

Conference Call on DOL Changes to Press Lock-ups
April 16, 2012
2:00 p.m. EDT

Coordinator: Thank you for holding. Parties will be on a listen only mode until the question and answer session of today's conference. At that time you can press star 1 to ask a question. This conference is being recorded.

I'd now like to turn the call over to Mr. Carl Fillichio, senior advisor for communications and public affairs.

Carl Fillichio: Thank you very much, operator, and thanks to all of you for joining the call. We're going to be discussing several policy and procedural changes the Labor Department is making to our press lock-ups.

Since I know that there are many news organizations on the line, let me start by saying that this is not a press conference call. We're providing information to assist news organizations, both those that currently participate in the lock-ups and others that might be interested, in understanding what the Labor Department is doing and how it may affect them.

The information that we're providing is for planning purposes only. As the operator mentioned, this call is being recorded, and an audio file and transcript will be available on the dol.gov website.

Rather than go through my April 10 letter, the policy document and the press alert line by line, I'd like to review and expand on some key points and highlight some important dates.

We've got a lot of information to cover, so please bear with me. And I will answer all of your questions at the end of my remarks.

First, let me give you some background. The Labor Department provides press lock-ups for one reason only: to serve the general public by facilitating the news media's ability to read, review, ask questions about and prepare news stories explaining embargoed economic data reports.

Participating news media are given the data reports under sequestered conditions 30 minutes before the reports are released to the public. That half-hour head start allows them reporting and writing time so that they can publish, broadcast, or post on the Internet news coverage at the same time the reports become public.

And let me add here that there will be no change to the standard practice regarding the public posting of DOL data. That includes all Bureau of Labor Statistics and Employment and Training Administration – that is, Unemployment Insurance Claims – data. We are, however, making a special effort to ensure the data are cross posted on the DOL Web site immediately.

You should be aware that two statistical policy directives issued by the Office of Management and Budget, and those are Statistical Policy Directives Numbers 3 and 4, give the department the option of offering pre-release access. And if we exercise that option, we are also required to establish procedures and security arrangements to ensure that there's no premature release of information or data estimates.

So let me be clear: We're not required either by OMB or by any document or law to offer press lock-ups. This is a courtesy we provide. And let me say it's

one that I think is important and very well worth doing. But it and participation by news organizations in it is not a right.

It's been more than a decade since the department reviewed its entire lock-up operations. And over that time the world has changed dramatically. It's simply prudent management to review and update our processes.

We decided that the best option is to “reinvent” and continue our press lock-ups rather than abolish them all together. Staff from the Office of Public Affairs, the Bureau of Labor Statistics, the Employment and Training Administration, the Office of the Solicitor, and the Office of the Assistant Secretary for Administration and Management have worked closely together on this effort. We have given it careful planning and deliberation throughout the process.

That said, let me briefly touch on several topics that I think are of the most interest and concern. The first is the new credentialing process. I want to clarify – because there seems to be some confusion about this – that all current Department of Labor press credentials will expire on Thursday, July 5. By that, I mean the credentials not only of an organization's individual reporters or other personnel, but of the organization itself.

The department is starting its credentialing process from scratch. Every news organization interested in attending our lock-ups after July 5 must send us a request stating that interest no later than Tuesday, April 24.

I should note that a timely request does not guarantee that credentials will be granted. The department has a limited amount of space available in its lock-up facilities and is looking to allocate it in a way that will reach the broadest spectrum and greatest number of readers, viewers and listeners of news.

The most basic criterion is two-fold: One, that the organization asking to participate must be a primarily journalistic enterprise and two, that it must prepare and publish, broadcast and/or post on the Internet time-sensitive summaries and/or analysis of labor data. Summaries and/or analysis must be likely to contribute significantly to public understanding of the data.

As the new policy also reflects, in making credentialing decisions, we will be seeking to ensure that the group of news organizations credentialed, considered as an overall group and not necessarily on an individual basis, distributes a variety of types of news products that reach a wide and diverse audience.

Let me also stress that we will not consider editorial or political viewpoints in making our credentialing decisions.

As part of its request, each news organization is welcome to provide any information it believes is relevant to the criteria I mentioned. However, we're not requesting any specific information from you other than a formal request by the particular news organization, signed by the Washington bureau chief, with a phone number and email address.

And you should be aware that we may also use publicly available information as part of the decision making process.

Credentialing decisions will be made by career employees of the Labor Department, no political appointees – and that includes myself – will be involved in this process.

I also want to mention the allocation of work stations for both our main lock-up facility and our facility for television reporters. For many years, some organizations have been credentialed for multiple spaces, further restricting the total number of organizations that can participate. That's going to change.

The department's default will be to grant one work station or seat per credentialed news organization. However, the granting of more than one seat will be based on requests to that effect supported by legitimate needs, in DOL's view, for the additional spaces.

And let me explain something further. Once a news organization is credentialed, we will credential as many reporters as the news organization needs to fulfill its mission.

So yes, news organizations may rotate those individuals from lock-up to lock-up depending on how many seats you have been designated. In short, backup staff can be credentialed.

I want to underscore one more time that these new credential guidelines apply to all interested news organizations. No one's going to be "grandfathered" in, and no advantage will be given to those organizations that currently participate in lock-ups.

Requests for credentials should be sent by email to Jennifer Kaplan. That's Kaplan, K-A-P-L-A-N dot Jennifer, J-E-N-N-I-F-E-R @dol.gov.

News organizations will be notified of their status by May 8. A list of credentialed media outlets will be posted in the newsroom of our website.

