



Cornell University
ILR School

Cornell University ILR School
DigitalCommons@ILR

Leonard Scott Union-Prevention and Counter-
Union Campaign Consulting Files, 1966-2013

Kheel Center for Labor-Management
Documentation & Archives

1980

Samples of counter-union campaign materials Leonard Scott & Company has used in recent Chicago area assignments, 1980

Leonard C. Scott

Follow this and additional works at: <https://digitalcommons.ilr.cornell.edu/leonardscott>

Thank you for downloading an article from DigitalCommons@ILR.

Support this valuable resource today!

This Leonard Scott and Company Counter-Union Campaign Material Samples is brought to you for free and open access by the Kheel Center for Labor-Management Documentation & Archives at DigitalCommons@ILR. It has been accepted for inclusion in Leonard Scott Union-Prevention and Counter-Union Campaign Consulting Files, 1966-2013 by an authorized administrator of DigitalCommons@ILR. For more information, please contact catherwood-dig@cornell.edu.

If you have a disability and are having trouble accessing information on this website or need materials in an alternate format, contact web-accessibility@cornell.edu for assistance.

Samples of counter-union campaign materials Leonard Scott & Company has used in recent Chicago area assignments, 1980

Abstract

Do and Don't's; Guarantee Sheet; Benefits; Negotiations; Strikes; One on One themes; General; Union Prevention.

LEONARD SCOTT & COMPANY
MANAGEMENT CONSULTANTS

611 ENTERPRISE DRIVE
OAK BROOK, ILLINOIS 60521
(312) 640-1230

Contained herein are samples of counter-union campaign materials Leonard Scott & Company has used in recent Chicago area assignments. Please keep this information confidential.

What Management Can Do

So long as you don't threaten workers either directly or by implication that you will take reprisals in the event they organize, so long as you don't promise them any benefits for rejecting a union, you have a pretty free hand in telling the company's story. You can give your opinion on unions in general or in particular. You can present your arguments on why a union is not necessary at your plant.

But, directly to the point, the following is a guide which may be useful to you in combatting union election propaganda.

1. You can tell employees frankly that you think both they and the company benefit when you deal with them directly, and no outside party interferes in this relationship.
2. You can explain in detail exactly what benefits your employees already have.
3. You can add that there is nothing a union can do for them that they can't do for themselves.
4. You can point out the disadvantages of unionism--wage losses from strikes, picket line duties, monthly dues, fines, assessments. You can further say that a union is expensive.....to join, to remain a member. You can observe that unions are supported by fines, dues, fees, assessments, which pay the salaries and expense accounts of professional labor leaders.
5. You are free to tell employees of any experience you have had with unions.
6. You can explain to workers how their wages and fringe benefits stack up against unionized shops.
7. You can say that a union--regardless of its promises--cannot compel a company to agree to anything against its will--to pay wages or fringe benefits that would make it non-competitive.
8. You can discuss seniority provisions of union contracts which handicap ambitious or skillful employees in advancing to higher positions according to their abilities.
9. You can say flat out that you oppose the principle of compulsory unionism; but that unions always try to win a union shop (or a maintenance of membership agreement) which forces workers to belong to the union and pay dues; that under such agreements discharge is the penalty for failing to do so.

10. If the union makes any untrue or misleading propaganda statements, you can give the employees the actual facts.
11. You can tell employees that they do not have to sign any authorization cards union organizers may have passed out.
12. You can add that workers don't have to talk to union organizers unless they wish to.
13. You can explain that as union members they may not be free to take their troubles directly to supervisors, but may have to depend on a shop steward to do the talking.
14. You can remind workers that simply because they have signed a union authorization card they don't have to vote for the union in the election--that the election will be secret, and that no one will know how they ballot.
15. You can repeat that you think there is no need for a union, and that you believe if workers join one they will be paying dues and assessments for benefits they are already getting.
16. You can say that belonging to a union is not necessary to insure job security.
17. You can insist that the union restrict its efforts to secure members to non-working hours and outside of your plant.
(However, an employee may discuss the union and try to persuade co-workers to join even if he is on your property so long as this activity occurs during non-working time.)
18. You can explain to employees that if they are restrained, coerced, or threatened by an agent of the union to tell their supervisors who will report it to management.
19. You have the right to enforce all rules and regulations in accordance with past practice regardless of whether or not a worker is a union member.
20. You may talk to employees in groups on your own property and on company time so long as the talk is not made within the "24 hour silence period" before an election.
21. You may mail written material to the homes of employees, even though it reaches them during the "24 hour silence period."

