

VIP Club Newsletter

VOLUME 24, NO. 02 www.geocities.com/vipclub2003 FEBRUARY 2004

The Number to call for information on Unisys Retirement Status and Benefits: 1-800-600-4015.

The Number to call for information on Lockheed Martins Retirement Status and Benefits: 1--866-562-2363.

Wednesday, February 04	Board Meeting, Eagan	10:00 a.m.
Wednesday, February 11	Eagan, Program & Social Time	7:00 p.m.

Wednesday, March 03	Board Meeting, Roseville	10:00 a.m.
Wednesday, March 10	Roseville, Program & Social Time	7:00 p.m.

FEBRUARY PROGRAM: EAGAN:

Our February program topic will be "Education and the Justice System" presented by Robert Scurrah. He will discuss misbehavior in schools and what happens to teachers, along with the social impact of prisons. Mr. Scurrah is a psychologist, counselor, writer, and speaker. He is a 30-year veteran, having retired from the Army Chaplain Corps.

MARCH PROGRAM: ROSEVILLE:

The North Suburban Chorus with our own Jack Farber returns, featuring a program of spring music and Irish songs by their leprechaun, John Dunne. The Chorus is directed by Jonathon Nye.

NOTICE

YOUR NEWSLETTER MAY STOP

IF YOUR ADDRESS LABEL DOES NOT HAVE A "4" AFTER YOUR NAME, YOU ARE NOT PAID FOR 2004 AND YOUR NEWSLETTER WILL STOP. PLEASE USE THE DUES COUPON ON PAGE 5 AND SUBMIT YOUR 2004 DUES.



PRESIDENT'S MESSAGE

From: Dale Phelps

All nine of the newly elected VIP Club board met for the first time on Wednesday, 7 January, in Roseville. We welcomed Joe Schwarz as a new director and gave recognition in absentia to Warren Becker, vacationing in Arizona. Warren has helped the club and its members in so many ways. The VIP Club remains solvent after our Christmas party and the treasurer's books have been audited.

Phyllis Salchow, a registered occupational therapist with the Phillips Eye Institute, spoke at our January program. We all learned how important it is to take good care of our eyes. She described normal eye functions, common age-related problems and solutions. Also she talked about eye diseases of concern to seniors, such as macular degeneration, glaucoma, diabetic retinopathy, and cataracts. She also demonstrated some adaptive techniques and had many handouts for us. About 50 members attended to learn about such a pertinent subject. It was good to see more Lockheed Martin members journey to

the meeting. Also, a member from Wisconsin drove about 200 miles round trip to attend. We all enjoyed a very pleasant and informative evening.
Respectfully, Dale Phelps, VIP President

From the Editors



Brian Berggren (651-451-9009) &
Joe Schwarz (651-698-9698)
Address:-VIP Club, 1486 Fairmount Ave, St Paul MN 55105 e-mail: vipclub2003@yahoo.com
The Newsletter Editorial Staff:
Bernie Jansen, e-mail: bjskj@msn.com
John Dufour, e-mail: dufourjj@msn.com
Don Naaktgeboren, e-mail: donfishn@juno.com

DINING CLUBS & GROUPS:

Breakfast groups and get-togethers:
One breakfast group meets monthly at 9:00 a.m. on the 2nd Wednesday of each month at the Tri-City American Legion, Old Hwy 8, New Brighton. Phone: **763-416-3903**.

Another breakfast group meets monthly at 8:00 a.m. on the 1st Thursday of each month at Joseph's Grill, 140 South Wabasha, (Wabasha and Plato) St. Paul. Phone: **651-222-2435**.

Luncheon Groups & Dinner Clubs:
One Unisys Luncheon group meets monthly on the 2nd Wednesday at 11:00 a.m. at the Old Country Buffet, Holly Shopping Center, located at University Ave. and Mississippi St. just north of I-694. For information call **651-552-1465**

Another Luncheon group (engineering/drafting) meets monthly on the 1st Tuesday at 11:00 a.m. at the Old Country Buffet at 2000 S. Robert, West St. Paul. For information call **651-456-0750**.

And another Luncheon group (Unisys and Burroughs) meets monthly on the 2nd Tuesday at 11:30 a.m. at the Mall of America 3rd floor North Food Court. We sit at the tables between the elevator and Burger King. For information call **952-854-7855**.