Let me move on to the next topic, which is the technology. Currently, organizations that participate in our lock-ups use their own computer and

phone equipment, which is installed in our facilities. The telephone and data lines they use belong to and have been maintained by them. That, too, is changing.

June 14 is the date of the last Labor Department lock-up under the current system. We will have open hours on Thursday, June 14, and Friday, June 15, from 10:00 a.m. to noon and 2:00 to 4:00 p.m. Eastern Time, during which all currently participating organizations should plan to have their equipment removed.

Even if a news organization receives credentials under the new policy, its equipment must be removed. The department's main lock-up facility will be closed for a three-week period during which the room will be reconfigured with new computer equipment, and telephone and data lines. The Labor Department will own and maintain that equipment and those lines.

If your equipment is not removed during the open hours, it will be removed by DOL IT staff and stored by the Office of Public Affairs.

Let me give you a snapshot of what credentialed news organizations, as well as the reporters, can expect from the time they enter the new main lock-up facility. As is the case now, the room will be open a half-hour before the lock-up begins.

Each work station will offer a telephone, monitor, mouse and keyboard. The server and network gear will be located in the lock-up room within a locked cage but separate from the workspace area.

Users will be able to log onto their desktops at assigned work spaces. Those who want time to prepare notes or drafts can take advantage of the extra half hour to use Microsoft Word, which will be loaded on the computers.

However, there will be not be Internet access until the conclusion of the lock-up.

The press releases and tables of the Bureau of Labor Statistics currently provided to reporters on a compact disc under the new system will be mounted on the department's server and presented to each desktop as a virtual CD/DVD drive.

The same is true for the Employment and Training Administration's press releases and what is commonly referred to as the Page 8 state details that are currently provided on a thumb drive.

At 8:30 a.m., when the embargo ends, a wall switch will be flipped, enabling Internet access – the same as now. The only difference will be that Internet access will not be allowed in the half-hour before the lock-up begins.

And finally, secure copies/secure file transfer capabilities will be installed on computers as part of their desktop image. This will allow reporters to confidentially transmit their stories over the Internet to whatever recipients or systems they choose.

Now, if news organizations believe that they benefit from having at hand electronic files of BLS-generated historical data that provides context on trends, we'll be more than happy to provide everyone in the room access to those, again using our server to load materials in advance onto the computers.

And let me add . . . If you all think there's a need to create charts, graphs and tables, we'd like to hear from you about what you need and why, and we'll be happy to explore possible solutions during the transition phase.

There will be a new rule that personal effects must be placed in lockers outside the lock-up facilities before entering the rooms. However, carrying in paper research notes and other paper materials will be allowed. Carrying in pens and pencils will not be permitted. The department will provide writing instruments as well as plain paper for notetaking inside the lock-up rooms.

I am very interested in hearing your thoughts about other reference materials and tools that news organizations may feel are necessary for them to do their jobs in carrying out the public service purpose of the lock-ups.

So if you have suggestions or concerns, you can bring those to our attention either during the Q&A after my remarks, or you can post them publicly on the Newsroom page of our website. And I do promise that we will give serious consideration to all your thoughts and ideas.

Finally, I'd like to note that, in addition to the changes outlined in my letter and in the policy, we have also made changes to our internal procedures. Most significant is the fact that only career employees will be allowed to staff the lock-ups. That policy went into effect two weeks ago.

Before I take your questions, I want to say a few words about how sanctions for infractions for the new set of rules will be handled. We take our responsibility for security of pre-release access to statistical information very seriously.

In the past, there have been consequences when someone was caught breaking the rules. Over the past two years, for example, two individuals of different news organizations were suspended from participation.

It's important that everyone understands that a single infraction may result in the entire organization or an individual being permanently barred from participation. Ignorance of the policy will be no excuse, and this is not opportunity to ask forgiveness rather than permission. There will be no appeals process.

And I think our new policy agreement is comprehensive, but we can't anticipate every scenario under which a sanction might apply. If you don't know or aren't sure if an action is permitted, it's better to ask.

Over the past week I've also heard questions about how the new rules will apply specifically to participants in the television lock-ups, so let me talk a little bit about that. Reporters in that lock-up are sequestered for 28 minutes and stand outdoors for the last 2 minutes while waiting to broadcast their reports live at 8:30.

Should there be a breach of the embargo on TV, we'll know it immediately and I can assure you it will not happen twice because credentialing of the network will be revoked.

The current process for television reporting throughout the lock-ups under the new rules is unchanged other than that news organizations must follow the same request process for credentials and participants will have to store their belongings in lockers at a designation location in the Perkins Building.

If you're worried about coats in the wintertime or umbrellas when it's raining, we're a step ahead of you and don't worry, provisions will be provided.

Let me conclude by reviewing some key dates that you're going to need to keep in mind:

April 24 by 6:00 p.m. Eastern Daylight Time is the deadline for requests for credentials.

May 8 is the Labor Department's deadline for informing news organizations of their status regarding credentials.

June 14 is the date of the department's last lock-up under the current technology.

June 14 and 15 are the dates of the department's open hours to remove current equipment from our main lock-up facility.

Organizations currently holding Labor Department credentials may participate through Thursday, July 5, regardless of their future status. While our main lock-up room is being reconfigured, there will be three Labor Department lock-ups to release the UI Claims. Those will be held at the U.S. Department of Commerce's lock-up facility. For those of you currently holding Labor credentials, we will provide details for that soon. No BLS lock-ups are scheduled during that period and broadcasters, you should note that there's no arrangement for television at the Commerce Department, frankly, because the networks typically don't cover that and they only cover the monthly release of The Employment Situation report.

