expense of working people and our democracy. There are improvements, but we do not believe those improvements are significant or meaningful for workers," Drake says.

Among the provisions she singles out: rules on the origin of automobiles and parts that would allow a car or truck that is majority "Made in China" to qualify for TPP tariff benefits; watered down "Buy American" purchasing rules that would mean, for example, that the U.S. government would be required to treat bidders from every TPP country as if they were U.S. bidders when making many purchasing decisions; the lack of any enforceable currency manipulation rules; a provision that would allow more than 9,000 foreign companies to bypass U.S. courts and access a private justice system called Investor-State Dispute Settlement. This system allows companies to file suit

The U.S. Trade Representative this over U.S. federal, state and local government policies they call "unfair." There is no limit on taxpayer funds that can be won by foreign companies in these cases.

> AFL-CIO President Richard Trumka blasted the "expansive new legal rights and powers" corporations could use under TPP to challenge workplace, environmental and financial protections. "Our policy recommendations and those of our trade reform allies in the environmental, consumer, public health, global development and business sectors were largely ignored," he said.

> The TPP negotiation process has been weighted toward major corporations and away from labor, environmental and citizens' groups. Out of 566 official trade advisers, 480 represented corporations and trade groups while fewer than 30 represented labor.

> Over the past six years, the AFL-CIO has requested more than 100 specific changes to the TPP's wording but has achieved scant success. As the organization said in a 2014 statement, "because the U.S. government treats trade deals differently than all other policies, it is allowed to negotiate rules that affect our lives in these areas behind closed doors. This is undemocratic."

> The President and his staff are preparing a public relations campaign to sell the deal to the American people. The pact faces an uphill battle in Congress, as well as strong criticism from 2016 Presidential candidates Hillary Clinton, Bernie Sanders and Donald Trump.

## Neptune Orient reports \$96 million loss for quarter

Singapore-based Neptune Orient Lines, the parent company of container carrier APL, reported a net loss of \$96 million in the third quarter of 2015, compared to a net loss of \$23 million in the same period last year.

"The absence of the traditional third quarter peak season in Europe and North America led to severe freight rate erosion in major trade lanes," NOL Group President and CEO Ng Yat Chung in a statement.

Revenues in the third quarter stood at \$1.2 billion down 29% from \$1.7 billion recorded in the third quarter of 2014.

APL's average freight rates fell 21% to \$1,847 per 40-foot equivalent unit amidst pressure from overcapacity in the industry. Volumes contracted 11%, to 577,000 FEUs, which APL attributed, in part, to a significant drop in U.S. exports and weak demand in the intra-Asia short-sea market.

In a presentation accompanying its earnings release, NOL noted the drop in freight rates from the third quarter of 2014 to the third quarter of 2015 was widespread: the Shanghai Containerized Freight Index, a composite index of rates on 15 individual shipping routes out of Shanghai to different parts of the world was down 38%; Asia-U.S. West Coast spot freight rates were down 30%; spot rates from Shanghai to the Persian Gulf were off 48%; and spot rates from Shanghai to Singapore off 28%.

APL said it voided sailings in response to weak global demand and trimmed capacity in unprofitable trade lanes.

The carrier was able to maintain high utilization rate, around 93%, of its ships on headhauls in the third quarter. The company said it "maintained its rigorous cost management as well as a yield-focused trade strategy that emphasizes network rationalization and better cargo selection.

APL has reduced the nominal capacity of its fleet from 641,000 TEUs at the end of 2013 to a projected 552,000 TEUs at the end of this year in an effort to cut costs and focus on high-revenue business.

Six chartered ships were returned in the third quarter, and that APL currently has three ships whose charters are scheduled to expire in the fourth quarter of 2015.

At the same time, APL has grown the average size of its vessel so that it will be about 6,300 TEUs by the end of this year. That's up from 6,000 TEUs on average at the end of last year, 5,300 TEUs at the end of 2013, and 4,600 TEUs at the end of 2012.

The company's total cost of sales per FEU fell by 17% year-over-year during the third quarter.

Ng said NOL's "balance sheet has strengthened and we will invest when the conditions are right."

# **SUP Honor Roll**

Voluntary contributions from the membership to the following funds

### Organization/ General Fund

### Abe Acosta..... 20.00

# **Dues-Paying Pensioners**

Gordon Abbott	Book #3785
<b>Robert Copeland</b>	Book #4763
<b>Donald Cushing</b>	Book #4777
<b>Romaine Dudley</b>	Book #2593
Diane Ferrari	Book #2251
<b>Gerald Ingemansson</b>	Book #0379
Kaj E. Kristensen	Book #3120
Hannu Kurppa	Book #3162
Dave Larsen	Book 19078
<b>Duane Nash</b>	Book #2437
John Perez	Book #3810
Alex Romo	Book #3193
Francisco Salvatierra	Book #7498
James Savage	Book #7488
Ralph Senter	Book #7323
<b>David Shands</b>	Book #7483
<b>Arthur Thanash</b>	Book #3249

### **Political Fund**

Alan Abucay 35.00
Abe Acosta 20.00
John Benson 50.00
Brendan Bohannon 50.00
John Drolla 20.00
Geoffrey Knight 50.00
Chad Leong
Gunnar Lundeberg 50.00
Michael McLavy 100.00
Raymond Pinochi 200.00
Filemu Pule Unutoa 50.00
Antonio Respicio 40.00
Steven Ross 50.00
Jason Rymel 50.00

# West Coast Sailors

Abe Acosta 20.00
Gunnar Beaver in memory of
Whitey Seacrest and
<b>John Battles 50.00</b>
Lee Cherry 25.00
Vibeke Jensen in memory of
Knud Jensen 200.00
Franklin Whitman 25.00

# APL Limited pays for alleged defense contract violations

APL Limited has agreed to pay the U.S. government \$9.8 million to resolve allegations that it violated the False Claims Act in connection with a contract to provide GPS tracking of shipping containers in Afghanistan.

The Department of Justice said that the Department of Defense contract required APL to affix a satellite tracking device to each shipping container transported from Karachi, Pakistan to U.S. military bases in Afghanistan. The government alleges that APL billed the Defense Department for tracking services despite knowing that the tracking devices completely or partially failed to transmit data, or were not affixed to shipping containers. The government also claims that APL attached a single satellite tracking device to two shipping containers despite being required to affix one device to every container.

The Department of Justice notes that the claims resolved by the civil settlement are allegations only; there has been no determination of liability.

In 2009, APL Limited agreed to pay the government \$26.3 million to resolve allegations that it submitted false claims to the United States in connection with contracts to transport cargo in shipping containers to support U.S. troops in Iraq and Afghanistan. The government alleges that APL knowingly overcharged and double-billed the Defense Department to transport thousands of containers from ports to inland delivery destinations in Iraq and Afghanistan.

The government alleges that APL inflated its invoices in several ways. For example, APL allegedly billed in excess of the rate it paid to plug refrigerated containers holding perishable cargo

into a source of electricity in Karachi; billed in excess of the contractual rate to maintain the operation of refrigerated containers at a port in Karachi and at U.S. military bases in Afghanistan; and billed for various non-reimbursable services performed by APL's subcontractor at a Kuwaiti port.

APL is not alone in facing such allegations. In 2012, Maersk Line Limited agreed to pay the U.S. government \$31.9 million to resolve allegations that it submitted false claims to the United States in connection with contracts to transport cargo in shipping containers to support U.S. troops in Afghanistan and Iraq. The government alleged that Maersk, a wholly-owned American subsidiary of Denmark-based A.P. Moller Maersk, knowingly overcharged the Department of Defense to transport thousands of containers from ports to inland delivery destinations in Iraq and Afghanistan.

For example, Maersk allegedly billed in excess of the contractual rate to maintain the operation of refrigerated containers holding perishable cargo at a port in Karachi, Pakistan, and at U.S. military bases in Afghanistan; allegedly billed excessive detention charges (or late fees) by failing to account for cargo transit times and a contractual grace period; allegedly billed for container delivery delays improperly attributed to the U.S. government; allegedly billed for container GPS-tracking and security services that were not provided or only partially provided; and allegedly failed to credit the government for rebates of container storage fees received by Maersk's subcontractor at a Kuwaiti port.

# Massive ship graveyard discovered off Greece

A group of Greek and American underwater archaeologists have discovered 22 shipwrecks around a small Greek archipelago. The ship graveyard was found as the archaeological team explored a 17-square mile area of the Fourni archipelago, which is located between the Samos and Icaria islands. This was the first time an underwater archaeological expedition has been conducted in the area. The discovery adds about 12% to the total number of known ancient shipwrecks in Greece.

The expedition was a collaboration between the Greek Ephorate of Underwater Antiquities (EUA) and the American RPM Nautical Foundation (RPMNF). The expedition was led by George Koutsouflakis of EUA and Jeffrey Royal and Peter Campbell, both of whom are with RPMNF. According to Koutsouflakis, researchers typically uncover four or five ships during surveys, making the Fourni discovery among the largest ever.

Fourni lies at the center of what was likely a major east-west crossing route, as well as a north-south route that connected the Aegean to the Levant. (Modern day Israel Palestine, Lebanon, Syria and Jordan.) Ships traveling from the Greek mainland to Asia Minor, or ships leaving the Aegean for the Levant likely had to pass by Fourni.

The wrecks include cargo that date as far back as 700 BC to the 16th century, and the discovery is being lauded the top archaeological find of the year. In addition to the volume of ships discovered, the cargo loaded on the vessels was educational as well. The cargoes reveal long distance trades between the Black Sea, Aegean Sea, Cyprus, the Levant, and Egypt. And at least three ships carried a shipment of jars that had never been found on previous shipwrecks.

According to the researchers, the large number of ships does not indicate the route was unsafe. On the contrary, it suggests that the route was among the busiest routes because it was among the safest. According to Campbell, given the number of ships discovered and their age range, a wreck occurred roughly once per century. Campbell speculates that the majority of the wrecks were caught in storms. However, the number of shipwrecks in the region could increase because the team has only surveyed about five percent of the Fourni coastline. The team plans to resume surveying the region next year.