Dinner Club. A Unisys Dinner Club meets monthly on the 4th Wednesday at 5:00 p.m. at Champs located at 35E and Larpenteur Avenue. For information call **763-786-1044**.

MEETING & EVENT DATES 2004:

<u>Date</u>	<u>Time</u>	<u>Location</u>	<u>Activity</u>
Jan. 14	7:00 p.m.	Rsvl	Program - Social Time
Feb. 11	7:00 p.m.	Eagan	Program - Social Time
Mar. 10	7:00 p.m.	Rsvl	Program - Social Time
Apr 14	7:00 p.m.	Eagan	Program - Social Time
May. 12	7:00 p.m.	Rsvl	Program - Social Time
June 09	4:00 p.m.	Park	VIP Club Picnic
July 14	7:00 p.m.	Eagan	Program - Social Time
Aug 11	7:00 p.m.	Rsvl	Program - Social Time
Sept. 08	7:00 p.m.	Eagan	Program - Social Time
Oct 13	7:00 p.m.	Rsvl	Program - Social Time
Nov. 10	7:00 p.m.	Eagan	Program - Social Time
Dec. XX	5:45 p.m.		USAF Christmas Party

Note: Rsvl = Roseville, Eagan = Eagan Community Center, Park = Highland Park Pavilion, USAF = NCO Club at U.S. Air Force Base of Hwy 62

IN REMEMBRANCE:

Connell, Joseph J. - Age 75, of Brooklyn Park, on January 4. Joe joined Univac in the '50s in Philadelphia after Air Force service. He was a customer support manager in Roseville. Joe is survived by son Greg, daughters-in-law, and sisters.

De Cuffa, Giacomo A.- "Jack" Age 75, of Eagan, formerly of Utica, NY, went to Heaven on Dec. 7, 2003. He is survived by his wife, Yolanda.

Delperdang, Hilda E. - Age 88. Died peacefully in her sleep on 12/30/03. Preceded in death by husband, Alvin.

Perrault, James H. - "Diz" Age 81, of Woodbury. Passed away on December 31, 2003. Survived by his wife, Lella, 5 children, 13 grandchildren and 11 great grandchildren.

ANNOUNCEMENTS:

BLOODMOBILE

Bloodmobile Information from Marion Scott:

MARCH RED CROSS BLOOD DRIVES.

March 24th and 25th, Unisys Roseville needs greeters and servers 9 a.m.-12 p.m. & 12 p.m.-3 p.m.

All volunteers who worked in January received a decorative white T-shirt. The Red Cross donated these shirts to the VIP Club.

Please call Marion Scott at 651-455-7952 to sign-up.

HEALTH ISSUES:

In the January AARP Bulletin, CEO Bill Novelli talks about new Medicare law. He says, "Now we enter the next phase: to do even more to fight the high cost of prescription drugs and the rising costs of health care." AARPs next effort is to "help" us by

working in each statehouse to lower the cost of prescription drugs. Our new state AARP leader, Skip Humphrey, is ready to bring us new choices and products. Thanks to AARP, we got a bill that prohibits drug reimportation, prohibits drug cost negotiation, mandates insurance options that confuse, adds rules that are punitive, and throws in a healthcare savings account that is more of a super IRA (no taxes for money going in or out) for the working wealthy. AARP stated that one-third of its funding comes from third-party product sales that save its members so-so much. AARP licensed its name to UnitedHealthcare for sale of insurance policies and got \$123 million in commissions in 2002. Novelli founded one of the nation's largest marketing and PR firms and his mission is to promote and sell things. Look out.

The fiction of something is better than nothing is what let the Medicare bill get passed. Without any action, many Medicare providers would have seen reimbursement rates drop 4.5%, rural programs further defunded, and cost-shifting distortions amplified. The 680-page monster will be very difficult to fix and may just become a vehicle for introducing even more obnoxious features. Granted, the bill does good for the poor and those with catastrophic drug costs – a couple years from now. This is the year of the discount card; you can buy a card for \$30 dollars to save 15% on drugs that are 25% over-priced. Did some major party just buy a coming election with borrowed money, unrealizable promises, and make many big contributors happy?