Friday, July 6, is the date of the Labor Department's first lock-up for which the newly credentialed policy will be in place, and our room will be equipped with new computers and phone equipment. And, yes, that is the date for the June Employment Situation Report.

Between May 8 and July 6, finally, we will invite news organizations that have been newly credentialed to a mandatory orientation. This will include a hands-on demonstration, and it will ensure that everything runs smoothly and participants know exactly how the process will work.

I want you all to rest assured that during the weeks that our facility is being turned over, we will be testing, testing and testing.

I very much appreciate your time and patience on the call. I appreciate your cooperation moving forward. I'm sure you have plenty of questions so, operator, if you could, let's open up for questions.

I ask that you identify yourself by name and the organization that you represent, and again my thanks for your attention and your cooperation.

Coordinator: If you'd like to ask a question from the phones, press star 1. Please unmute your phone and record your name. To withdraw your question, press star 2.

Once again, it's star 1 to ask a question, and you do need to record your name.

Please stand by for the first question.

The first question is from Lynn Hume. Please state your affiliation.

Lynn Hume: Washington bureau chief for The Bond Buyer. I appreciate the fact that you're going to allow people in for technical demonstrations and that sort of thing. I just wonder if, would you, it just seems difficult going to a completely new situation for the unemployment report. Is that, are you completely wedded to that? It just seems like such an important indicator to start off with a whole new process.

Carl Fillichio: I appreciate your concern. I mean, one of the things that we're battling against is the calendar and when we have time and the availability of the room to make the changes.

We looked at every possible scenario we could and that three-week window where we only have the UI Claims and can do those at the Commerce Department is the only opportunity.

Then, you know, then we go into the first Friday of the month and the Employment Situation Report so we did give this a lot of thought. And I appreciate that there is some concern that, you know, the first time we test this out is with the big number.

But I can assure you that we are working very hard to make sure that the process is seamless and perfect as it always has been.

Lynn Hume: And if I could just follow up with a quick question, we typically bring in estimates or people's projections as to what the indicator's going to be. We will be allowed to continue to do that? It sounded like you said that was the case.

Carl Fillichio: It's our lock-up, are you talking about during the...

Lynn Hume: Bringing into the lock-up of any research that we've done in terms of what the projections will be for the lock-up, that sort of thing.

Carl Fillichio: As long as it's on paper. You can't bring in discs or thumb drives or any type of electronic devices.

Lynn Hume: Right, okay.

Carl Fillichio: Operator, we'll take the next question.

Coordinator: The next question is from Daniel Moss. Please state your affiliation.

Daniel Moss: Bloomberg News. I'm just wondering, why is the Labor Department choosing to do this now? What is the problem that you believe you are trying to fix given the master switch is already in place working effectively?

Carl Fillichio: It's been, as I mentioned, 10 years since we took a holistic view of the lock-up, and times have certainly changed. Why now rather than any other time? Now is the right time to do it.

Daniel Moss: What is the problem that you imagine you're trying to fix given there is an effective master switch there already that controls access out of the room for the information?

Carl Fillichio: There's nothing we necessarily expect. I think we're doing prudent business management of reviewing our systems and looking at the changes in technology and the way that the news is delivered and have decided that now is the correct time to institute these changes.

We have a three-week window where we can test and retest the technology. We're giving bureau chiefs and news media plenty of time to adapt to these changes. I think now is the perfect time to do this.

Daniel Moss: Do I interpret your response, Carl, as meaning there's no current problem?

Carl Fillichio: What I'm trying to do is prevent a problem, Daniel.

Daniel Moss: What is the problem you think, you imagine that this will prevent?

Carl Fillichio: I think we're going to move on. Operator, we'll take the next question.

Coordinator: The next question is from William Mauldin.

William Mauldin: That's William Mauldin from Dow Jones, and I guess what we're looking at is, you know, with Daniel's questions and ours is that – and today we distribute the news not with printing presses but with computers and software so, and we do that, you know, which serves the public and the financial world and subscribers alike.

And what we're wondering is, how much of our own software or hardware are we going to be able to use? Are we going to switch terminals or use the same one each time under this system if it's adopted? And what exact software will we be able to use to transfer the files online, if not our own software, which is essentially how we operate?

Carl Fillichio: And the way that we're all going to operate has clearly changed. All of the technology will be provided by the department. The Secure File Transfer software will be installed on desktops and that will be WinSCP.

We'll take the next question, operator.

Coordinator: The next question is from Matt Cuddy. Please state your affiliation.

Matt Cuddy: CNBC, so it's a television question, so pardon me for everyone else. The credentialing process, and I know you have a very serious number of limits in the big lock-up room, 90% of the time we use the same correspondent. Is there

going to be an issue with the number of correspondents that we register to do this?

Carl Fillichio: You can register as many as you need for backup purposes.

Matt Cuddy: For backup, okay. And the cameramen maintain the same or should all of them be also registered even though they won't technically go in the lock-up room?

Carl Fillichio: You should submit names for everybody that you think possibly would need credentials and you need to, and just so you know, everybody needs to be re-credentialed.

Matt Cuddy: Right, okay, even if they're not going in the room, the cameramen and such still need a new credential. Okay, got it.

Carl Fillichio: You need to apply for your credential for CNBC first.

Matt Cuddy: Right.

Carl Fillichio: If you're accepted, then we'll figure out the credentialing of individuals.

Matt Cuddy: Got it.