What Management Can't Do

1. You can't do anything, say anything, that may be considered as interfering, restraining, coercing employees in their right to take part in union activities.
2. You can't offer bribes or inducements (even if the offer is by implication) to persuade workers not to join a union.
3. You can't discriminate against an employee because he is a union member or is taking part in union activities.
4. You can't ask an employee (or small groups of employees) to talk to you privately about the union, or ask them whether or not they favor it.
5. You can't threaten job loss, wage reductions, discontinuance of past benefits if employees join a union.
6. You can't use threatening language which might intimidate a worker, and cause him to refrain from joining a union.
7. You can't threaten to move the plant, shut it down, or reduce its operations if employees vote that a union be their bargaining agent.
8. You can't deny employees who represent the union the right to solicit members during non-working hours.
9. You can't ask a worker if he or anyone else belongs to the union, is in favor of it, or is engaging in union activities. If an employee volunteers this information you have the right to listen, but don't ask any questions.
10. You must not do anything that would indicate to employees that you are keeping an eye on them to see whether or not they are taking part in union activities.
11. You can't say that you won't deal with a union.
12. You can't initiate any practice that favors non-union employees over union members.
13. You can't ask a worker what he thinks about the union or its officers.
14. You can't stop an employee from soliciting union memberships on company property during non-working time.
15. You can't give the good assignments to non-union employees and the unpleasant ones to persons who, you think, favor the union. You must also be fair in distribution of overtime.

16. You can't threaten to lay off a worker or to discipline him because he is outspokenly in favor of the union.
17. You should refrain from all arguments with individual employees over the union question--especially if they are likely to lead to blows.
18. Finally, you should check any remarks that you make during a union election against these three questions: Does it threaten? Does it promise? Does it discriminate against a worker simply because he favors a union?

MEMORANDUM OF AGREEMENT BY
AND BETWEEN
TEAMSTERS LOCAL # 714
AND EMPLOYEES OF
UDDEHOLM CORPORATION

In consideration of _____'s
signing or promise to sign a Union Authorization Card
supporting my Union in the upcoming National Labor Relations
Board conducted election. I hereby make the following written
guarantees:

A) Negotiated Improvements

1. I, the Union Organizer, guarantee employees at
Uddeholm will get a _____ (dollar or cent
per hour) or _____ % percentage increase in
the very first contract we negotiate with the
Company.

Signature of Union Organizer

Date

2. I, the Union Organizer, guarantee employees at
Uddeholm will receive a cost of living allowance
(COLA) in the very first contract we negotiate with
the Company.

Signature of Union Organizer

Date

3. I, the Union Organizer, guarantee employees at
Uddeholm will receive added or improved benefits in
the very first contract we negotiate with the Company.

Signature of Union Organizer

Date

4. I, the Union Organizer, guarantee employees at
Uddeholm that they will not lose benefits in negotiations
and, if any benefits are lost, our Union will provide
these lost benefits out of its own funds.

Signature of Union Organizer

Date

5. I, the Union Organizer, guarantee employees at Uddeholm that if the Company exercises its legal rights, --- and refuses any and all of Items 1 through 4 my union will give you these benefits out of its own funds.

Signature of Union Organizer

Date

B). Union Requirements

- 1.) I, the Union Organizer, guarantee employees at Uddeholm that the union during contract negotiations will not ask for a contract clause requiring that you lose your job, if you don't join the union or pay union dues.

Signature of Union Organizer

Date

- 2.) I, the Union Organizer guarantees the employees at Uddeholm that no employee will at any time for any reason be requested or required to pay union fines.

Signature of Union Organizer

Date

- 3.) I, the Union Organizer, guarantee employees at Uddeholm that no employee will ever be assessed any monies----in addition to the-----unless the employee fully agrees.

Signature of Union Organizer

Date

- 4.) I, the Union Organizer, guarantee the employees at Uddeholm that my union will never require any employee who wants to go to work not to cross the picket line.

Signature of Union Organizer

Date

5.) I, the Union Organizer, guarantee the employees at Uddeholm the following benefits, wages or anything not mentioned here.

I further provide the following blanks for any other thing not mentioned above.

- a. _____
- b. _____
- c. _____
- d. _____
- e. _____

Signature of Union Organizer

Date

Wherefore, I, the Union Organizer, am an authorized agent of the Teamsters Local #714 and hereby subject my union to a damage action by Uddeholm employees for breach of any of the above guarantees I have just made and signed.

Authorized Union Signature

Date

In consideration for the union organizer's signed guarantees above, I do hereby pledge to vote for the union and/or sign an Authorization Card.

Employees Signature

Date

UDDEHOLM BANKBOOK OF BENEFITS

In addition to your regular pay checks, Uddeholm Steel provides you with many outstanding fringe benefits without cost to you. The following is a listing of those benefits which can be calculated. These are like "extra pay checks" that Uddeholm pays you based on an average wage rate of \$6.95 (which is below our average rate).

