



Despite Verizon's good faith efforts to get to new labor contracts, CWA and IBEW leaders, unwilling to make an agreement or even seek the assistance of the Federal Mediation and Conciliation Service (FMCS), have called a strike as of 6 a.m. on April 13, 2016. Verizon has activated its business continuity plans as customer service remains the company's top priority.

For the past 10 months, Verizon has tried to reach agreements for the Company's 36,000 wireline associates in the East. While the company has on the table proposed wage increases, continued retirement benefits (including a generous 401(k) match) and excellent healthcare benefits, union leaders decided to call a strike rather than sit down and work on the issues that need to be resolved.

"It's regrettable that union leaders have called a strike, a move that hurts all of our employees," said Marc Reed, Verizon's chief administrative officer. "Since last June, we've worked diligently to try and reach agreements that would be good for our employees, good for our customers and make the wireline business more successful now and in the future. Unfortunately, union leaders have their own agenda rooted in the past and are ignoring today's digital realities. Calling a

strike benefits no one, and brings us no closer to resolution.”

Reed added: “The CWA president, Chris Shelton, claims that they have tried “everything” to get a path to a contract, but their failure to agree to FMCS mediation suggests otherwise.”

Monday evening, FMCS asked if the company would be willing to participate in mediation if the unions extended their previously announced strike deadline. The company indicated that it was willing to mediate. In 2012, agreements between Verizon and these unions were ultimately achieved through mediation conducted under the auspices of FMCS. This time, however, union leaders refused to participate in FMCS mediation and instead called a strike.

As part of the company’s business continuity plans, starting immediately, trained non-union employees will cover for striking workers and provide customers with the support and assistance they need and expect.

Of course politicians decided to get involved and at a at the University of Buffalo, Sen. Bernie Sanders said, "Over the years Verizon has made billions of dollars in profit, but in a given year has not paid a nickel in taxes." Sen. Sanders is dead wrong on this issue.

In any election year, there’s always an extra amount of rhetoric about corporate taxes. But sometimes basic facts get lost in the claims and counter-claims. Verizon complies with all tax laws and pays the taxes it owes under the law. In 2015, that amounted to \$8.445 billion. That’s \$5.293 billion in income taxes (net amount of any refunds the company received); \$1.284 billion in employment taxes related to its 177,700 employees; and \$1.868 billion in property and other taxes.

These are the tax dollars that Verizon actually paid, as attested to by the company’s CEO and CFO, and verified by an independent auditor. The company reported these totals in its recent 10-K, which was filed with the SEC. This is even more than the \$7.180 billion that Verizon paid in taxes in 2014.

Over the past year, Verizon took extensive measures to ensure its customers would be

minimally impacted by any potential work stoppage. Thousands of non-union Verizon employees and business partners have undergone extensive training in various network and customer service functions, including FiOS and copper repair and network maintenance and general customer service functions.

“Millions of Americans rely on Verizon for the ability to communicate, 24 hours a day, 7 days a week,” said Bob Mudge, president of Verizon’s wireline network operations. “We remain fully prepared to handle any work stoppage so that our products and services will be available where and when our customers need them.” Mudge added: “Our customers are our first priority and we are ready to respond.”

“Verizon’s strike readiness teams have been preparing for a strike since early 2015,” said Mudge. “We look at every area of the business, from network operations to call center management, to ensure we have the tools, the skills and the people ready to step-in for this union leadership driven job action.”

Preparations include:

- The training of thousands of non-union employees to fill-in for those walking a picket line.
- Employees will be reassigned from all parts of the U.S. and all parts of the business including finance, marketing, real estate, engineering and more.
- Duties include handling customer inquiries, inside and outside network plant management, fiber and copper network maintenance and repair, both on the ground and on our poles.

“Since last spring, many of these employees took part in extensive network training sessions at a high-tech, custom designed business continuity training center in Northern Virginia, created especially for this potential event. They know our first priority is maintaining services for our customers and they have taken on this challenge with pride.”