# Matson profit up 93%

Matson, Inc. announced its third-quarter profit jumped 93% to \$41.5 million with the addition of its new Alaska service bought from Horizon Lines.

The company reported earnings per diluted share of 94 cents for the third quarter, up from 50 cents per diluted share in the year-earlier period, when it made \$21.5 million. Revenue for the third quarter was \$544.3 million, compared with \$441.8 million reported for the third quarter 2014.

CEO Matt Cox said, "Third-quarter results were strong, led by continued high demand for our expedited China service, a full quarter of our new Alaska business, volume improvements in Hawai'i, and improved performance at SSAT (a joint venture that manages Matson's container stevedoring and terminal services on the West Coast) and Logistics."

The third quarter reflected the first full quarter of business from Matson's new Alaska service with sailings between Tacoma, Washington, and three ports in Alaska: Anchorage, Kodiak and Dutch Harbor. Matson reported carrying 19,700 Alaska containers in the third quarter.

"The integration of our new Alaska operations continues to progress well and the business is on track to achieve our earnings and cash flow accretion expectations," Cox said.

Matson said it had \$10 million of additional selling, general and administrative expenses related to the purchase of its Alaska service after acquiring the operations from North Carolina-based Horizon Lines on May 29. The \$469 million deal included three vessels in active service, some backup ships and cargo terminals at three Alaskan ports.

The Alaska operations joined the cargo carrier's two other high-volume services to increase total revenue for ocean transportation services to \$444.8 million in the third quarter, up 35% from \$329.5 million in the same period last year.

In Hawai'i, Matson said, container volume increased due to a competitor's service reconfiguration and vessel mechanical failure as well as a modest market growth.

Matson reported carrying 41,200 Hawai'i containers in the quarter, up 14.8% from 35,900 a year earlier. Automobile volume jumped 33.8% to 17,800 vehicles from 13,300 in the same period a year ago.

Matson said it got more revenue from higher freight rates in its China service. The volume on this line of business increased 5.3% to 15,800 containers in the quarter from 15,000 containers a year earlier.

Volume was flat in Guam and down 11.4% in the South Pacific, where business is relatively light compared with other Matson routes.

DEFEND THE JONES ACT
SUPPORT THE
SUP POLITICAL FUND

# Labor, environmental organizations say "no" to TransPacific Partnership

-a national partnership of labor unions and environmental organizations- and its allies held a press teleconference November 10, to discuss why they believe Congress should vote "no" on the Trans-Pacific Partnership.

The Office of the U.S. Trade Representative November 5, released the full text of the TPP, a massive free trade agreement that was negotiated in secret and signed by a dozen countries in Asia and the Americas last month. Members of the TPP include -the United States, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

The agreement falls short in four key areas including the risk it will impose on American manufacturing jobs, the Investor-State Dispute System, labor standards and environmental standards, BlueGreen Alliance Executive Director Kim Glas said in a statement.

The TPP undermines the U.S. manufacturing sector, will move good-paying American jobs overseas, and would reward large corporations that have moved or plan to move U.S. factories to low-wage, low-standard TPP countries, according to United Steelworkers International President Leo W. Gerard.

"The TPP is a corporate rights agreement. It is neither innovative nor ground breaking except in its efforts to expand monopoly rights to pharmaceutical companies and to expand power and influence to foreign investors," AFL-CIO Trade Policy Specialist Celeste Drake said in

Outsourcing to other countries is likely to be spurred by the agreement's lack of climate change provisions if the United States actually implements the climate deal it made with China, Drake said.

In addition, the TPP's lack of any currency provision is likely to further promote outsourcing, according to Drake, increasing profits to outsourcers who then export goods back to the United States. Currency manipulation cannot be enforced under the TPP despite member countries Vietnam, Japan, Malaysia and Singapore having all engaged in the practice to some extent in the past, said Gerhard.

An additional concern addressed was the TPP's Investor-State Dispute System (ISDS) mechanism, which could give an unelected tribunal the ability to veto U.S. environmental and labor laws at the behest of corporations, United Steelworkers said.

"Corporations have been using the dangerous investor-state dispute settlement process to attack common-sense air, water, and climate protections for

Leaders from the BlueGreen Alliance years. The TPP would only make a bad situation worse, expanding this system to thousands of new corporations for the first time ever," Sierra Club Executive Director Michael Brune said in a statement. "The TPP is a toxic deal for American families. We can't afford to trade away our ability to protect workers and communities, our environment, and our climate." Arguers against the TPP also believe the agreement falls short on labor standards, not doing enough for human rights in other countries.

> The TPP puts forth vague labor standards, Drake said. The labor chapter's site agreements do not go beyond the basic promises in the chapter and simply list actions that Brunei, Malaysia and Vietnam need to take in order to bring their laws into basic compliance. It does not contain anything on measuring the implementation or enforcement of those legal changes, Drake explained.

> In addition, the TPP gives Vietnam a free ride to not enforce freedom of association as directed by international labor standards for a minimum of five years, added Drake. Vietnam does not recognize free and independent unions, Brunei does not allow unions and Malaysia still has forced labor, Gerard said.

> In addition, environmental standards were discussed at the teleconference.

> China wants to ship \$100 billion in auto parts into the U.S. market, said Gerard, but steel auto parts produced in non-U.S. member countries can be harmful to the environment since the U.S. has one of the cleanest field industries on the planet.

> "This trade agreement would allow foreign corporations to challenge our health, safety and environmental protections in a foreign tribunal outside our legal system, and it would weaken those bedrock safeguards in the United States," Natural Resources Defense Council International Program Director Jake Schmidt said. "While there are some positive conservation measures, the agreement's substantial shortcomings should lead Congress to reject it."

Although many organizations have spoken out against the TPP, supporters, including the Obama administration, have argued the agreement will reduce or eliminate tariffs for U.S.-produced goods including -agricultural products, automotive parts, building products, chemicals, consumer goods, fish, footwear, forest products, high-tech instruments, health products, intrastructure materials, information technology, metals and ores, machinery products, minerals and fuels, and textiles—imported into the TPP countries.

### All hands evacuated from cruise ship after engine room fire

The French-flagged cruise ship Le Boréal has suffered an engine room fire while sailing to South Georgia in the Southern Atlantic on November 17. Approximately 350 people were evacuated to lifeboats and taken on board sister ship L' Austral or airlifted by helicopter and taken to Stanley in the Falkland Islands.

The 264-passenger ship is operated by French line Ponant. There were no injuries to passengers or crew from the fire, which was "of a technical nature" and has been extinguished, the line says.

The passengers underwent medical checks, and a call went out to the community for warm clothes and accommodation. Clothes were delivered to the Mission to Seafarers, and the government issued toiletries and hygiene items. Passengers and crew were repatriated on November 18, is a charter flight. The ship had just begun a 15-night round trip to Antarctica, sailing from Ushuaia in Argentina on November 15. The remainder of the cruise has been canceled.



Chevron's Florida Voyager at Richmond Long Wharf. From the left: AB Joseph Hilario, Bosun Robert Turner and SUP Delegate Danilo Perez. Photo: Roy Tufono.

### Unions urge rejection of EU's maritime and aviation trade proposals continued from page 1

plus Iceland and Norway. The inclusion of air services in TTIP would not only be unprecedented, but unnecessary. A broad, bipartisan coalition within Congress agrees with this position, with 158 members signing a letter in 2013 urging USTR to exclude air services from TTIP.

With regards to the specifics of the EU proposal, Section VIII of the Services Chapter opens up many aspects of aviation services to unchecked liberalization. Most troubling, Section VII (4) would eliminate U.S. domestic ownership and control laws. As detailed in the May TTD comments, we believe that eliminating our ownership and control laws would threaten U.S. aviation jobs, create unfair competition for U.S. carriers, raise domestic security concerns and undermine the Civil Reserve Air Fleet (CRAF) program. Furthermore, allowing foreign interests to own and control U.S. airlines would create a further economic incentive to outsource aircraft maintenance work. The EU proposal also contains new, broad definitions for "ground handling services" and "airport operation services" that go well beyond language in previous trade agreements. We urge the Administration to categorically reject this proposal and refer any further discussion of air services to the Joint Committee that oversees implementation of the U.S.-EU Open Skies Agreement.

Section VII of the EU proposal – which addresses trade in maritime services – is equally as troubling. As with aviation, maritime services, laws and policies have been excluded from multilateral, regional and bilateral free trade agreements because of their unique economic and national security importance. The EU proposal includes broad definitions that incorporate all aspects of maritime transportation including cargo handling and longshore operations, and intermodal services. The proposal would also effectively gut the U.S. maritime cabotage laws collectively known as the Jones Act.

Since 1920, the Jones Act has served an important economic and national security role for our nation, including the sustainment of over 500,000 good-paying American jobs and the generation of \$100 billion in total annual economic output. By requiring that all ships engaged in domestic marine commerce are built in America and crewed by U.S. mariners, the Act ensures a pool of welltrained, loyal U.S.-citizen mariners capable of supporting our armed forces, trade objectives, foreign aid programs, and national security. Laws and policies that support the U.S.-flag fleet also maintain heavy bipartisan support in Congress. On October 9, 2015, the House voted 306-109 to reject an amendment that would have stripped an increase in funding for the Maritime Security Program (MSP). MSP helps maintain a U.S.-flag fleet capable of supporting the Department of Defense during times of war or national emergency. The effectiveness of MSP and the sustainability of the U.S.-flag fleet relies on the full implementation of the Jones Act. Any action taken in TTIP to restrict or otherwise weaken the Jones Act would prove detrimental to the sealift readiness of the privately owned vessels upon which our nation relies.

The U.S. aviation and maritime industries are uniquely important to our nation's economic and national security. For this reason, USTR has rightly excluded these services from its broader free trade agenda. With the release of the EU proposal on TTIP, however, it is clear that they seek to undermine decades of sound U.S. policy. We ask that you clearly state to the EU and domestic stakeholders that aviation and maritime services will not be part of a TTIP agreement."