Carl Fillichio: Thanks, Matt. Operator, we'll take the next question.

Coordinator: The next question is from Rob Doherty. Please state your affiliation.

Rob Doherty: Hi, I'm with Reuters. I wanted to take another crack if I could at Dan's question. These are pretty drastic changes and it really does pose the question as to what problem you're trying to solve.

You mentioned in your opening only two people suspended over two years. It seems like the current system is working so again, I don't mean to press a point but I think we deserve an answer as to why such drastic changes at this point.

Carl Fillichio: I appreciate your concern, but we're not going to comment on security issues.

Rob Doherty: So are there additional problems beyond the two? Are those the only two problems that have emerged in the last two years?

Carl Fillichio: We have taken a holistic look at what the process has been, and this is a proactive approach to moving forward.

Operator, we'll take the next question.

Coordinator: Brad Foss, you may ask your question. Please state your affiliation.

Brad Foss: Associated Press. Two questions, first is when will news organizations be able to conduct their own testing before a switch in the systems? I know you said you're going to bring people in and do a demonstration but what about further testing on our own?

Carl Fillichio: Testing can take place during that open house period. Let me, let me just confirm this. After June 15 you can come in and test.

Brad Foss: So there's potentially three weeks then of testing? Okay.

Carl Fillichio: That's correct. We will let you know.

Brad Foss: All right. Second question is, you mentioned earlier that, you know, you reiterated that broadcast media has this two minutes still to prepare itself and I'm wondering why the decision to treat broadcast media different from other forms of media? Why not give a two-minute area to those who would be filing information to the Internet, for example.

Carl Fillichio: Everybody transmits at 8:30 and the reason why some news media are different, are treated differently is, frankly, because some news media are different. The situation in the lock-up room downstairs is different than the television situation.

Operator, we'll take the next question.

Coordinator: The next question is from Steven Goldstein. Please state your affiliation.

Steven Goldstein: Hi, I'm with Market Watch, and I have a number of questions and, briefly, I also express my disapproval, but let me ask my questions anyway. Now before the half-hour, so in other words let's say it's 7:45 on days of the unemployment report, will we be able to go on the Internet so that we can get our filing tools, you know, ready to go so we can file, or will the Internet just switch on at 8:30?

Carl Fillichio: No Internet access before the lock-up.

Steven Goldstein: Okay, in terms of connecting to our networks, will there be any sort of VPN or right now we have a direct link into our corporate network. Will that be permitted?

Carl Fillichio: No VPN.

Steven Goldstein: But will the existing link that we have, will that continue so that we're right into the network?

Carl Fillichio: We're taking all of the lines that are owned not by the Department of Labor out of the Department of Labor.

Steven Goldstein: Okay, so we won't be able to use VPN and we won't be able to use our current network. I mean, I don't, I'm just at a loss how we're supposed to do this. I don't see, the way you're describing it we're going to have to email our stories to another reporter to send them out.

Carl Fillichio: Secure file transfer software will be installed on the desktops. You can use WinSCP.

Steven Goldstein: And then one question that I think somebody else asked that I didn't recall hearing an answer, will it be the same computer each time?

Carl Fillichio: Yes, you'll have the same computer assigned, the same computer at the workstation.

Steven Goldstein: Okay, thank you.

Carl Fillichio: But we are reserving the right to randomize the computers and to change them as needed.

Steven Goldstein: Thank you.

Carl Fillichio: We'll take the next question.

Coordinator: The next question is from Mark Tapscott. Please state your affiliation.

Mark Tapscott: The Washington Examiner. This is Mark Tapscott.

Carl, I'm really puzzled why you won't tell us more about what problem it specifically is that you're trying to address and solve by forcing journalists to use government computers. You guys don't handle classified material, at least not that I know of, and you haven't told us anything about what the two journalists who did commit violations, what they did. You're really leaving us all in the air.

Carl Fillichio: Well, I certainly think that the integrity and security of the data is paramount and that we have taken a very good look at our policies and our procedures and noting that the world has changed since we did that last which was 10 years ago, and we have made a prudent business decision to change our policies.

Let me remind you, Mark, that the Department of Labor is not required to do these lock-ups. This is an option and as part of, if we do exercise the option, we are in charge of the security of the information and the technology.

So we are simply restarting the program from scratch for a broad base, after a broad base and holistic look at our policies and procedures. I'm not going to comment on security issues.

Mark Tapscott: Well, would you let me have one follow-up if I could.

Carl Fillichio: I'd be delighted to, Mark.

Mark Tapscott: I'm sorry?

Carl Fillichio: I said go ahead.

Mark Tapscott: Would you comment on some basis on what violations were committed by the two journalists and who were they?

Carl Fillichio: Let me remind you that this conversation is designed for information and planning purposes only. But if you're not going to respect that I will simply say this. In the past, there have been violations of the embargo and the use of equipment in the lock-ups. Those were brought to our attention, we worked closely with the bureau chiefs on a corrective measure, and we moved forward.

I'll take the next question. Thank you.

Coordinator: The next question is from Nick Ballen. Please state your affiliation.

Nick Ballen: Hi, this is Nick Ballen with JiJi Press. I had a two-part question, but it's related. I was wondering if you could talk to me about what support or arrangements you will have for foreign news media who need to write in a language other than English.

Specifically, I'm wondering if you'll configure the computers so we can type in other languages and that with that regard I was wondering what support the programs and the transfer, secure transfer software you will have installed will have 16-bit encoding as opposed to 8-bit encoding in English. Thank you.