Warren Becker sent a piece that claims to have offshore chemical synthesis costs for pharmaceutical active ingredients. A sampling: Celebrex, price/100-\$130.27, cost of ingredients-\$0.60; Lipitor, price/100-\$272.37, cost of ingredients-\$5.80; Zanax, price/100-\$136.79, cost of ingredients-\$0.024. Maybe we should be ordering from a chemical supply house and making our own tablets. We worry about Canadian pharmacies being able to meet the needs of a growing US group of consumers and a probable drug industry move to limit supplies. On 7 January a news article said, Europe's top court ruled that Bayer could limit supplies to stop discount traders from taking advantage of price differences between countries. We've got the FDA, the courts, our congress people, our AARP leaders, and the business community all looking out for us. How can we lose?

Submitted by Brian Berggren (MN Senior Federation Medicare Justice Coalition co-chair)

ARTICLE ON THE RETIREES DEFENSE ORGANIZATION (RDO):

In 1992 and 1993 several thousand retirees from the Unisys Corporation and the former Sperry Univac and Burroughs Corporations formed the Retiree's Defense Organization (RDO) to recover post retirement medical benefits that had been discontinued by these corporations. The resultant litigations and class actions in behalf of these retirees are now essentially concluded.

The RDO committee met on December 4, 2003, at the Fort Snelling Officer's Club. Those in attendance were: Wilt Anderson, Warren Becker, Roy Hain, Bernie Jansen, Art Johnson, Ed Michaud, Ray Miller, and Dennis Stanga. The committee reviewed the current status of all legal actions in behalf of the retirees and decided that no further legal actions would be pursued. The committee decided that the remaining funds that had been collected from retirees in the organization would be donated to various Twin City area charities. Following discussion, the committee decided to disburse \$6,400 of the approximate \$6,440 balance in the bank account to eight charitable organizations on behalf of the members of the Retirees Defense Organization. The committee authorized Warren Becker and Bernie Jansen, the trustees of the RDO bank account, and Ray Miller, the RDO treasurer, to donate \$800 each to the designated organizations. The recipients of these donations are: Catholic Charities (designated for use at the Dorothy Day Center), Loaves and Fishes, Minnesota Medical Foundation (designated for use in Cancer Research), Our Lady of Good Counsel Home, Ronald McDonald House, The Salvation Army, Sharing and Caring Hands, and Union Gospel Mission. The checks to these organizations were sent out in late December 2003 and an acknowledgement has been received from each of the designated organizations.

The current status of the continuing litigations on behalf of the various retirees' groups is summarized, in the "**MEDICAL TASK FORCE BULLETIN; REPORT # 39, December 9, 2003**" (see pages 6 and 7). As part of the "**Group Two Retirees**" defined in this report, settlement checks were mailed in December 2003 to those Sperry Univac retirees who took normal retirement and were not part of an incentive program. Item 3 of this report (**Effect of New Medicare Drug Legislation**) discusses the potential effect of the new Medicare drug legislation that becomes effective in 2006 as it relates to retirees enrolled in various Unisys medical plans.

HAPPENINGS:

Randomly Accessed Memories by Keith Behnke

Curt Nelson's article "The Way It Was" (December VIP Newsletter) triggered my memory and brought out some recollections. While attending the U of M early in 1957 I went for an interview at Remington Rand Univac. I received a job offer and accepted without a second thought even though the salary was not too impressive. However, it was more than I had made at any of my previous part-time jobs and led to my long series of experiences.

After spending two weeks at Plant 2 for orientation, I moved to Plant 1. It seemed like a promotion because of the improved environment. There were many company facilities through the late 1950's and into the 1970's. Plant 1 was on Shepard Road and West Seventh Street, across the river from Fort Snelling. Only the two-story office part was air-conditioned. It was the company's premier facility at the time.

Plant 2 was a group of buildings owned by the Navy (home of the original company - ERA) located on Minnehaha between Prior and Fairview. If your work area was by the windows on the north side, as mine was, you had to be careful because any rain with a north wind would get through the leaky windows and leave your desk soaked. The cafeteria was similar to a military mess hall and if you didn't want to eat there you could head down University Avenue to Porky's Drive In, the Hall of Fame, or the Esquire (big fat sandwiches filled with ham, turkey or roast beef). On special occasions a fancier meal could be had at the Blue Horse or Criterion.