Marshall Ainley, President, Marine Engineers' Beneficial Association Captain Tim Canoll President, Air Line Pilots Association Harold Daggett, President, International Longshoremen's Association

Harry Lombardo, International President, Transport Workers Union of America Gunnar Lundeberg, President, Sailors' Union of the Pacific

Donald Marcus, President, International Organization of Masters, Mates & Pilots, ILA

Sara Nelson, International President, Association of Flight Attendants-CWA Sito Pantoja, General Vice President, International Association of Machinists and Aerospace Workers

Edward Wytkind, President, Transportation Trades Department, AFL-CIO

## Life sentence for Sewol's captain

On November 12, the Supreme Court of South Korea upheld an appeals court's decision to sentence Captain Lee Jun-seok to life in prison for the crime of "murder through willful negligence." This is the first time a person has been convicted of the charge in a maritime case. Captain Lee was the master of the ferry Sewol when it capsized in 2014, killing over 300 people on board.

In announcing its decision, the court said that, "it is fair to say that the captain knowingly and totally abandoned his role when he left the ship fully aware that passengers would drown." A lower court had previously cleared Captain Lee of the principal charge, but on appeal he was convicted and sentenced to life. The Supreme Court's ruling on his case brings the *Sewol's* crew trials to a close.

Fourteen lower ranking crewmembers have been charged and found guilty of lesser offenses, and have received between two and 12 year jail sentences.

Survivors of the Sewol disaster said that shipboard intercom announcements at the time of the accident told passengers to stay in their cabins and await help. Meanwhile, the captain and crew departed the ferry in lifeboats and were the first aboard Coast Guard vessels on scene. Most of the victims were high school students on a field trip, and their deaths sparked a wave of outrage and mourning. In the wake of the disaster, some parents of the victims refused to eat; the vice principal of the students' school took his own life, saying that he could not live when so many had died. Volunteers and celebrities signed on to a campaign of recognition, its symbol a yellow ribbon.

Accident investigators said that the 7,000 dwt Sewol was carrying twice its permitted cargo tonnage at the time of its capsize, and that crew had emptied ballast water in order to compensate for the overloading. The resulting reduction of the ship's stability was found to be a key factor in the disaster. Inquiries by law enforcement found that the ferry's operators were aware of routine overloading aboard the vessel, and that regulators did not take action to correct this practice. Dozens of officials and company officers have also been prosecuted in relation to the case.

# TransPacific spot rate free fall won't relent

container from Asia this month fell to ridiculously low levels.

The average rate from Shanghai to the East Coast fell through the \$2,000 psychological barrier to \$1,834 per FEU. The average spot rate to the West Coast, \$1,009 per FEU, almost reached the psychological barrier of \$1,000, according to the latest reading of the Shanghai Containerized Freight Index.

The rates have come crashing down from February, when spot rates to the East Coast peaked at \$5,049 per FEU and \$2,265 to the West Coast. That was during the time of severe port congestion on the West Coast during the coastwide contract negotiations between the International Longshore and Warehouse Union and the Pacific Maritime Association.

Freight rates have fluctuated wildly this year in line with supply-demand economics, although the year-long trend has been decidedly downward. When U.S. imports from Asia spiked in line with seasonal developments, such as the delivery of summer, back-to-school

Spot freight rates for shipping a 40-foot and holiday merchandise, carriers would publish general rate increases of \$400 to \$600 per FEU. However, carriers rarely got the full amount of the GRI, and the rate hike would deteriorate rapidly.

> Carriers in the TransPacific trade, as in most trades globally, simply have too much capacity delivery of large new vessels into their fleets. Orders for vessels with capacities of greater than 20,000 twenty-foot-equivalent units are now being placed, with deliveries scheduled for 2019, so the overcapacity situation is expected to continue for some time. In the short term, the eastbound TransPacific trade could have a difficult two months ahead. All of the Christmas merchandise has been delivered, and the trade could enter a deep lull until imports pick up again in early 2016 before factories in Asia shut down for the Chinese New Year celebration.

> The Shanghai index rate this month to the East Coast was a decline of 9% from last month and a drop of 56% from the same week last year. The spot rate to the West Coast was down 8% from last month and 52% year-over-year.

# Serious pirate attacks decreased in 2014

The International Maritime Bureau's (IMB) Piracy Reporting Center reported a decrease in serious global pirate attacks during the past year but is warning against complacency. They say a recent crackdown on pirate activity in Southeast Asia is "bearing fruit," with only two hijackings reported in the third quarter of the year. To date, 190 incidents of piracy and armed robbery against ships have been officially counted this year. The greatest numbers have been in Indonesia, which tallied 86 mainly low-level incidents, followed by Vietnam with 19 low-level reports.

No incidents have been noted off Somalia or in the Gulf of Aden this year, previously a piracy hotspot. 1MB says the positive development reflects the combined efforts of navies in the region, along with greater compliance with the Best Management Practices guidelines against Somali piracy, the employment of private security contractors and a stabilizing government. Suspected Somali pirates continue to hold 29 crew members for ransom.

An IMB report urges vessels to maintain vigilance, noting the "increasingly fragile" situation ashore in Somalia, with the threat of piracy not "eliminated". In all, this year has seen 154 vessels boarded, 21 attempted attacks and 15 vessels hijacked. A total of 226 crew were taken hostage, 14 assaulted, 13 injured, 10 kidnapped and one killed.

### A tale of two California ports: Long Beach and Oakland

Two California ports had very different Octobers when it comes to total container volumes, with the Port of Long Beach reporting the best October in eight years and the Port of Oakland posting a 6.9% decline in volumes when compared to October 2014.

Although both ports reported declines in imports, Long Beach saw and increase in exports while Oakland did not.

The Port of Long Beach handled 619,983 TEUs in October, up 6.3% compared with the same month last year, according to recent data from the port.

That made it the best October in eight years, with the gains also coming on the heels of the all-time best quarter in the Port's 104-year history.

Strong export growth of 6.5% in October buoyed the Port of Long Beach's overall numbers. The port handled 128,308 TEUs of export containers during

Imports at Long Beach, on the other hand, were down 0.8% to 307,995 TEUs compared to October 2014. The decline "indicated that retailers of clothing, electronics and other consumer goods apparently stocked up early for the rapidly approaching shopping season," the port said in a statement.

"We had an early peak in July and August, with much of the inventory for the holiday shopping season coming early. On the export side, we've seen increases for the past two months, as shipping lines choose Long Beach for its reliability and service," said Port of Long Beach CEO Jon Slangerup. "Year to date, we're up more than 5%, so 2015 is shaping up to be one of our best years ever."

The Port of Oakland handled 192,284 TEUs in October, including imports, exports and empty containers, 6.9% fewer than in October 2014.

Containerized import volumes at the Port of Oakland posted a year-over-year decline in October for the first time since February, falling 3.3% to 70,697 TEUs.

The port also attributed the decrease to lighter-than-usual peak-season activity.

"Autumn is usually the busy time in container shipping when retailers import goods for holiday store shelves," the port said. "But ocean carriers are reporting lower demand for space on their ships."

Export volumes at Oakland were also down 13.7% to 74,293 TEUs.

Before last month, Oakland had reported seven consecutive months of import gains dating back to last winter.

### **Senator Patty Murray honored for** support of U.S. maritime industry

The Daniel K. Inouye Institute honored U.S. Senator Patty Murray (D-Washington) this month, for her long-time support of the American maritime industry. Dozens of maritime and Senate leaders gathered on Capitol Hill to honor Senator Murray as the first recipient of the Daniel K. Inouye Maritime Guardian award – an award given to a recipient who embodies strong leadership and commitment to the U.S. maritime industry.

The award was presented by Irene Hirano Inouye, widow of Senator Inouye, to Senator Murray, whose state is home to major ports, a vibrant American maritime industry, and a significant international shipping industry.

"We'd like to thank Senator Murray for her vocal support and demonstrated commitment to the American maritime industry," said Jennifer Sabas, Director of the Daniel K. Inouye Institute. "Senator Murray mirrors the legacy of Senator Inouve for her commitment to the success, safety, innovation and progress of this industry."

"Senator Inouye was and always will be a shining example of what it means to be a strong leader for the U.S. maritime industry. His work has been immensely important to my home state of Washington," said Senator Patty Murray. "I'm honored to receive this award in the name of a true American maritime advocate. As Senator Inouye did during his tenure, I will continue to work with members of Congress to support legislation that sustains the strength of this vital industry while honoring the maritime initiatives Senator Inouye worked tirelessly to uphold."

"Dan was widely respected for his moral courage and his commitment to working in a bipartisan fashion," said Irene Hirano Inouye, wife of Senator Inouye and Advisory Committee Member. "It is with full confidence I can say Senator Murray exemplifies that same commitment to the Merchant Marine and therefore it is with pride of my husband's memory that she was selected for this award."

Prior to his death, Senator Daniel K. Inouye had a distinguished tenure of more than 49 years of serving Hawaii in the U.S. Senate, the longest serving member to date. As president pro tempore of the Senate from 2010-2012 – third in line of presidential succession – Senator Inouve was the highest-ranking public official of Asian descent in United States history. For his heroic actions as a member of the famed 442nd Regimental Combat Team – resulting in the loss of his right arm – the World War II veteran ultimately earned the nation's highest award for military valor, the Medal of Honor.

The Daniel K. Inouye Maritime Guardian award is modeled after one of the first Hawaiian weapons ever seen in the new world. Collected on one of Captain Cook's journeys into the Pacific, it was made of wood and imbedded with teeth from a great white shark. Called the "lei o mano," it was reserved for the warrior who was responsible for protecting the maritime resources and for ensuring safe passage on the seas. Over his years in the Congress, Senator Dan Inouye received the "lei o mano" for his relentless efforts, and through this award, his legacy and commitment to a strong U.S. maritime sector is passed forward.

The Daniel K. Inouye Institute was established in 2013 to honor his legacy. A program fund of the Hawaii Community Foundation, the Daniel K. Inouye Institute will work with affiliated organizations to preserve the senator's papers and tell his life story, support STEM education and civics learning, encourage international educational-cultural exchanges, and support collaborations between national institutions and organizations in Hawaii to widely share the Asian American and Pacific Islander experience.