Carl Fillichio: We're happy to work with the foreign press on their specific needs, and we can address that separately, but we have made such provisions.

Nick Ballen: Okay, thank you.

Carl Fillichio: I'll take the next question please.

Coordinator: The next question is from Bill Schomberg. Please state your affiliation.

Bill Schomberg: Yes, this is Bill Schomberg at Reuters. Just a question on that somebody else raised earlier. I mean, with the hardware and the software that we'll be allowed to use, are we going to be able to use any sort of publishing format on that which will go directly to our publishing platforms or are we going to, do you think it's just going to have to be by email that we send it out?

Carl Fillichio: As I've noted before we're making available WinSCP.

Bill Schomberg: So WinSCP does exactly what?

Carl Fillichio: It's a document transfer program. It gives you the ability to transfer your documents.

Bill Schomberg: Okay, so it does sound like we'd have to actually handle the formatting and publication, formatting of the information outside of the lock-up then to get them onto our systems.

Carl Fillichio: I'm not sure that that's the case. That's something that we can explore during the transition time.

Bill Schomberg: Okay. I mean it does sound to me like there is a risk of the information being published in a much more uneven and patchy way than under the current system, and I fear that we'll be confusing some markets.

Carl Fillichio: No, I appreciate your concern. What we very much want to do is, during the transition period, work with you to make sure that we can address as many of your concerns as possible.

Next question, please.

Coordinator: The next question is from Diane Ruggiero. Please state your affiliation.

Diane Ruggiero: Hi, Carl, I'm Diane Ruggiero from CNN. I have a credentialing question. Are we supposed to, the first, April 24 deadline, is that just for the organization only and not individuals?

Carl Fillichio: That's correct, Diane.

Diane Ruggiero: Okay. And then after we are accepted, if we are, then we talk about individuals.

Carl Fillichio: That's correct.

Diane Ruggiero: Thank you.

Carl Fillichio: Thank you.

Coordinator: Are you ready for the next question?

Carl Fillichio: Thank you, operator, I am.

Coordinator: The next question is from Clint Rhea from Need to Know News.

Clint Rhea: Hi, I've got two environmental questions. One is the documents you sent out mentioned using virtual desktops, but it sounds like you're actually using separate computers just connected to a file server. Do I have that right?

Carl Fillichio: No, you don't.

Clint Rhea: Okay.

Carl Fillichio: It's its own OS sitting on its own server.

Clint Rhea: Okay, so it is a shared virtual desktop on the server then.

The other question is, what is the browser and version of the browser that's available in this environment?

Carl Fillichio: That would be IE 9.

Clint Rhea: All right, that's it. Thank you.

Carl Fillichio: Thank you.

Operator, we'll take the next question.

Coordinator: Again, it's star 1 if you'd like to ask a question. Please record your name.

The next question comes from Chris Wellisz. Please state your affiliation.

Chris Wellisz: Oh, yes, hi, I'm from Bloomberg News. I wanted to ask if, during the lock-ups if anything goes wrong, what kind of technology backup will there be? Will there be someone there to help us with technical issues if there are issues with the work station?

Carl Fillichio: We're going to have a couple of extra work stations for our IT staff to be based at along with BLS staff. So we will provide, particularly through the transition phase and, as you know, after the, after June, IT staff to assist you.

Chris Wellisz: And when you say something is going to be posted to the Internet immediately, what does that mean exactly?

Carl Fillichio: I'm sorry?

Chris Wellisz: When you say something is going to be posted to the Internet immediately, does that mean precisely at 8:30 or ...?

Carl Fillichio: Yes, one of the new features that we're adding is that, as you know, the BLS posts their number at 8:30, but there's a lag in it being posted on the DOL main page. So we will have a staffer in the DOL – in the lock-up so that immediately after it's posted on the BLS site, it'll be posted on the front page of dol.gov.

There's been some concerns about some speed times on the BLS, so we just wanted to make sure that there was a second place where there'd be credible data for the number.

I'll take the next question, operator.

Coordinator: The next question is from Corey Ansel. Please state your affiliation.

Corey Ansel: Hi, this is Corey Ansel from Bloomberg News. Can you hear me?

Carl Fillichio: I can hear you just fine. Thank you, Corey. Go ahead.

Corey Ansel: Hi. You indicated that the browser will be IE 9. Will there be any restrictions on the browser in terms of what software it can run such as (Klein Site) for Java Script, Java applets controls?

Carl Fillichio: No restriction.

Corey Ansel: Okay, second question if I may ask – Is the – currently we own the hardware, and we ensure its performance. How will you ensure that all the equipment in the lock-up room will perform fairly?

Carl Fillichio: I'm not sure I understand. Perform fairly or just perform?

Corey Ansel: Perform as good as the next work station. We ensure by doing regular check-ups, we ensure that our equipment is up-to-date and primed before every release. How will you ensure the same type of performance to us with this new setup?

Carl Fillichio: All the computers will be the same.
I'll take the next question, please.

Corey Ansel: The next question I have is, if I may ask, what will be the format of the files that you will provide in the virtual drive or the maps to drive?

Carl Fillichio: I don't think we know the answer to that yet but we can certainly provide that information very soon.

Corey Ansel: Okay, and the last question is, will the PCs be wiped off after each lock-up and rebuilt since they're virtual, or will the cookies and such files be remaining on the PC?

Carl Fillichio: The user profile will be kept, but the system will be reloaded. And regarding the previous question, I believe it's HTML.

I'll take the next question please, operator.

Coordinator: The next question is from Heather Scott. Please state your affiliation.