Plant 3 was a truck terminal warehouse located behind Mr. Joe's bar and restaurant on Prior and University. In the winter, snow would blow in around the garage-style doors. Plant 4 was where the commercial computer operations moved after the defense/commercial split in the early 1960's. It is located in Roseville on Highcrest Road across from Francis Gross Golf Course.

Plant 5 was a warehouse building on Prior between University and Minnehaha. It had an exposed metal roof with no internal ceiling so during hot sunny summer days, if you were on the second floor, it was like sitting under a broiler. The only cooling was a large noisy water evaporation cooling system that didn't have much effect. Most of the men working there stripped down to their undershirts on hot afternoons.

Initially, Plant 6 was a building on the East River Road and Ford Parkway. Later, the Plant 6 designation was given to the old Northwest Airline building on University Avenue between Prior and Fairview. That was near Esslinger's bar and restaurant, where you could line up at the cashier's window on Friday to get your paycheck cashed. It burned down and was later reopened across the street as Slinger's. Plant 7 was on Larpenteur Avenue and Hwy 280. An emerging display technology group was housed there.

In the mid-1960's Plant 8 was built in Eagan Township on a property that they named Univac Park. It was a rural area of farm fields and woods with no other development around at the time. It triggered me to buy a house in nearby Burnsville, but it would be nine years before the plant was expanded and I was able to work there.

In later years, after many of these plants were closed, new locations in Eagan opened. The five-story building on Pilot Knob and I494, the lower level of the Yankee Square shopping center, small office buildings on Federal Dr., and the ones in the Corporate Square area where the streets are named after the U.S. space program and the astronauts. Then came the Semiconductor Development building (to guarantee a ready supply of these key computer parts that ended when we decided we couldn't afford to be in that business). And finally the other building built on the initial Eagan property, the Unisys Commercial Marketing (MACS) facility.

During the early years, I remember the company Christmas parties at the Leamington Hotel in downtown Minneapolis. We had a buffet meal and a different type of band in each of the ballrooms on three floors. Directors of major projects would have hospitality suites in the hotel and if you were on that project or knew someone who was, you could get a free drink or two. Company picnics were at the old Excelsior Amusement Park on Lake Minnetonka and later at Valley Fair when it opened. The company provided free food and rides. There were sports leagues including touch football, basketball, volleyball, broomball, softball, golf, tennis, and bowling. Most had season-ending banquets. For example, the golf league's was at the Jax Café in NE Minneapolis where we used the second floor banquet room and had a huge table of door prizes that included whole sets of clubs and everyone there won something. And the bowling league had banquets at the Prom Ballroom in St. Paul with a sit-down dinner and a dance band for the evening entertainment. All these activities were funded by the company's share of the revenue from vending machines in our plants.

In those early days it would not be surprising during the holiday season to notice a distinguished gray haired individual standing behind you as you were working, have him ask about your activity and then wish you a Merry Christmas. You would find out later that it was Bob McDonald, who was the Company President at the time. In later years, a team of bowlers from Univac would meet a team from DCAS in an annual tournament. Afterward, the DCAS Commander and the then-President of Univac, Dick Gehring, would hand out the prizes and join in the celebration (it really didn't matter who won or lost).

When I started, one of the first things I worked on was revising printed circuit card artwork for the File Computer, which used vacuum tubes for switching devices. The larger commercial computers at the time were constructed like small rooms with the walls made up of rows of chassis containing vacuum tube pc cards. During checkout large floor fans were used to try to keep them cool. A major effort at the time was designing printed circuit artwork used to etch the circuits on cards.

We were just transitioning from drawing the circuit paths and component mounting pads on vellum with ink to using a black masking tape on a plastic material to speed up the process, and get more accuracy and document durability. We went from one-sided to two-sided to multi-layer boards as the circuits got more complex and to reduce “jumper wires” needed to cross over the circuit paths. New original vellum drawings, that were similar to those already completed, were sometimes made using “sepias.” Later, when drawings were made on a coated cloth material, the duplication process was called “washoff.” Eventually all drawings were done on a Mylar material. Lettering was done with a tool called a “Leroy Template and Pen”. Prints were made with an “Ozalid” machine that used ammonia as a developing agent (you could always tell when they refilled the machine; it would clear your sinuses immediately if you were nearby). Data was input to computers using either paper tape punched by a “Flex-o-writer” or punched cards (remember those noisy card sorters?). A few of the project names from the early days – Univac 2 and 3, NTDS, CP642B, Antenna Coupler, Minuteman, Nike Zeus, Nike X, UYK-7, UYK-20.

