

# 700 pack IBM pension meeting

## Workers, families voice discontent over new plan

By Aki Soga

Free Press Business Editor

COLCHESTER — Hundreds of IBMers raged against the loss of pension benefits and cheered calls to organize Tuesday night, in Vermont's largest public forum on the issue.

The crowd of 700, most of them IBM employees and spouses, filled and overflowed from St. Michael's College's McCarthy Arts

Center. The town meeting was organized by Rep. Bernie Sanders, I-Vt., in the aftermath of the decision by the state's largest private employer that left many employees complaining their pensions had been drastically reduced.

"All we are asking is that the corporate executives fulfill their promise to us," said Doug St. Amour, a technician who has been with IBM for 19 years. "There has

been a basic loss of trust between IBM corporate executives and the majority of employees."

No official representatives of the company were at the meeting.

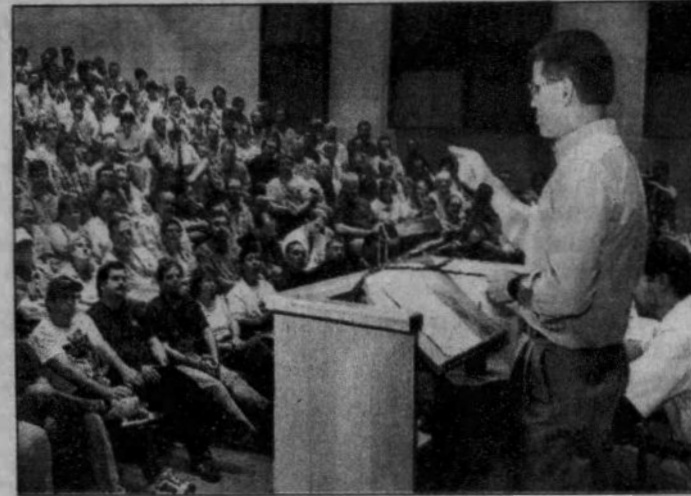
As one IBM employee after another stood to talk about the loss, frustration and disillusionment, calls to organize — either formally or informally — drew loud cheers and standing ovations.

A meeting with union organizers is planned for Monday at the Sheraton Burlington Hotel and Conference Center in South Burlington.

The turnout was extraordinary for a company whose employees have long been publicity shy, especially when it came to criticism of their employer.

The attendees seemed to draw strength from each other. "It feels so great to see so many people here who feel just the way I feel,"

See IBM, 3A



GLENN RUSSELL, Free Press

IBM employee Bill Syverson criticizes the company's recent changes to its pension plan Tuesday evening in front of an overflow crowd attending a town meeting convened by Rep. Bernie Sanders, I-Vt., at the McCarthy Arts Center at St. Michael's College in Colchester.



GLENN RUSSELL, *Free Press*

**IBM employees and their supporters clap as they listen to Rep. Bernie Sanders criticize the company Tuesday night for the recent changes it has made to its pension plan.**

# IBM: Hundreds attend meeting about pension

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said Tim Barritt, a manufacturing engineer who has been with IBM for 18 years. "I thought I was alone."

July 1, IBM switched from a traditional pension plan that paid a fixed amount each month to retirees, to a so-called "cash balance" plan that offers the choice of a lump sum or an annuity that could fluctuate with investment returns.

Anyone within five years of qualifying to retire had the choice of keeping the old plan or switching to the new. Long-time employees who weren't given a choice said they would have to work longer to earn the same retirement benefits under the new plan or face living on less than they had planned.

IBM spokesman Jeff Couture, speaking before the town meeting, said the company adds to the retirement accounts of those who otherwise might suffer from the pension switch.

Couture also said the latest pension change only removes some incentives to retire early that were added in 1991 when the company, in the midst of a financial crisis that led to layoffs and plant shutdowns, was trying to trim its work force.

Those incentives, Couture said, no longer make sense when IBM is facing a fiercely competitive market for technology workers. The changes allow younger workers to build up the value of their pensions quicker, and allow those workers to take the money with them should they change jobs.

"We change the way we do business with the change in the competitive market," he said. "When people ask why now, the company doesn't ever want to get itself in the situation it was in in the early '90s."

Many employees thought the rules had been changed after they had served IBM loyally for many years. They talked about a loss of trust in a company that many still called a good place to work.

Nimo Girreh, who has been with IBM for five years, is among those the new pension plan would benefit. Yet the manufacturing operator said her faith in IBM has been shaken.

"I tell my daughters, finish school, go to college and you can work for IBM," she said as she stood to address the assembly. "Now, I don't know what I'm going to tell them."