<u>BENEFITS</u>	<u>AVERAGE ANNUAL COST</u>
Medical & Life Insurance (including 100% of family coverage)	\$971.00
Long & short term disability Ins.	173.47
Pension Plan	722.80
Paid sick leave (10 days/year)	556.00
Paid Holidays (14 1/2 in 1980)	806.20
Paid vacations (2 weeks)	556.00
Paid breaks	869.00
Social security (required by law)	886.15
Unemployment Insurance (required by law)	331.04
Workers Compensation Insurance (required by law)	390.13
Total Average Cost Per Employee.....:	\$6,261.79

This figure is 43 % of the average annual pay and is in addition to your regular wages.

This represents \$ 521.82 per month or \$ 3.11 per hour in "Hidden Pay" which does not include benefits not calculated shown on the next page.

SOME OTHER ADDITIONAL FRINGE BENEFITS
PROVIDED TO YOU, BUT NOT COSTED OUT

1. Funeral Pay (3 days)
2. Shift differential
3. Report - in pay
4. Jury duty pay
5. Promotion from within
6. Open door policy to settle grievances
7. Leaves of absence
8. Educational assistance
9. Paid voting time
10. Military leaves
11. Progressive wage increases
12. Semi-annual wage scale reviews
13. Company picnics
14. Christmas and other parties.

6-10-80

COLLECTIVE BARGAINING AND THE LAW

Several employees have asked what the law says about the negotiating process and the election campaigns conducted by the employer and the union before the election.

Specifically, they wanted to know if the law required either the company or the union to agree to specific proposals or make concessions to the other side. Here is what the law says.

[§ 641] [Sec. 8(d)—Duties of Parties in Collective Bargaining]

(d) For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: *Provided*, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

Also, it has been asked what the law says about the election campaigns the company and the union conduct before the NLRB election. Here is the exact wording of the law on this subject.

[§ 640] [Sec. 8(c)—Free Speech]

(c) The expressing of any views, argument, or opinion, or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this Act, if such expression contains no threat of reprisal or force or promise of benefit.

UDDEHOLM

UDDEHOLM STEEL CORPORATION 851 N. Expressway Dr., Itasca, IL 60143 • (312) 773-5750

June 17, 1980

TO ALL WAREHOUSE EMPLOYEES

Subject: Employee Benefits At Uddeholm Corporation

I think it is important that everyone understands what benefits they have at Uddeholm and how these benefits measure up to the benefits of other Companies.

Your benefit program at Uddeholm is an outstanding one and you don't have to pay any dues, fees, or assessments to get it. The details of this benefit program are outlined in the attached "Uddeholm Bank Book of Benefits." On Thursday, June 19, 1980 Sandy Silverman, Uddeholm's Personnel Manager will hold a meeting at the plant to explain and discuss our benefit program with you.

When you compare our benefits with those at other Chicago area Companies, you will see that our benefit plan is much better than most of the programs. Uddeholm's benefits are especially better than the average plan in the areas of paid Holidays, vacations and paid sick pay.

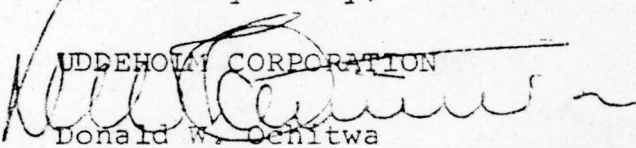
The Company has established these benefits:

- To provide you with substantial paid time off for Holidays, vacations and illness.
- To protect you and your family against the medical bills due to illness and injury.
- To give you financial resources for your retirement years.

I hope you will give a vote of confidence back to the Company by voting NO on Friday, June 27, 1980.

Yours very truly,

UDDEHOLM CORPORATION


Donald W. Ochitwa
District Manager

UDDEHOLM

UDDEHOLM STEEL CORPORATION 851 N. Expressway Dr., Itasca, IL 60143 • (312) 773-5750

June 13, 1980

TO ALL WAREHOUSE EMPLOYEES:

Subject: Negotiations: WHAT'S THE TRUTH?

The Teamster's in its attempt to get in at our plant, has been making lots of promises and claims about negotiations and what will happen if the Teamster's get in. We are concerned about the credibility of the Teamster's because AGAIN they aren't being honest with you, so again, we will shift from the Teamster's emotionalism to the FACTS.

FACTS ABOUT NEGOTIATIONS

If the Teamster's gets voted in on June 27, 1980 Uddeholm would be required to ONLY do two things:

- A. Recognize the Teamster's as your bargaining representative.
- B. Negotiate in good faith with the Teamster's.

Here are some facts about negotiations the Teamster's have not told you about.