Hand held calculators arrived and replaced the slide rule as the engineer’s basic tool. Then along came design automation. We bought interactive design terminals called “Applicon,” a high-speed drawing plotter called the “Xynetics,” developed a computer generated microfilm system called the “Autogram,” which was later replaced by a “Dicomed COM (Computer Output Microfilm).” During this period we developed a computer based “Automated Design System” with a database that was called the “masterfile” (on a CP-667 computer). When we went to the 1108 computer, we had a program called “Column Oriented Logic Inputter (COLI)” that built an equation file for each PC card. Eventually, more sophisticated workstations and software were acquired and most engineering design became computerized. Data

files could then be used to control the manufacturing process, which was also becoming more automated. You had to learn “Mapper” for many of the computer hosted administrative functions. Typewriters were replaced by Word Processors (precursors to the personal computer). The evolution of computers over the forty-three year period that took us from the Univac 1 to the PC’s we were using when I retired was amazing when you look at both the size and performance differences between them.

These are things that happened mostly from the late 50’s through the 70’s, but both technology and the personality of the company have continued to change during the ensuing years. We can speak of those earlier times as “the good old days,” but I’m sure that there will be different “good times” that someone will recall as they look back in future years.



Chuck Homan getting our Highland Park picnic reservation at 5 a. m. Thanks Chuck!

VIP CLUB APPLICATION AND RENEWAL FORM			
Retiree Name: _____		Spouse: _____	
Address: _____			
STREET ADDRESS	CITY	STATE	ZIP
Phone: () _____	<input type="checkbox"/> Check here if your address or phone number has changed	New Member(s) _____ Renewing Member(s) _____	
Company: Lockheed Martin & Predecessors: _____; Unisys: Univac & Predecessors: _____; Unisys: Burroughs: _____			
Please make check payable to the VIP CLUB and mail to address shown at right:	VIP CLUB Jack Farber 5700 Villa Dr. Shoreview MN 55126	Annual dues: \$4 per Couple or Single. Note to new members: Your newsletters start after dues are received.	
<input type="checkbox"/> Check here if you do not wish to have your name listed in the VIP Members directory. (Directory distributed to members only)			

MEDICAL TASK FORCE BULLETIN

REPORT # 39

December 9, 2003

Litigation Update

1. Administration of Partial Settlement Covering All Remaining Members of Sperry Class

Administration has been completed for the partial settlement covering all remaining members of the Sperry Class whose claims have not been settled previously (either in the 1994 Incentive Retiree partial settlement or the 1998 Sperry Retiree partial settlement).

Group One Retirees: The Sperry Vickers and Sperry Executive Retirees, who had already been through full discovery and overcame summary judgment and who are not subject to any statute of limitations defense, constitute Group One under the settlement. These retirees received their settlement checks in May and the administration of this part of the settlement is completed.

Group Two Retirees: All other retirees, who have not survived summary judgment, are categorized as settlement Group Two. 2760 members of Group Two submitted Claim Forms. In late May, all Group Two members were notified by mail of the rating assigned to their claims and their opportunity to appeal the rating and supplement their information.

As a result of that notification, 577 claimants submitted appeals and supplemental information. After another round of review, class counsel increased the ratings for 188 of the appealing claimants (including 84 claimants who went from no payment to some payment). In mid-September, the files for all 577 appeals were submitted to the court through Magistrate Judge Jacob P. Hart. He and his staff reviewed each file and found it necessary to change/increase only 9 (or 1.6%) of the ratings. The final distribution of the ratings among the Group Two claimants is as follows: zero – 805 claimants or 29% (had been 32.3% before appeals); “one” – 1,601 claimants or 58% (had been 58.8% before appeals); “five” – 263 claimants or 9.5% (had been 6.6% before appeals); “ten” – 91 claimants or 3.3% (had been 2.2% before appeals). The number of claimants in both the “five” and “ten” group increased by 50% as a result of the appeal process.

