

Report To DuPont Retirees Chapter Membership – 7/31/17

Comments on Merger Status

- According to most sources the merger appears to be on track to complete in August.
- Activist investors are suggesting a different make up of businesses vs. what has been proposed. Also one or two are suggesting a 6 way split vs. 3. See articles posted in right column of our webpage.
- DuPont and Dow have engaged McKinsey and Company, a well known corporate consulting company, to review business make up of spinco's and recommend changes if deemed desirable.
- We are hoping to find out if they have actually made the 2.9 billion contribution to the pension plan (DuPont stated this has been done). The prospectus for the loan used for this contribution says that the Ag company and Spec products company will be responsible for the loan, not the materials company making us speculate that the DuPont pension will reside with the 2 Delaware companies.
- Therefore, strengthening the specialty products company should be a positive for us, but a 6 way split would might be problematic for the pension and increase our anxiety about long term pension security.

DRC (DuPont Retirees Chapter) Status

We have analyzed the membership history of the NRLN DuPont Retirees Chapter (DRC) to define an effective growth strategy for our Chapter. [Click here to view spreadsheet graphs depicting our DRC Network's membership growth and status](#), as well as visits to our webpage. The graph also shows vertical marker lines indicating our communications with the DRC, membership drive actions, and other events surrounding the proposed DuPont and Dow merger and split. Analysis of the graphs indicates strong correlation between the timing of communication events and the subsequent growth spurts – which suggests that relevant communication drives membership growth. In particular, the explicit membership drive, in early January, 2017, has resulted in the largest step increase (10%) in enrollment. Our explanation and interpretation of the graphs are outlined below.

DRC Membership Growth/green line

1. The launch of the NRLN DuPont Retirees Chapter was in early July, 2016. After a large group enrollment, we had 1216 members on 7/18/16. The green line shows the additional enrollment of 493 since 7/18/16, reduced by the 148 un-subscribed accounts. Adding the initial enrollment of 1216, gives the Total Active Membership count of 1561 at the end of June, 2017.
2. Note that nearly every large increase in membership (of 20 or more) appears in a few days immediately following some significant communications with DRC members, which are e-mailed directly and also posted on our webpage.

3. Between major increases in membership, there is generally a slow but steady increase in enrollment, as retirees learn of the DRC from their contacts and our web site.
4. Since the emails go to the DRC members, new enrollments come from a) members sharing the email they receive with their non-member contacts, some of whom decide to join and b) non-members visiting our webpage (where we post our reports, major emails, and media articles), and some of them see value and join the DRC.

Disabled Accounts/black line

5. This line shows the number of members with non-functioning email addresses, spam filters which send our emails to their junk folders, or the e-mail servers that block our communications. We will attempt to reach these members to free up their email access, but they remain part of the membership count.

DRC Webpage Visitors/purple line

6. The total number of visits to our web site is tallied by NRLN, and the purple line shows the average number of daily visitors for each month. On the average, we are experiencing visits of about twice the number of members each month. Non-member visitors are a source of new members.
7. Site visits increased strongly in the first 6 months until year-end 2016, probably because it was a new initiative and there was a high level of fresh concern about the security of our pensions. The average visit level diminished by about 25% from that peak. Nevertheless, the DRC webpage is the most visited among the 30+ NRLN Chapters and Associations. Because of the monthly averaging, the visit levels cannot be easily correlated with communication events, as we can with enrollment.

Path Forward

The net 28% growth in active membership over the last 11 months is significant, but stronger growth is needed for a bigger voice and more resources. We need to:

8. Continue to develop and publish relevant pension security – related communications inform and stimulate interest among our current and potential members and a) reduce and reverse withdrawals, and b) encourage other retirees to join our group.
9. Find ways to reach current and future DuPont retiree populations directly and through personal contacts and networks of current DRC members. We have already done this in the January Membership Drive, with good results, but additional retirees can be probably be reached, with appropriately designed communications through a) Existing NRLN/DRC email and Webpage, and b) Further outreach effort on Social Media. Please do what you can to help us locate new members.