**Election Supplement** 

SAN FRANCISCO, CALIFORNIA

November 2015

# **Election Supplement**

# Sailors Union of the Pacific

**Election of Officers** 

December 2015—January 2016

The election material on these pages is authorized by the SUP Constitution giving candidates the option of submitting photographs and statements for publication in the *West Coast Sailors*. It should be noted that not all candidates took advantage of this opportunity.

# Candidates for SUP Office 2016-2019 term

### President/ Secretary-Treasurer

### **Gunnar Lundeberg**



Throughout the 130 year history of our great Union, struggle has always been a permanent condition of our survival as an organization: at the bargaining table, on the legislative front or in the political field.

The SUP has met the challenges of the past three years, de-

spite strong headwinds. Wages and conditions were improved and pension benefits were increased for current and future retirees.

The Sailors' Union is prepared to meet the challenges through the turbulent passages that lie ahead in the next three years.

# San Francisco Business Agent

### **Roy Tufono**



To serve the Rank and File members as Business Agent I will continue to work for the best interest of the organization and membership. I am second generation SUP. Joined in 1979. I sailed aboard SUP-contracted vessels from tankers, container ships, boom

ships also worked at the Bar Pilots as an operator, and served on various committee's. It's not what your Union can do for you; it's what you can do for your Union.

# Vice President/Assistant Secretary-Treasurer

### **Dave Connolly**



Since the last election we added jobs, raised wages, and improved benefits. We negotiated concession-free contracts with Matson, SFBP, and APL including a pension increase and historic new contributions. We built successful bids for new or renewed government work, including the Watson-class ships

among others. We protected our work from the countless confrontations of employers, demanding adherence to contracts, proper payments, taking grievances to arbitration, and filing NLRB claims. We defended simultaneously the legal foundations of the U.S. merchant marine from the big money interests that would destroy it. All that translates into this: shipping is good for SUP sailors.

### Honolulu Branch Agent

### Michael Dirksen



years I have had the privilege of serving the SUP membership as the Honolulu Branch Agent. It would be an honor to serve you once again. I would humbly ask for your support in my re-election bid.

For the last six

I am committed to serving the SUP membership and will continue to fight for our job security, medical benefits, pension benefits, a fair and just contract, and better living conditions aboard ships.

Thank you for allowing me to serve you as the SUP Honolulu Branch Agent.

### **Daniel McDonald**



We must protect and defend our Union and its legacy. We can do better. It was the hard work of thousands of Sailors that came before us that built our great Union. It will remain great through our hard work. We can do better. Let's make our Union great

again. We can and we will. As your Vice President I will work harder and work longer to ensure the SUP's ongoing greatness and the continued prosperity of every member. A vote for me is a vote against any merger with the SIU and is a vote for your best interest.

# Wilmington Branch Agent

### **Robert Burns**

### No photo submitted

In consideration of this great opportunity to run for the office of SUP Wilmington, Branch Agent, I acknowledge it with both honor and inspiration. Accordingly, I will serve my fellow Merchant Mariners of the Sailors' Union of the Pacific with the same courage, integrity and perseverance of our honored founders and their predecessors. I will strive to uphold and defend the Constitution of the Sailors' Union of the Pacific, the Union Organization it represents, our manifest members and the membership as a force for Organized Labor in the Maritime Trades World Wide.

### **SUP Building Corporation**

### Norman Christianson



No statement submitted

### **Paul Fuentes**



No statement submitted

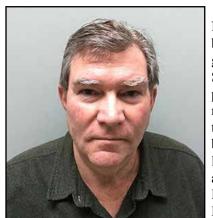
### **Mike Worth**



No statement submitted

### **Seattle Branch Agent**

### Vince O'Halloran



The Pacific Northwest is a vibrant maritime region in which the SUP has always played a leading role. For the past three years it has been my privilege to serve you as your Seattle Branch Agent. During this period we have main-

tained our legacy of labor solidarity and political activism by a strong advocacy in behalf of our membership. When our interests are at stake, I have appeared before Washington State's Legislature; Newspaper Editorial Boards, Courts and City councils to advocate on our behalf. Today, I ask for your vote to keep our Union strong, and our voice heard.

### Jesper Pfeil



I have been given the honor to run as Branch Agent for the Port of Seattle. I have sailed in billets from OS to delegate to Bosun. As an SUP member, I have shipped out of every hall and have attended monthly meetings at each branch giving

me a clear assessment on the needs and wants of the membership. As your Seattle Branch Agent, I will maintain the fine convention of serving the membership also, I pledge to keep the Port of Seattle safe for our maritime labor interests. Vocalize and Vote!

### Al Rossi



I do what I do. I am a sailor. If you are in the SUP...BE A SAILOR!

You do not have to fear bucko mates, or suck up to them.

Stay organized rank & file.

No more baseball games.

No more pier

head jumps.

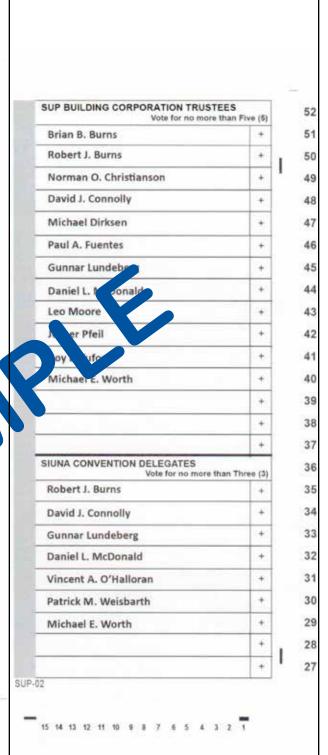
No more corrupt delegates. No more weak bosuns. If you wouldn't do it in a jail, don't do it on a ship.

# **SUP Sample Ballot**

The copy of the SUP ballot for the biennial election of officers for the 2016-2019 term of office is a SAMPLE BALLOT ONLY. Do not mark this ballot; mark only the official ballot you receive from the Pacific Election Services, Inc.

Please note also that this sample ballot is a copy of the ballot being sent to active members and pensioners. All members are urged to vote so that the ballot results will be representative of the wishes of the entire membership.





# SUP ELECTION INFORMATION

In accordance with the SUP Constitution, the entire secret mail-ballot and election shall be conducted by an Impartial Balloting Agent selected by the membership at Headquarters. The Committee on Election has recommended and the membership has concurred that Pacific Election Services, Inc. be selected as the Impartial Balloting Agent.

As per Article VIII of the SUP Constitution, members in good standing with Class "A" and "B" seniority may vote in all Union elections. Members with Class "C" seniority who have ninety (90) days seatime within the preceding year and have been in good standing for that year, shall be eligible to vote in all Union elections.

SUP members on pension are allowed to cast ballots for Union officers and proposed Constitutional Amendments except to vote on any dues raise and/or assessments. Pensioners are not eligible to vote on proposed Shipping Rule changes.

If for any reason a member in good standing does not receive his/her ballot, he/she may make a written application to Pacific Election Services, Inc. The request shall include a statement that the member has neither received a ballot nor voted in the election and the address to which the ballot is to be sent. If you do not receive a ballot, write to:

Robbin A. Johnson
Pacific Election Services, Inc.
1650 Stanmore Drive
Pleasant Hill, CA 94523

### **SUP Committee on Constitution**

## Report and Recommendations

### **SUP Headquarters — San Francisco**

June 22, 2015

In attendance: Norm Christianson, Seattle Branch; Eli Wegger, Wilmington Branch; Maea "Jay" Loe, Honolulu Branch; Diane Ferrari, Headquarters; Izzy Idris, Headquarters; Dave Frizzi, Headquarters; Gunnar Lundeberg, ex officio; Dave Connolly, secretary.

Under the authority of Article XXVIII of the SUP Constitution, the elected Committee on Constitution met on Monday June 22, 2015 to consider the resolutions submitted to the meetings since the last election. President Gunnar Lundeberg began the meeting by explaining the process according to the Constitution that under Section 1 of Article XXVIII membership on the Committee

is restricted to three members from Headquarters and one each from the Branches holding regular meetings. Making note of the fact some Branches were without quorums routinely, and therefore not always holding regular meetings, Lundeberg nevertheless considered the participation of the Branches to be essential to the both democratic nature of the Union and to the successful work of the Committee and authorized their attendance. Lundeberg noted that the Committee is authorized to take three types of action on the proposals: to accept or concur, to reject or non-concur, or to concur with amendment.

The Committee considered seven (7) proposed amendments to the SUP Constitution and six (6) proposed changes to the SUP Shipping Rules. There were also three (3) miscellaneous proposals that could not be categorized as either an amendment to the Constitution or a change in the Shipping Rules.

The recommendation of the Committee was to non-concur with all the proposals submitted, to amend the SUP Constitution and the SUP Shipping Rules, at the Headquarters meeting and the Branch meetings in July. The Committee Report, in its entirety, is in the July *West Coast Sailors*.

# COMMITTEE ON ELECTION 2015-2018

In accordance with Sections 3, 4, and 5 of Article XII, all candidates duly nominated (as per Section 2 and published in the September 25, 2015 edition of the *West Coast Sailors*), who had returned acceptance letters (as per Section 5) were found eligible. The following candidates accepted the nomination and will appear on the ballot:

President/Secretary-Treasurer

Gunnar Lundeberg

Vice President/Assistant Secretary-Treasurer

David J. Connolly Daniel McDonald

San Francisco Business Agent

Roy Tufono

Seattle Branch Agent Vincent A. O'Halloran

Jesper Pfeil Al Rossi

Wilmington Branch Agent

Robert Burns

Honolulu Branch Agent Michael L. Dirksen Patrick Weisbarth

VOTE
It's your Union!

**SUP Building Corporation Trustees** 

Brian Burns Robert Burns

Norman Christianson

David J. Connolly

Michael L. Dirksen

Paul Fuentes

Gunnar Lundeberg

Daniel McDonald

Leo Moore

Jesper Pfeil

Roy Tufono

Mike Worth

(Five to be elected)

SIUNA Convention Delegates

Robert Burns

David J. Connolly

Gunnar Lundeberg

Daniel McDonald

Vince O'Halloran

Patrick Weisbarth

Mike Worth

(Three to be elected)



All hands are reminded to have a valid mailing address on file at Headquarters as BALLOTS WILL NOT BE MAILED TO A UNION HALL.