Heather Scott: Hi, I'm the Washington bureau chief for MNI. Obviously want to echo the concerns of my colleagues, the other wires, for these sort of draconian measures that you're asking the wires to change how they have delivered the news, which is what our business is based on.

We don't email stories to our clients, we don't post them on Facebook, we don't post them on a website. They're directly delivered to our client. So you're asking everyone to reprogram how they do that, you know, and many other agencies including your own have done this for years without problems so it seems like, you know, changing the entire software environment they're operating in is quite a drastic measure in the absence of a major problem. You're penalizing the people that are, you know, abiding by the rules rather than directing any, you know, concerns at the agencies that have had issues.

Carl Fillichio: (Do you have a) question?

Heather Scott: Now I do absolutely have a question that since you didn't answer the previous questions on this issue I wanted to make sure you knew that, you know, we echo the concerns of our colleagues.

The question is, will we have, get the versions of the software you're going to be using in advance to test and reprogram? How will you ensure that the, when the switch is flipped, everyone will be connected simultaneously? Serial connections that we all, most agencies use in the lock-up connect automatically.

Other Internet connections do not connect right away, so you will have uneven and unfair release of the data, which you say is not you're, you know, that your concern is to release the data for everyone at the same time and have a level playing field and this is decidedly not that, not going to accomplish that.

Carl Fillichio: I lost your question (unintelligible).

Heather Scott: How will you ensure that the connection when it's restored is the same for everyone because an Internet connection does not come back at the same rate for every single PC which the serial connections we have now are restored instantly? And will we get the software in advance so that we can reprogram how we deliver our stories to our clients?

Carl Fillichio: We're not going to give you the software but you can certainly test Windows 7 and as I mentioned before WinSCP.

Heather Scott: And the Internet connection?

Carl Fillichio: Microsoft Word.

Heather Scott: And the connection to the Internet? How are you ensuring that that's going to be even for all the agencies in the lock-up?

Carl Fillichio: The shared system.

Heather Scott: But they don't come back, they don't come back at the same rate.

Carl Fillichio: It's a shared system, and I'm not really sure what else I can say. We'll certainly test it and keep testing it, and you'll be a part of that testing program if you're credentialed.

Heather Scott: So you'll guarantee that every agency will be connected to the Internet at exactly the same millisecond?

Carl Fillichio: I'm not going to guarantee anything.

Heather Scott: So it won't be a level playing field?

Carl Fillichio: It's going to be, as my letter and the policy shows, clearly we are totally leveling the playing field because everybody is getting the same thing.

Heather Scott: But if we don't connect to the Internet at the same speed and at the same time, it won't be level whereas the TVs will be right at 8:30 broadcasting, for example.

Carl Fillichio: Right. Are you talking about milliseconds?

Heather Scott: Milliseconds or even seconds, however you want to break it down. If you don't connect to the Internet at the same time, different agencies will be transmitting at different times. So if it's your installing the lines and it's your system you need, are you going to guarantee and ensure that all the PCs when the switch is connected connect at the same rate?

Carl Fillichio: Using the same cut off as we've used before. So if you didn't have a problem with that before you shouldn't have a problem with it now.

Heather Scott: But we have a serial connection now. It's a different from what you're installing as I understand it.

Carl Fillichio: This is what we're offering, Heather.

Heather Scott: So you're not going to make, not going to test to make sure that they all connect to the Internet at the same rate or are you going to test that?

Carl Fillichio: As I've mentioned, we're going to test as many different aspects of this as we should.

I'll take the next question, please.

Coordinator: The next question is from Patrick Moroney. Please state your affiliation.

Patrick Moroney: MNI. Hello, yes, I've got just a couple quick questions. Number one, will Excel be available on the desktops?

Number two, you speak of a virtual environment. Will the appliances themselves be available for testing such that we can actually bring it back to our environment?

And then third, kind of following up Heather's question, the method for which machines connect to the Internet, if they're all requesting an IP address from a server, the server's going to service each one of those questions one at a time

indiscriminately and that will not necessarily be a level, it won't all happen at the same time.

Some people's machines will connect sooner than others. Is there any possibility that you could expand further on how you're going to accomplish everybody connecting simultaneously?

Carl Fillichio: I didn't catch all of your questions so let me address the first one about Excel. A spreadsheet isn't necessary either to utilize the text and tables provided by BLS or ETA. But based on what we know, reporters also don't need it to produce their summaries and analysis.

But if that's wrong and there's a legitimate need for spreadsheet software, we'll explore that, and we can and will provide it. That's the type of input we definitely need from all of you so if those are types of issues that we may not have addressed yet or that you've thought of, please let us know.

Repeat your last two questions, please.

Patrick Moroney: You speak of a virtual environment. Essentially that's a – in technical parlance it's called an appliance and you could give that appliance to a number of people such that they could actually install it in their own virtual environment and see how it works. Will that be available?

And then again, yes, with regard to the way machines connect, we connect to a host. It is not going to be an instantaneous process where everybody goes on at the same time. What they're doing is they're going to be sending a request to a server for an IP address. That server's going to respond to each machine as, you know, one at a time and that is, I would not expect that for everybody to be able to connect at the same time.

I guess what I really want is more detailed technical information as to how you guys are going to accomplish the disconnect then the – or how you're going to accomplish the reconnect.

Carl Fillichio: All right, what I'd like to do is turn this over to a member of our IT staff who can address your specific concerns.

Tom Bell: There's a little bit of a mix up here. The work stations will already have IP addresses assigned. The only thing that's being terminated is the Internet address. In other words, you won't be able to go outbound to the Internet.