During October and November 2003, the data to make final calculations (dates of death, marital status, Medicare eligibility, and status of any children on the plan) was verified with phone calls to retirees. On Friday, November 28, notification letters were mailed to the 805 claimants whose materials were rated as “zero” and who were not entitled to payment (787 had not appealed, and there was no basis to increase the rating for 18 others who did appeal). On Friday, December 5, notification letters, checks, an attorney cover letter, and an accountant tax treatment letter were mailed to the 1,955 Group Two claimants who are entitled to payment. A total fund of \$ 2,090,000 is being distributed to these Group Two claimants. This represents the settlement fund amount of \$ 3.5 million allocated to Group Two, less a pro-rata share of court-awarded fees and expenses, the administrative expenses relating to Group Two which have been/will be billed by the accounting firm, and a reserve of \$ 100,000 (4.5%) to deal with any contingencies that may arise due to the need to recalculate payments, etc.

As explained with much more detail in the cover letter to the retirees receiving settlement payments, the calculation of these payments is based in part on the “Base Amount” for each retiree, spouse, surviving spouse or other eligible dependent. Under the Plan of Allocation, these Base Amounts

are then multiplied by the assigned final rating of 1, 5 or 10 to compute an “Adjusted Base Amount.”

The grand total of all Adjusted Base Amounts was pro-rated against the \$ 2,090,000 net fund available for distribution to Group Two. Based on this pro-ration, all Group Two retirees and their eligible spouses and dependents are receiving 1.53% of their Adjusted Base Amounts. For a claimant who received a rating of “one” the Adjusted Base Amount is the same as the Base Amount; for a claimant who received a rating of “five” the Adjusted Base Amount equals five times the Base Amount, so the payment for these claimants is equal to 7.65% of the unadjusted Base Amount; and for a claimant who received a rating of “ten” the Adjusted Base Amount equals ten times the unadjusted Base Amount, so the payment for these claimants is equal to 15.3% of the Base Amount.

2. Burroughs and Unisys Class Retirees – Class Decertification and Change in Case Format

As reported in Newsletter # 38, the legal claims for remaining Burroughs Class and Unisys Class retirees must now proceed as individual cases, because on February 4, 2003 the judge ruled that the case no longer should be a class action. Since July 2003, the legal team has been gathering and evaluating information from retirees who are interested in pursuing their claims on an individual basis and has been confirming the terms for individual representation. The legal team expects to finish making its decisions by early January on the claims which have enough factual basis to proceed. Court filings will occur for the retirees whose claims will continue and other retirees, who had been interested in continuing but whose facts do not provide sufficient support for a claim, will be notified of that decision. Because this is a public document, additional information about this process cannot be disclosed here but will be covered in private correspondence with the affected retirees.

The attorneys are continuing to meet and attempt to reach agreement on as many issues as possible relating to how the claims will now be handled in court. The judge has scheduled a conference with the attorneys on January 22, 2004 to discuss the next steps in court. Now that the complicated process of changing from the class action format is near completion, court-related activities will increase.

3. Effect of New Medicare Drug Legislation

Certain retirees, including William D. Seaton, have written to express concern about the effect of the new Medicare legislation which will become effective in 2006. Specifically, he (and no doubt others) have read news stories about the potential problem of employers ending their retiree drug coverage because the Medicare drug program will be available. Although the implementation details for the legislation remain to be defined in regulations, it does not appear that any retiree needs to be concerned about loss of Unisys-sponsored drug coverage. First, for retirees who are covered by the 1994 settlement with Unisys, the detailed settlement agreement contains explicit provisions regarding legislative changes and requires the company to maintain its financial obligations under the settlement despite such changes. It also may be possible for the company to secure a partial government subsidy under the legislation, based on its payments for the settlement drug plan; this may permit a reduction in retiree premiums for the settlement plan. There is a two-year lead time to determine how the settlement plan will coordinate with the new legislation. Second, for retirees who are not in the settlement plan but who continue to make use of Unisys-sponsored coverage, these retirees are already paying the full cost of the plan. The concern about employer termination of drug coverage is based on dissimilar situations where the employer is paying some or all of the cost of the plan and may be motivated to end the plan to avoid that expense. But in the case of Unisys, all expenses of the non-settlement drug plan are being paid by the retirees.