### ESU Office Assignments

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



Official Publication of the Exxon Seamen's Union

# ExxonMobil 2016 seminar dates (Late career pre-retirement planning course)

If you are eligible, or soon to be eligible to retire from the company, you should consider attending a pre-retirement planning seminar that is offered by ExxonMobil. Eligibility normally means within 3 years of the minimum age to retire for the unlicensed group (50) with a minimum 15 years of service at the time you elect to retire. The classes tend to fill up quickly; some may be filled up by the time we go to print. If you are interested in attending and know the session you wish to attend, you should then notify Helen Wright at 832-624-7759 for enrollment. Limited space is available per each class so plan ahead. Below is the dates for the first six months for 2016.

<u>Date</u>	<b>Location</b>
February 24-25	Houston Campus, TX (Catalyst Building)
March 2-3	Houston Campus, TX (Catalyst Building)
March 9-10	Houston Campus, TX (Catalyst Building)
March 16-17	Houston Campus, TX (Catalyst Building)
March 16-17	Beaumont Civic Center, TX
March 23-24	Clinton, NJ
March 23-24	Houston Campus, TX (Catalyst Building)
March 23-24	Paulsboro,
March 30-31	Houston Campus, TX (Catalyst Building)
April 13-14	Baytown Refinery, TX
April 13-14	Houston Campus, TX (Catalyst Building)
April 20-21	Houston Campus, TX (Catalyst Building)
April 27-28	Beaumont Civic Center, TX
May 4-5	Houston Campus, TX (Catalyst Building)
May 11-12	Clinton, NJ
May 11-12	Houston Campus, TX (Catalyst Building)
May 25-26	Torrance Refinery – Torrance, CA
June 1-2	Beaumont Civic Center, TX
June 8-9	Irving, TX
June 8-9	Houston Campus, TX (Catalyst Building)
June 8-9	Baytown Refinery, TX
June 15-16	Houston Campus, TX (Catalyst Building)
June 22-23	Houston Campus, TX (Catalyst Building)



SeaRiver Stewards Department training continues; from the left aboard the SR American Progress: Trainer Jim Mann, Cook Curtis Dixon and Fleet Chef Kurt Kreick. Mr. Mann made a roundtrip on the ship from Fort Lauderdale, FL to Louisiana, back to Florida.

### Ship reports

### S/R American Progress

ESU Board officer Leo DeCastro visited the vessel at Magnolia Anchorage in the Mississippi River on November 13, then rode the ship to the dock at Phillips 66 Alliance refinery just south of New Orleans, LA. Regular Ship Representative Mike Harrison aboard and reports all is well. Also Jim Mann, the steward's department trainer, was onboard riding with the ship, and conducting training within the department. The vessel loaded and was heading back to Florida for discharge.

### **Eagle Bay**

Leo DeCastro visited the vessel at Shell Anacortes in WA on October 28th. The vessel completed a split discharge between Puget Sound, WA and San Francisco, CA. Regular Ship Representative Thor Floreen is on board and reports everything going well on the *Eagle*. The vessel is scheduled to discharge the next voyage in Long Beach CA.

### **Liberty Bay**

The ship continues on the Valdez to various West Coast ports run at the present time, it seems the two ships (*Eagle Bay* and *Liberty Bay*) will be swapping discharge ports for the near future. Regular Ship Representative AB Joe Buffington is back onboard and reports all is well. Thank you to AB Wen Shie Tie for filling in as Temporary Ship Representative.

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

### Tesoro's Vancouver Energy Terminal proposal

Tesoro and logistics firm Savage Cos., are looking at developing a 42 acre site at Washington's Port of Vancouver into one of the largest crude by rail facilities in the country, this \$210 million joint venture called Vancouver Energy Terminal would receive from the Bakken shale formation in North Dakota and Montana up to four unit trains transporting 100 to 120 railcars filled with oil everyday which translates in approximately 360,000 barrels of domestic crude oil daily, arriving on trains run by Berkshire Hathaway's BNSF Railway. The trains would be drained and the oil would be stored in above ground tanks on the terminal, then loaded into Jones Act compliant American tankers were they would then make the journey down the Columbia River and out to refineries along the west coast. "It's been an active port for more than 100 years, and what we're proposing to build here is a crude-by-rail transfer facility to be able to bring North American crude to the West Coast refineries," said Keith Casey, executive vice president of operations at Tesoro, standing in Vancouver Energy's gravel lot at the industrial port. "It's incredibly important to the West Coast, because we don't have pipeline access. We have no other transportation means," said Casey. "So when you look at where the crude oil through the shale revolution is actually coming from, we don't have the capability to get it to our refineries. That's what's making us more dependent on foreign, imported oil coming into the West Coast. Infrastructure projects like this are absolutely vital to being able to provide that crude oil to the West Coast manufacturing centers." Tesoro first proposed this terminal in 2013, but there are numerous steps that have to take place in order for this project to receive the green light such as state and federal environmental reviews and Army Corps of Engineers scrutiny and review of the plan.

# Pumpman Ernest Gonzales final departure



Sadly, the ESU has learned of the passing of former member Pumpman Ernest M. Gonzales, age 86, who died October 25, in San Antonio, Texas with his family at his side. Ernest was a devoted family man and is survived by his daughters, Eva M. Gonzales, Virginia G. Smith, Ernestine (Tina) Warren, Rebecca Gonzales, Susan Viola, Lillie Gonzales, sons in law and numerous grandchildren.

Ernest retired from Sea River Maritime Inc. in June of 1995 after approximately 30 years of combined service. During the early years of his career, he competed in New

York City on the Hudson River against the Norwegian team in the International Life Boat Races in the 1960's. Ernest was also a strong Union supporter where he filled in as Ship's Rep when needed. His last ship assignment was the *Exxon Baton Rouge*.

The Exxon Seamen's Union extends our deepest sympathy to the Gonzales family during this time of sorrow.

# Reminder about medical certificates and MMD's

In early 2014, the U.S. Coast Guard began issuing medical certificates to all mariners holding valid international endorsements (STCW). Everyone needs to be aware of their expiration date on their medical certificate to ensure they keep this important document current. Medical certificates issued under STCW and the Maritime Labor Convention (MLC) 2006 sets the maximum periods for validity at two years. You also need to check and make sure that you maintain a valid medical certificate inside the small pouch on the last page of your MMD, especially if you are currently in the process of renewing your MMD. When you receive the new red booklet make sure you move the medical certificate from your expired MMD to the new one. So please check your documents carefully and in ample time before you are due back to work. If you have any questions, please feel free to call the ESU office at 832-295-3047 or contact the National Maritime Center at 1-888-427-5662.

### **EXXON SEAMEN'S UNION**

Founded March 28, 1941

Affiliated with the Sailors' Union of the Pacific

P.O. Box 754, Seabrook, TX 77586
Tel (832) 295-3047 Cell (713) 306-9528
Fax (832) 201-0441
E-Mail: esusea@sbcglobal.net

President/Secretary John Straley

Vice President/Treasurer Leo DeCastro Board Member at Large Don Picou Board Member at Large Ein Cooley

Deck Trustee Jeffrey Harris Engine Trustee William Ackley Steward Trustee Joel Mitchell

# ANNUAL FUNDING NOTICE for SIU Pacific District Pension Plan

#### Introduction

This notice, which federal law requires all pension plans to furnish on an annual basis, includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning August 1, 2014 and ending July 31, 2015 (the "2014 Plan Year").

#### **How Well Funded Is Your Plan**

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage					
	2014 Plan Year	2013 Plan Year	2012 Plan Year		
<b>Valuation Date</b>	August 1, 2014	August 1, 2013	August 1, 2012		
Funded Percentage	Over 100%	Over 100%	Over 100%		
Value of Assets	\$105,886,470	\$106,718,842	\$110,679,929		
Value of Liabilities	\$83,624,556	\$90,126,169	\$90,249,292		

### Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years. The value of the Plan assets shown as of July 31, 2015 is an estimate based on the most accurate unaudited financial information available at the time this notice was prepared. The final audited information on the Plan's assets will be reported on the Plan's 2014 annual report filed with the Department of Labor in May 2016.

 July 31, 2015
 July 31, 2014
 July 31, 2013

 Fair Market Value of Assets
 \$107,908,514
 \$111,642,407
 \$110,282,261

### **Endangered, Critical, or Critical and Declining Status**

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered, critical, or critical and declining status in the Plan Year.

### **Participant Information**

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,116. Of this number, 856 were current employees, 1,246 were retired and receiving benefits, and 14 were retired or no longer working for the employer and have a right to future benefits.

### Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. Plan benefits are funded by employer contributions and investment returns on those contributions. The shipping companies have not been required to make contributions to the Plan since August 1, 1993, and may agree through collective bargaining to make contributions in the future as necessary to satisfy the minimum funding standards of the Employee Retirement Income Security Act of 1974 ("ERISA") and the Internal Revenue Code ("Code"). Since August 1, 1993, Plan benefits have been funded by the Plan's investment income. The Plan's funding policy is to continue to fund Plan benefits in this manner in accordance with the minimum funding standards of ERISA and the Code.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to maintain a portfolio of investments which is conservative in nature. The Trustees, working with experienced investment consultants, monitor and make appropriate changes to the Plan's investments, seeking to achieve positive investment results over the long term.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	<b>Percentage</b>
1. Cash (Interest bearing and non-interest bearing)	7.8%
2. U.S. Government securities	18.2%
3. Corporate debt instruments	26.1%
4. Corporate stocks (other than employer securities):	47.9%
5. Other	0.0%

#### Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www. efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N- 1513, Washington, DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator, Ms. Michelle Chang, at 730 Harrison Street, Suite 400, San Francisco, CA 94107. Annual reports for the 2013 Plan Year and earlier Plan Years are available now. The annual report for the 2014 Plan Year will be available when it is filed with the Employee Benefits Security Administration in May 2016. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact the plan administrator at 415-764-4993 or the address above if you want information about your accrued benefits.

#### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

This Plan is **not** insolvent and **not** in reorganization, and is over 100% funded.

### **Benefit Payments Guaranteed by the PBGC**

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service (\$600/10), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 (.75 x \$33), or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 (\$35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified pre-retirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information" below.

### Where to Get More Information

For more information about this notice, you may contact Ms. Michelle Chang, Administrator, SIU Pacific District Pension Plan, at 730 Harrison Street, Suite 400, San Francisco, CA 94107, 415-764-4993. For identification purposes, the official plan number is 001, the plan sponsor is the Board of Trustees of the SIU Pacific District Pension Plan, and the employer identification number or "EIN" is 94-6061923.

# 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, 2014. 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 \$2,183,557. These expenses included \$228,580 in administrative expenses and \$1,954,977 in benefits paid to participants and beneficiaries. A total of 901 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 \$30,865,764 as of December 31, 2014 compared to \$29,587,845 as of January 1, 2014. During the plan year, the plan experienced an increase in its net assets of \$1,277,919. 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 \$3,461,476, including employer contributions of \$1,838,629, earnings from investments of \$1,524,666 and other income of \$98,181.

#### **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, California 94107, telephone 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, 730 Harrison Street, Suite 415, San Francisco, California 94107, and at the U.S. Department of Labor in Washington, DC, 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.

Editor's Note: To receive the West Coast Sailors via first-class mail it's \$25 per year U.S. mail; \$50 per year international.

# Receive the West Coast Sailors via First Class Mail

Name (print)		Book No
Address		
City		
State	Zip	Country



U.S. \$25; International \$50 per year Send check or money order to: West Coast Sailors 450 Harrison Street San Francisco CA 94105

### 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 No. 002, for the year ended December 31, 2014. 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 \$951,393. These expenses included \$119,820 in administrative expenses and \$831,573 in benefits paid to participants and beneficiaries. A total of 588 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 \$7,520,970 at December 31, 2014, compared to \$7,409,325 as of January 1, 2014. During the plan year, the plan experienced an increase in its net assets of \$111,645. 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 \$1,063,038, including employer contributions of \$57,420, participant contributions of \$519,927, earnings from investments of \$464,573 and other income of \$21,118.

#### 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;
- 4. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and
- 5. Delinquent participant contributions.

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, telephone (415) 778-5490. The charge to cover copying costs will be \$3.75 for the full annual report or \$.25 per page for any part thereof.

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 the U.S. Department of Labor in Washington, DC, 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, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

# A look astern...

The following article was printed in the November 5, 1965 West Coast Sailors:

# 3 More foreign ships refuse to haul U.S. Vietnam cargoes

Three more foreign-flag ships transporting military cargoes to South Vietnam for the Defense Department are tied up at various ports around the world due to the refusal of the foreign crews to sail the vessels with their vitally-needed cargoes to the war zone.

The three vessels, all of British registry, are the freighters *London Craftsman* and *Elys Harbour*, and the tanker *Hemifusus*. The *London Craftsman* is actually immobilized now for the second time by the refusal of a second crew to man her.

The *Craftsman* was first tied up in Kobe, Japan, by the desertion of her Indian crew, who would not sail her with Vietnam-bound supplies. A Chinese crew was flown in to man the vessel, but upon reaching Hong Kong, they too refused to continue with the U.S. military cargo.

Both of the other ships are also manned by Chinese crews who refuse to take their cargoes to Vietnam. The freighter *Elys Harbour* is anchored in Brisbane, Australia, where it picked up various defense supplies for Vietnam. The tanker *Hemifusus* is carrying a Defense Department Vietnam-bound oil cargo.

The U.S. is running into increasing difficulties in getting foreign-flag ships to carry vital military cargoes to Vietnam. The three latest refusals are part of a long and growing string of incidents in which foreign crews refused to man ships carrying U.S. cargoes to South Vietnam.

Earlier, several Japanese shipping companies canceled a contract to carry food and supplies to Vietnam because of the refusal of Japanese seamen to sail with the cargoes.

Before that, a Vietnam-bound cargo had to be unloaded from a Mexican-flag vessel when the Mexican government invoked a ruling that none of its ships could enter a war zone. The same cargo was further delayed when the crew of a Greek vessel refused to move the cargo. Finally a U.S.-flag ship had to be diverted from other duties to transport it.

Later another cargo for Vietnam was delayed when the crew of another Greek-flag vessel refused to handle it, and still another sat on the dock when the Greek crew of a Liberian-flag ship turned it down.



# **SUP President's Report**

November 9, 2015

#### SUP ELECTION

Balloting for the triennial election of Union officers will begin on December 1, and will conclude on January 31, 2016. The ballots will be counted at Headquarters on February 1, 2016.

In accordance with the SUP Constitution, the entire secret mail-ballot and election shall be conducted by an Impartial Balloting Agent selected by the membership at the Headquarters' meeting. The Committee on Election has recommended that Pacific Election Services, Inc. be selected as the Impartial Balloting Agent.

As per Article VIII, Section 1 of the SUP Constitution: "Members with A and B seniority who are in good standing may vote in all Union elections. Members with C seniority who have ninety (90) days seatime within the preceding year and have been in good standing for that year shall be eligible to vote in all Union elections." SUP members on pension are allowed to cast ballots for Union officers.

If for any reason a member in good standing does not receive his/her ballot, he/she may make a written application to Pacific Election Services, Inc. The request shall include a statement that the member has neither received a ballot nor voted in the election and the address to which the ballot is to be sent. If you do not receive a ballot, contact:

Robbin A. Johnson

Pacific Election Services, Inc.

1650 Stanmore Drive

Pleasant Hill CA 94523

Voice: 925-685-4935 or 800-571-8049

Fax: 925 685-4937

Email: rjohnson7128@sbcglobal.net

Democracy is contingent upon participation. Put the "you" in your Union and be sure to vote!

### **APL MARINE SERVICES**

On November 2, the Union was notified that the Maritime Security Program (MSP) enrolled vessel *APL Cyprine* will be reflagged foreign on or about December 3, in Singapore because APL has determined that it no longer has enough U.S. preference cargo to make continued operation of the vessel in its present U.S.-flag service commercially viable.

This notification follows in the wake of APL's announcement late last month, that it would begin a U.S.-flag service from Yokohama to Saipan and Guam by the end of this month, with a 1,078 TEU geared vessel to be named *APL Guam*. Press reports indicate that if this service is profitable, a second U.S.-flag ship would likely be added.

The SUP as well as the MFOW, MEBA and MM&P contacted APL Maritime Ltd.'s President and CEO Eric Mensing and asked if the MSP Operating Agreement for the *Cyprine* would be transferred to the *APL Guam*.

On November 3, Mensing responded in the affirmative but stated that the vessel would be operated by APL Maritime Ltd. and crewed by Osprey Ship Management with SIU-A&G and AMO mariners.

It must be noted that APL has run a double-breasted operation after Singapore-based Neptune Orient Lines (NOL) bought American President Lines in 1997. The following year, NOL purchased American Automar, which was a subsidiary of Osprey with collective bargaining agreements with the SIU-A&G and the AMO. Automar was subsequently renamed APL Maritime Ltd. and currently operates the *M/V Marstan* in the Persian Gulf. To complicate this corporate jigsaw puzzle even further, APL Marine Services – which the SUP, MFOW, SIU-Marine Cooks, MEBA and MM&P have contracts with – is a wholly-owned subsidiary of APL (Bermuda) Ltd., which in turn is a wholly-owned subsidiary of Neptune Orient Lines. Both Osprey and APL Marine Services are subsidiaries of APL Maritime Ltd.

But, it must be further noted that APL during the course of bargaining with the SUP, MFOW and SIU-A&G in September of this year, never once was mentioned that the company was going to run a new U.S.-flag service without the Unions it was bargaining with. Bad faith bargaining by APL is too kind a term.

The SUP and the other affected Unions have been aboard APL's MSP vessels since the company joined the program in 1997. It is our position that the MSP Operating Agreement covering the *Cyprine* not only should be transferred to the *APL Guam*, but that the vessel should be operated by APL Marine Services.

To address the *APL Guam* issue, your secretary sent the following letter to APL on November 6:

Mr. Eric L. Mensing

President & CEO

APL Maritime Ltd.

1667 K Street, NW Suite 400

Washington, DC 20006

RE: Grievance Over Replacement of APL Cyprine with APL Guam

Dear Mr. Mensing:

The Sailors' Union of the Pacific hereby files this grievance in response to the replacement of the APL Cyprine with the APL Guam, as officially communicated to us for the first time by phone call from John Dragone on November 2, 2015. We understand from Mr. Dragone that the APL Cyprine will leave U.S. registry on or about December 3, 2015 in Singapore, and that MSP Operating Agreement MA/MSP-54 will be transferred to a replacement vessel named APL Guam, which will be operated by an affiliate of the Company not currently contracted with the SUP. These actions, if they become effective, are in violation of Section 3 and Appendix E and Appendix F of the General Rules and other applicable provisions of the parties' 2015-2018 Agreement. Accordingly, the SUP demands that the APL Guam be transferred to APL Marine Services, Ltd., the operator of the other APL vessels covered by MSP Operating Agreements.

In the event the Company refuses to provide the requested relief, we demand that this matter proceed to immediate grievance resolution under section 10(b) of the Agreement. The SUP further demands that until there is a final and binding arbitral resolution to this matter that the Company take no further action to crew the APL vessel to be renamed APL Guam or take similar action with respect to other vessels. We would offer to immediately select an arbitrator from an agreed upon panel of reputable labor arbitrators in order to expeditiously decide this dispute. If the parties cannot agree upon such panel, we request to proceed to Federal Mediation & Conciliation Service to select an arbitrator and to be heard on an expedited basis.

The MFOW, MEBA and MM&P sent similar letters and also sent out an email communication to all APL vessels informing them of the situation.

Will keep all hands fully informed.

### **MATSON NAVIGATION COMPANY**

Since May of this year (see the May West Coast Sailors), when Matson rejected the SUP and MFOW claim that the four vessels operating in the newly-acquired Alaska service should be crewed on deck and in the engine room by the Unions, the company has been rapidly integrating the Alaska service into the rest of its marine operations.