When you flip the switch what will be turned on is not the IP address to your local system it will be the IP address to the Internet to allow you to go outbound.

Patrick Moroney: Okay so, so essentially, could it be like kind of a metaphor, everybody gets a route restored to the Internet at 8:30?

Tom Bell: That's close, yes.

Patrick Moroney: Okay and again with regard to the appliance itself, the VM, the virtual appliance, will we be able to get a copy of that ahead of time for testing?

Tom Bell: We can't supply it to you but we can tell you the spec that we're using.

Patrick Moroney: Okay, very good.

Carl Fillichio: All right? Operator, we'll take the next question.

Coordinator: The next question is from Cormac Brady. Please state your affiliation.

Cormac Brady: Hi, good evening. This is Cormac Brady from Thomson Reuters.

Question regarding the HTML file that you described which will be provided to the desktop. Will we have the ability to edit that file and manipulate that file to change to use a different file format in the WinSCP protocol?

Carl Fillichio: You're going to have to speak louder. We could barely hear what you're saying. Can you repeat your question again?

Cormac Brady: Certainly. Can you hear me now?

Carl Fillichio: Can hear you much better now, thank you.

Cormac Brady: Thank you. With regards to the HTML file that will be provided to the desktop, will we be able to edit that file and modify that file or change to use a different file format in the WinSCP protocol?

Carl Fillichio: Yes, you would.

Operator, we'll take the next question.

Coordinator: Again, it's star 1 to ask a question. Please record your name.

The next question is from Will Mauldin. Please state your affiliation. Mr. Mauldin, please check your mute button.

Will Mauldin: Is the intent at Labor to release the data simultaneously on the Labor website on the public Internet with no lag at 8:30...?

Carl Fillichio: Will, let me interrupt. We can barely hear you. Can you speak up, please?

Will Mauldin: Yes, I'm just wondering if the data will be released simultaneously on the Labor website searchable with the public at the very same time, 8:30 exactly as the lock-up ends. And also whether you care about the orderly dissemination of this data or it's just whether any of it escapes before 8:30.

Carl Fillichio: Let me answer your first question first. Nothing will change regarding the, as it's always been, the information is posted by the Bureau of Labor Statistics at 8:30 simultaneous with the lift of the embargo. I care about everything related to this initiative.

Will Mauldin: And because it would, we would need to use our systems probably, would it help systems and software to, you know, to ensure that it's disseminated as accurately and as quickly as possible. That at least is what we're working from here.

Carl Fillichio: You know, we certainly are aware that there are a lot of questions and a lot of concerns. This is certainly a new process. We are giving enough time to ask questions, to work with us, to figure out how best we can all do this together.

Operator, we'll take the next question.

Coordinator: The next question is from Brad Foss. Please state your affiliation.

Brad Foss: Hi, AP. I was just cut off. I was trying to ask a follow-up before which it's sort of come back up again, this issue of the Internet connection is one thing, the ability to publish being another.

In the past, the two minutes advantage that was given to television media was leveled out. Now you will have information going to TV viewers first and to probably the much larger Internet audience not seconds but minutes or potentially several minutes later depending on who's publishing it. I'm just curious if that's, you're aware of that and all that, how that, if there's a way around that.

Carl Fillichio: Brad, I'm not aware of this because I don't think it's the case.

Brad Foss: Okay let me, so here's how in theory based on my understanding of the new system, how it will work for a lot of us.

At 8:30, aside from people who have technology that scrapes numbers from the Internet and spits it back out with the use of a computer, those who are using individuals to write stories and publish stories at 8:30 will have to send that information to somebody else via email however long that takes.

That person in a bureau somewhere else will have to take the information in whatever format it's being sent from, put it into a new software publishing system, click all kinds of boxes, and then send it out in which time minutes elapse.

Currently those minutes elapse in your environment and so when you click the Internet connection at Labor it's instantaneous that all the news agencies publish at once, including television reporters revealing to their audiences what's happening.

Now at 8:30 you'll have TV reporters announcing the news immediately, and I suspect a lot of other people spending minutes trying to get their information

to a bureau somewhere to have it then formatted into a new computer system and then have it get sent out to the world.

So there will be minutes elapsing in terms of when the information is broadcast on TV versus when it is available to people who read the Internet, excluding those who might be trying to get onto your website to just look at the raw data.

Carl Fillichio: Right, but I'm going to let my colleague from the Bureau of Labor Statistics address, try to address some of your concerns.

Michael Levi: Hi, this is Michael Levi from BLS. I think you're exaggerating the amount of time that it will take to accomplish this. You will have Microsoft Word available to you. You can do whatever formatting, including special codes, embedded fields, whatever it is you need.

You will be able to transfer that file at exactly 8:30. It should reach your server microseconds later. I don't know what formatting software you use on your side but what you would need to look into is how you take a Microsoft Word document and get it efficiently into whatever format, whatever software you need on your side. I would think that could happen extremely quickly.

Brad Foss: We use a Word-based publishing system. but there is definitely time it takes for human hands to take something that's a Word document and convert it into a document that can be published on the Internet to customers, et cetera, (rate) millions of people who, you know, other radio broadcasters, TV stations, and the like. And I'm not trying to exaggerate. I'm trying to give you a fair representation of how it works.

Carl Fillichio: Okay, I appreciate your comment. We'll take the next question, please.

Coordinator: The next question is from Mark Tapscott. Please state your affiliation.

Mark Tapscott: The Washington Examiner. Carl, once this new process is up and running...