Accordingly, the Unions filed a petition with the National Labor Relations Board (NLRB) seeking bargaining unit clarification on the Alaska vessels as part of Matson as a whole. In addition, the SUP and MFOW filed unfair labor practice charges against Matson with the NLRB.

### PATRIOT CONTRACT SERVICES

On October 5, Patriot was directed by the Military Sealift Command to turn over operation of the *USNS 1st Lt. Harry L. Martin* to Crowley Maritime. The ship is home-ported in Jacksonville, Florida, and was operated by Patriot since 2010 with the SUP on deck.

As of today's meeting, the Maritime Administration has yet to announce the companies awarded contracts to operate and maintain 48 Ready Reserve Force and National Defense Reserve Fleet vessels. As previously reported, the SUP, MFOW and SIU-Marine Cooks worked with Matson and Patriot to bid for the ships.

#### MILITARY SEALIFT COMMAND

On October 15, at the invitation of Rear Admiral Thomas K. Shannon, Commander of the U.S. Navy's Military Sealift Command (MSC), participated in the semi-annual MSC Maritime Labor Executive Session at the MM&P school (Maritime Institute of Technology & Graduate Studies or MITAGS) in Linthicum Heights, Maryland. Other participants included MFOW President Anthony Poplawski, MM&P President Don Marcus, MEBA President Marshall Ainley and SIU-AGLIW President Mike Sacco.

Presentations were given by MSC staff on cyber security, safety cross-functional teams, and mariner recruitment and retention. This was followed by a round table discussion which covered topics including MSC physical examinations, problems with overseas medical facilities, training costs and the MSC bid and award process.

### TRANSPORTATION TRADES DEPARTMENT, AFL-CIO

As a member of the Executive Committee of the Transportation Trades Department (TTD), AFL-CIO, attended and participated in a meeting of the organization on October 28, at AFL-CIO Headquarters in Washington, D.C.

Issues of direct importance to the membership were discussed including the European Union's proposal for the TransAtlantic Trade and Investment Partnership (TTIP) Agreement with the United States that would gut the Jones Act. The Executive Committee not only passed a resolution opposing the maritime and aviation aspects of the proposed agreement, but sent a communication to President Obama from the affected Unions on the issue. The letter to the President will be published in this month's *West Coast Sailors*.

The second issue addressed is a proposal by the motor carrier industry and legislation introduced in the Congress (H.R. 1467/S.806) that would permit the use of hair in Department of Transportation drug tests, despite the continuing, unresolved concerns that hair testing poses a high risk of false results and biases. A full report on this issue will also be covered in this month's *West Coast Sailors*.

The Executive Committee also heard from three transportation advocates in Congress: Congressman Peter DeFazio (D-Oregon), Ranking Member of the House Transportation and Infrastructure Committee; Senator Bill Nelson (D-Florida), Ranking Member of the Senate Commerce, Science and Transportation Committee; and Congressman Mario Diaz-Balart (R-Florida), Chairman of the House Transportation Appropriations Subcommittee.

### **HOLIDAY BENEFIT**

For the 26th year, the SUP and MFOW will cosponsor a holiday lunch for participants of the respective Union Welfare Plans and invited guests.

As approved by the Union and employer Trustees of both Plans, the cost of catering the lunch is prorated by the number of participants in each Plan. The following are the dates and times of the benefit:

**Seattle**: Saturday, December 5, from 11:00 A.M. to 2:00 P.M. at the Leif Erikson Hall in Ballard (2245 57th Street, N.W.).

**Wilmington**: Saturday, December 12, from 11:00 A.M. to 3:00 P.M. at the MM&P hall (next door to the offices of the Wilmington Branch).

**Honolulu**: Sunday, December 13, from 11:00 A.M. to 2:00 P.M. at O'Tooles, 902 Nuuanu Avenue. (Enter from Merchant Street side entrance).

**San Francisco**: Friday, December 18, from 11:30 A.M. to 2:30 P.M. at SUP Headquarters.

### **SUP President's Report continued**

#### **HOLIDAYS**

### **Thanksgiving Day**

All SUP halls will be closed on Thursday, November 26, in observance of Thanksgiving.

#### **Christmas**

SUP halls in Seattle, San Francisco and Wilmington, will be closed on Christmas Eve, Thursday, December 24. Christmas Eve is an ILWU holiday on the West Coast and therefore, a recognized holiday under the SUP agreements with APL and Matson. The holiday is applicable for vessels in Pacific Coast ports on that day and for those working under the shoreside maintenance agreements.

Christmas Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at Noon.

All SUP halls will be closed on Christmas Day, Friday, December 25.

#### **New Year's**

All SUP halls in Seattle, San Francisco and Wilmington, will be closed on New Year's Eve, Thursday, December 31, an ILWU holiday. New Year's Eve is not an ILWU holiday in Hawai'i, however, the Honolulu Branch will close at noon.

All SUP halls will be closed on New Year's Day, Friday, January 1, 2015.

#### **ACTION TAKEN**

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

# Nautical terms in everyday speech

# Time and Tide Waiteth for No Man ...(seize the day)

The word tide has its origins in the Old English tid, meaning "time" or "an extent of time." Nautically speaking, tide is defined as the alternate rise and fall of the earth's oceans on a coast. Tides are caused by the gravitational attraction of the sun and moon. The expression tidal current describes the inflow and outflow of ocean waters that usually accompany the rise or fall of the tide. Colloquially, tide can refer to both the vertical and horizontal movement of water. In the following lines from Julius Caesar, Shakespeare's Brutus admonishes that time and tide waiteth for no man and that success lies in taking "the current when it serves" —in going with the flow:

There is a tide in the affairs of men,

Which, taken at the flood, leads on to fortune;

Omitted, all the voyage of their life

Is bound in shallows and in miseries.

On such a full sea are we now afloat,

And we must take the current when it serves,

Or lose our ventures

Brutus was speaking of the strategies of war, but his advice is just as sound when applied to the eddies and currents, the ebbs and flows, of life's circumstances. In common usage as early as the twelfth century, the expression "time and tide waiteth for no man" is basically an alliteration of two more or less synonymous words.

Correction: The only rate that applies to SUP sailors in the *PAX* is the AB watch-stander rate. In the September issue of the *West Coast Sailors*, Bosun, AB and OS were incorrectly listed.

# Patriot Contract Services MT PAX

### **Full Operating Status (FOS)**

Ва	ase	Daily Base Wage	Hourly Overtime Rate	Monthly Benefit Base	Monthly Supple. Benefit	Daily Supple. Benefit	Daily Money Purchase Plan
AB							
Watchstander 3,5	48.69	118.29	17.24	3,548.69	1,560.99	55.20	28.64

### **Reduced Operating Status (ROS)**

AB	Weekly	Daily	Hourly
	Base	Base	Overtime
	Wage	Wage	Rate
Watchstander	2,918.68	583.74	19.24

# Vice President's Report

#### **November 2015**

**USNS Red Cloud**: Adam Tassin, delegate. Flawless off load in East Coast port and done in record time. Headed to a shipyard period and RAV status.

**USNS Sisler**: Matt Henning, delegate. Gang completed round-the-clock load up in Jacksonville and 32 day re-deployment voyage without incident.

**USNS Watkins**: Ziggy Kaczor, delegate. Bosun Cosme Bigno directed the gang through a perfect COI. On station in distant foreign port.

**Lihue**: James Salera relieved Al Rossi as delegate. Investigating lost time back.

**Kauai**: Paul Davis relieved Sam Scott as delegate. In good shape with Mick McHenry running the gang. Expected temporary layup in Oakland sometime this month.

**APL Belgium**: Mike Henderson, delegate. Worked with Mark Hurley on restriction to ship clarification. Solid gang banging out quality work. Claim for a day's pay for early sailing from Oakland last trip lodged with management.

**APL Thailand**: Dave Mercer, delegate. Clarification on shifting ship in Pusan. Travel time and anchoring minimum not payable under Section 39(b)6.

**APL Singapore**: Paul Harsany, delegate. After discussion, Mark Hurley is pursuing a claim for sailors' work (replacement of gangway handrails and stanchions) done by Korean contractors. Sanitary work performed by the standby 12 x 4 between 1200 and 1300 without the bosun to assign should be routine and light. Gangway security is SUP jurisdiction.

**Foss Maritime Company**: Ed Chilbert, JD Rymel, Tom Tynan, delegates. Alerted by one of the delegates I investigated a new or revived Company service called the "mud run" to Redwood City and other ports in the San Francisco Bay. Management agreed that it will be crewed under Section 26.01 with intermittent crewing of one week on/off as part of jurisdictional sharing between SUP and IBU.

# Senators seek boost in Social Security benefits

This month, Senators Patty Murray (D-Washington), Maria Cantwell (D-Washington), Elizabeth Warren (D-Massachusetts), and 14 of their colleagues introduced legislation to boost Social Security and other critical benefits for seniors, veterans and other Americans. The legislation follows last month's announcement that there will be a zero cost-of-living adjustment in 2016, affecting an estimated 1.2 million.

The Seniors and Veterans Emergency Benefits Act (SAVE Benefits Act) would give about 70 million seniors, veterans, people with disabilities, and others an emergency payment equal to 3.9% of the average annual Social Security benefit, about \$581.

A \$581 increase could cover almost three months of groceries for seniors or a year's worth of out-of-pocket costs on critical prescription drugs for the average Medicare beneficiary. The bill would lift more than one million Americans out of poverty. The cost of this emergency payment would be covered by closing a tax loophole that allows the biggest corporations to get a tax break when they give their CEOs and other executives enormous bonuses. The substantial additional revenue saved by closing the CEO compensation loophole would be used to bolster and extend the life of the Social Security and Disability trust funds.

"After a lifetime of hard work, all seniors deserve the opportunity to live healthy, full, and financially secure lives, and many rely on small annual increases to their Social Security benefits just to get by. Now is no time for them to go without this adjustment, especially with so many still struggling." Murray said. "Instead of allowing the biggest corporations to benefit from wasteful and egregious tax loopholes, we should be prioritizing ways to help seniors, veterans, and individuals with disabilities have a fighting chance to make ends meet."

The SAVE Benefits Act is supported by AFL-CIO, AFSCME, Alliance for Retired Americans, The ARC of the United States, B'nai B'rith International, Campaign for America's Future, Center for American Progress, Center for Community Change, CREDO, Daily Kos, Democracy for America, Economic Opportunity Institute, International Brotherhood of the Teamsters, Justice in Aging, MoveOn.org, National Committee to Preserve Social Security and Medicare, National Council of La Raza, National Organization for Women, OWL—the Voice of Women 40+, Progressive Change Campaign Committee, Puget Sound Advocates for Retirement Action, Social Security Works, UltraViolet, and VoteVets.

Other senators introducing the bill include United States Senators Barbara Mikulski (D-Maryland), Charles E. Schumer (D-New York), Debbie Stabenow (D-Michigan), Bernie Sanders (I-Vermont), Sherrod Brown (D-Ohio), Bob Casey (D-Pennsylvania), Sheldon Whitehouse (D-Rhode Island), Jeff Merkley (D-Oregon), Kirsten Gillibrand (D-New York), Al Franken (D-Minnesota), Richard Blumenthal (D-Connecticut), Chris Murphy (D-Connecticut), Mazie K. Hirono (D-Hawai'i), Tammy Baldwin (D-Wisconsin), and Edward J. Markey (D-Massachusetts)

# ATTEND YOUR MONTHLY SUP UNION MEETINGS!

# **SUP Branch Reports**

### **Seattle**

#### October 19, 2015

Shipped: 3 Boatswains jobs to Navy bottoms shipped and filled with 2 B and 1 C seniority members; 13 Able Seaman jobs shipped and filled with 5 A cards, 7 B, 2 C and 1 D registrant; 5 Ordinary Seaman jobs went to 3 C and 2 D cards; 1 Chief Steward/Cook to a C member; and 8 standbys went to 6 A cards and 2 D registrants.

Registered: 5 A cards for a total of 22; 6 B cards for a total of 25; and 1 C cards for a total of 7.

#### **Ships Checked**

Matson vessels MV Manoa and SS Maui called twice in Seattle with little or no problems.

The Patriot vessels: USNS Pomeroy, USNS Yano, USNS Shughart, USNS Soderman and the APL vessels APL Cyprine, APL Philippines, APL Coral all called for SUP/MFOW crew replace-

The SUP on behalf of all Washington State's mariners joined the Port of Seattle staff on October 6, at 1200 hours, and held a vigil for the lost crew members of the SS El Faro. This vessel was formerly named the SS Northern Lights and ran for many years between Tacoma and Alaska and crewed by our sisters and brothers out of the Tacoma SIU Branch. The majority of the crew lost in the *El Faro* comes out of the Jacksonville Branch of the SIU and AMO. Our Seattle membership offers our most sincere condolences to the families and friends of these "lost at sea" mariners.

The SUP/MFOW holiday party will be held on Saturday, December 5, from 1100 hours to 1400 hours at the Leif Erikson Hall, 2245 N.W. 57th Street, Ballard, Seattle, Washington 98107. All members' family and friends are welcome.

The Seattle membership wishes our members aboard our ships, those of us ashore, and our women and men in uniform serving in harm's way a most joyous Holiday Season!

Branch Agent

### Dispatcher's Report Headquarters—Oct. 2015

DUK	
Bosun	2
Carpenter	0
MM	3
AB	17
OS	1
Standby	<u>42</u>
Total Deck Jobs Shipped	65
Total Deck B, C, D Shipped	55
Engine/Steward	
QMED	0
Pumpman	0
Oiler	0
Wiper	0
Steward	0
Cook	0
Messman	<u>0</u>
Total E&S Jobs Shipped	0
Total E&S B, C, D Shipped	0
Total Jobs Shipped - All Depts	65
Total B, C, D Shipped-All Depts	55
Total Registered "A"	
Total Registered "B"	
Total Registered "C"	19
Total Registered "D"	36

### Wilmington

#### October 19, 2015

Shipping: Bosun: 2, AB: 19, AB Maint: 5, OS: 5 and standby: 57 Total Jobs Shipped: 88

Registrations: A: 26 B: 27 C: 19 D: 15

#### **Ships Checked**

APL Korea, Mokihana, Manukai, APL Singapore, Manulani, APL Thailand (Bosun Dmitri Seleznev time up), Mokihana, Maunawili, APL Philippines, Mahimahi, Maunalei. Red Bell was on the Binnacle List but, he is home now and fine.

On October 7, Sonny Gage from the MFOW, Dave Boatner VP of MMP, Rick Doherty of MEBA and I went to see Jeff Turkus at the SIU Hall to express our condolences and solidarity for the El Faro crew who were tragically lost at sea.

Congratulation to Tim Jones and Aaron Mitchell, Wilmington's two newest AB's.

Also congratulations to Headquarters and the Negotiating Committee for a good job with the APL contract.

> Mark Hurley Branch Agent

### The Budget

If you shipped AB on here to make a buck I sure wish you a lot of luck. Just find your bunk and treat it kind cause it's where you spend lots of time.

Both mates on here are budget wise they want to look good in Matson's eyes. All the mates just rake in the dough while for poor ABs, its mighty low.

From Long Beach to Guam you might work everyday but the mates check the budget every which way

While in China all times are a mess with the STCW you need all your rest. On the way home its the washdown you do

then all the ABs are officially through.

But we came in under budget yes, that's true.

A Matson ship, one in a fleet but now she looks like a dirty ole Greek.

### Honolulu

#### October 19, 2015

Shipped the following jobs in the month of October: 1 Bosun steady, 2 AB Day steady, 4 AB Watch steady, 2 OS Watch steady, and 2 AB Maint steady. The shipping jobs were filled by 4 A cards, 6 B cards, and 1 C card. Shipped 29 standby jobs filled by 5 A cards, 8 B cards, 14 C cards, and 2 D cards.

Registered in October: 6 A cards, 7 B cards, 4 C cards and 2 D cards. To date totaled registered: 14 A cards, 12 B cards, 6 C cards and 5 D cards.

#### **Ships Checked**

I visited the Manukai, Maunalei, RJ Pfeiffer, Lihue, Maunawili, Manulani, Manoa, Kauai, Mokihana, Maui, Mahimahi, and the Paint and Rigging gang. All are running with few or minor beefs.

I represented the SUP at the Hawai'i Ports Maritime Council meeting, and the Hawai'i AFL-CIO Executive Board

Shipping continues to be slow in the port of Honolulu, while standby work remains steady. I expect shipping to pick up after Thanksgiving this year.

Speaking of the holidays, the annual SUP/MFOW holiday luncheon will be held on Sunday, December 13, from 1100 hours to 1400 hours at O'Toole's banquet room, 902 Nuuanu Ave, Honolulu, HI. Street parking is free that day, or you can pay to park at the Aloha Tower parking lot and walk over.

Aloha and Happy Thanksgiving, Branch Agent

**VOTE** 

# It's your **Union! Ballots will** be mailed on

# December 1. Tom Larkin Book #4065

Captain Lynn Korwatch aboard the s/s Jeremiah O'Brien with SUP pensioner Art Thanash. Art sailed with Lynn when she was Chief Mate in the Lurline, and skipper in the Maui, way back when.

### **Business Agent's Report**

November 9, 2015

Maui- In at Oakland on the triangle run .Running smoothly with Mike Worth, Bosun and Mike McLavy as delegate.

Kauai- Promoted Mick McHenry on board to Bosun. No qualified Bosun in the hall shipped a steady AB. In and out of Oakland; routine run. There's talk about laying up for six days in Oakland. Make a trip and lay-up. Other than that, all in good hands with Mick McHenry as Bosun, and Paul Davis, delegate.

Lihue- Al Rossi, delegate: In and out of Oakland with ongoing issues with paying time back. This mate is a piece of work. Before paying off from the ship as delegate, be sure that you pass on all information to the newly elected delegate so he or she can be updated with all issues past and present. No qualified Bosun in the hall for a relief on here, no one to promote on board. Sent the job to Wilmington: he shipped Edilbert Genita as Relief Bosun.

Manoa- Swede took a emergency trip off; promoted Jerry Komoto to Relief Bosun; Delegate Duke Maringer. Rumor has this ship skipping Oakland for two trips.

Mahimahi- Due in this week skip Oakland for the last two trips. Running smoothly with Remoni Tufono as Bosun and Izzy Idris as delegate.

**Mokihana-** Still on the LA run.

Florida Voyager- In at Richmond Long Wharf; just returned to the West Coast. Running smoothly with Robert Turner as Bosun and Danilo Perez, delegate.

Oregon Voyager and Mississippi Voyager: Both checked in with little or no beefs.

APL Korea, APL Thailand, APL Philippines, APL Singapore- All checked in with little or no beefs.

Cape Henry- In good hands with Dave Frizzi as Bosun, with Edwin Baptista and Ronald Brito as GVU's.

Cape Orlando- Running smoothly with Jim Linderman as Bosun and Jose Ysern, Alhagie Touray, as GVU's.

Admiral Callaghan- Robert Reed Bosun with Randy Cruz, Roger Timoteo as GVU's.

Pier 9- Change day Pilot Boat San Francisco outbound for sea. Leo Moore, Bosun and Mike Koller as delegate.

Also dispatched and worked in the front office.

### **SUP** members join pension ranks

The following SUP members joined the rank of pensioner, bringing the total number of SUP members to 224:

Carroll Heick, 65, Book No. 1428, joined SUP in 1998, 9 years seatime.

Kianoosh Barkhordar, 69, Book No. 5754, joined SUP in 1994, 11 years seatime.

Thomas Koppel, 62, Book No. 3169, joined SUP in 1973, 25 years seatime.

David Munroe, 59, Book No. 6508, joined SUP in 1985, 21 years seatime.

John Peterson, 67, Book No. 3845, joined SUP in 1971, 21 years seatime.

Mike Arceo, 67, Book No. 3810, joined SUP in 1993, 18 years seatime.

James Kolm, 68, Book No. 3177, joined SUP in 1994, 18 years seatime.