Carl Fillichio: Mark, we lost you.

Mark Tapscott: I'm here now.

Carl Fillichio: Go ahead. I heard, "Once this new process is up and running."

Mark Tapscott: Yes, once the new process is up and running, at what point will Secretary Solis or the White House Press Office or anybody else in the White House receive this data?

Carl Fillichio: The process for how the data is distributed to members of the administration will not change. Nor will the fact that the representatives from the administration will not comment on the data for an hour after its release.

Mark Tapscott: Could you briefly explain how that's distributed now and how it would be different if at all under the new system?

Carl Fillichio: It won't be different at all. It won't be different at all. I can, you know what? I'm comfortable basically talking about how the secretary, and by the way, the correct pronunciation of her name is Soh-lees –

Mark Tapscott: Yes.

Carl Fillichio: I'm comfortable discussing what that lock-up scenario is like for her. The commissioner and some staff come to her office at 8 o'clock. They bring the

data and brief her from 8:00 to 8:30. No one is allowed to leave the room, use cell phones, use the phone, et cetera during that lock-up process. At 8:30, she – the commissioner and the commissioner's staff leave. The secretary doesn't make comments on the numbers until after 9:30. It's been a tradition here, actually, that we add five minutes, so she doesn't do it until 9:35.

Mark Tapscott: Okay.

Carl Fillichio: That process has been longstanding, and it will not change.

Operator, I'll take the next question.

Coordinator: The next question is from Steven Goldstein. Please state your affiliation.

Steven Goldstein: Hi, Steve from Market Watch again. I'm not sure that you appreciate that the, on our side, you know, we have secure measures as well, so you can't just go into our system through the Internet. We all have our own ways of doing so. The way that we use a very common device called a securID token. If we don't have that we won't be able to access our networks. Will we be able to bring in a securID token into the newsroom?

Carl Fillichio: No. Take the next question.

Coordinator: The next question is from Rob Doherty. Please state your affiliation.

Rob Doherty: It's Rob Doherty from Reuters. I just want to follow up on a question that was asked a few minutes ago now about the fairness of computers and each of the computers. Since Department of Labor will be supplying and maintaining the equipment, are you all assuming liability if it fails?

Carl Fillichio: You know what? That's a legal question and I have to check on that but I'll get back to you.

Rob Doherty: Okay.

Carl Fillichio: Thanks. Operator, we'll take the next question.

Coordinator: Our next question is from Ann Brocklehurst. Please state your affiliation.

Ann Brocklehurst: I'm an independent journalist. I'm a little confused. I have a question for the technical people on about whether what's being transferred is an HTML file that proprietary systems will be able to use in the way they use their systems now or if it's a Word document that will actually go out at 8:30.

Carl Fillichio: Ann, it's Word. That's the short answer to your question.

Ann Brocklehurst: Okay so it's not an HTML document, it's a Word document.

Carl Fillichio: You can transfer those documents. I mean, I think that's basically it.

Ann Brocklehurst: At 8:30 or before 8:30 so that they're there when the switch is flipped?

Carl Fillichio: After the switch is flipped.

Ann Brocklehurst: Oh, okay.

Carl Fillichio: All right. Operator, we'll take the next question.

Ann Brocklehurst: Can I just ask a follow up? Is anyone...

Carl Fillichio: Of course. Go ahead, Ann.

Ann Brocklehurst: ...Yes, is anyone concerned about this? Because there will be a huge variation in the amount of time that it takes different organizations to transfer that data which it seems to me would mean that it is going to get out at different times to different people.

Carl Fillichio: I'm confused. Are you saying transfer or convert? Ann, I'm not understanding your question. Transfer or convert?

Ann Brocklehurst: Well, I guess I'm using them interchangeably, I mean convert.

Carl Fillichio: Convert what to what?

Ann Brocklehurst: Okay, well right now the – if someone's in the lock-up they put it in their system so once 8:30 rolls around everything goes out at 8:30 in their system, right?

But if they've got a Word document this means that at 8:30 what's going to be happened is that the Word document will be passed to their organization.

Carl Fillichio: That's correct.

Ann Brocklehurst: Okay.

Carl Fillichio: All right, thanks, Ann. We'll take the next question.

Coordinator: The next question is from Cormac Brady. Please state your affiliation. Please check your mute button.

Cormac Brady: Hi, it's Cormac Brady, Thomson Reuters. Following up from that update I understood from your earlier comments that we would get the HTML file up

to 30 minutes before the embargo time at which time we could then manipulate it as we saw fit and then at embargo time transmit through WinSCP. Is that not the case?

Carl Fillichio: That's correct.

Cormac Brady: So my understanding is correct.

Carl Fillichio: Yes, it is.

We'll take the next question, operator.

Coordinator: Again, it's star 1 and please record your name for any further questions.

Carl Fillichio: Operator, do we have any more questions in the queue?

Coordinator: There are no further questions at this time.

Carl Fillichio: I want to thank all of you for your attention. I want to clarify an answer to one question. Seating may be dedicated or randomized inside the lock-up facility so there may or may not be assigned seating. That's something that we're exploring and we're looking for your feedback and views on that.

If you have additional questions I think one of the best ways in the interest of sharing this information with everybody involved is to post the question on the Newsroom and we will answer. We certainly will answer them.

Again, the transcript of this discussion and an audio file will be up probably within the next – the audio will be up today. The transcript will be up in about two days.

Again, my thanks for your attention and for your cooperation as we move forward. Thanks very much.

Coordinator: That concludes today's conference. Please disconnect at this time.

END