"Unions typically promise employees whatever they want to hear. They do it because most employees don't understand the negotiating process and unions capitalize on the lack of understanding. Most unions attempt to give employees the impression that through the process of negotiations things can only get better. That negotiations will automatically result in more wages and benefits. Nothing could be further from the truth. Negotiations in fact, are a two-way street, wages and benefits can go up, but they can also go down. In fact, the federal law does not protect employees from losing as a result of negotiations. A union's primary goal in negotiations is to get a union shop and check off clause in the contract. A union shop requires compulsory union membership from employees on payment of initiation fees and union dues to the union to keep their jobs. A check off clause requires that these initiation fees be automatically deducted from the employees pay checks and sent to the union office so the union can avoid collection problems. To get these two clauses in a collective bargaining agreement unions often trade away benefits employees already have.

June 13, 1980

Page 2.

This is a good example of the union winning while the employee loses what he had in the process.

The National Labor Relations Act specifically provides that an employer need not agree to any union demand, unions can make all the demands they want, but in the final analysis the only power the union has is to accept the final offer made by the Employer or call a strike. Notwithstanding an Employer bargains in good faith, its final and last offer to the union may exclude or severely limit union demands, while at the same time contain its own demands. Unions and negotiations are no panacea. They can just as easily produce a bad result as a good result. Nor are they A.B.C. kinds of things. Some negotiations can drag on for months and years before agreement is ever reached. Many times employees are stuck with the same wages and benefits they had when negotiations first began even though it is a year later and still there has been no negotiated agreement. We're not saying this will happen, but it has happened, and you should be aware of it. It is possible to win improved wages, hours and conditions of employment in negotiations. It is also possible to lose. Negotiations can and do result in strikes. We read about unions on strike almost every day in our local newspapers. One way you can avoid the pitfalls of negotiations and the possibility of strikes is by voting "NO" Friday June 27, 1980.

Employees organized by the Teamsters have lost benefits in negotiations from the East Coast to the West Coast.

- A) On the East Coast the Teamsters negotiated reduced sick pay for employees at Scientific Products in Washington D.C. Union security and dues money from employees was the Teamsters motive.
- B) On the West Coast the Teamsters gave away employees profit-sharing at American Hospital Supply in Santa Ana, California. Union security and dues money from employees was again the Teamsters motive.

June 13, 1980

Page 3.

NEGOTIATIONS WITH THE TEAMSTERS UNION GIVES YOU NO GUARANTEES:

- A. You can LOSE as easily as win.
- B. The Teamsters know how to spend your money, win or lose. With their record of corruption it's "GOODBYE MONEY".
- C. You could be on strike. The Teamsters had 547 strikes from June 1977 through July 1978. With the Teamsters there is always the chance you will be out of work on strike without pay.

Vote NO on Friday, June 27, 1980 and make certain that you win.

Yours very truly,

UDDEHOLM CORPORATION


Donald W. Odhwa
District Manager

j

LOCAL 745, IBT v. NLRB

(Empire Terminal Warehouse Co.)
U.S. Court of Appeals,
District of Columbia Circuit

DALLAS GENERAL DRIVERS,
WAREHOUSEMEN AND HELPERS,
LOCAL UNION No. 745, INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS OF AMERICA v. NATIONAL LABOR RELATIONS BOARD and EMPIRE TERMINAL WAREHOUSE COMPANY, Intervenor, No. 19265, January 6, 1960

LABOR MANAGEMENT RELATIONS ACT

—Refusal to bargain—Unilateral reduction in wages—Impasse in negotiations ▶ 54.673 ▶ 54.54 ▶ 54.3211

NLRB held warranted in finding that employer did not violate Section 8(a)(5) of LMRA by unilaterally reducing wages after impasse regarding wages had been reached during parties' negotiations for new contract, notwithstanding union's contentions that no such impasse had been reached and that Board erred in refusing to order employer to reveal its financial position. (1) Fact that parties resumed discussion on issue other than wages after date of wage cut is not incompatible with a finding that impasse on the wage issue had been reached by that date. (2) Employer's position on wages was not based on claim of financial inability but on ground that it was paying wages in excess of prevailing rates of its competition in the same labor market.

On petition to review an NLRB order (53 LRRM 1589, 151 NLRB No. 125). Affirmed.

David R. Richards, of the bar of the Supreme Court of Texas, pro hac vice, by special leave of court (L. N. D. Wells, Jr. and Herbert S. Thatcher, on the brief) and David S. Barr also on the brief) and David S. Barr also entered an appearance for petitioner.

Hans J. Lehmann (Arnold Ordman, General Counsel, Dominick L. Manoll, Associate General Counsel, Marcel Mallet-Prevost, Assistant General Counsel, and Allison W. Brown, Jr., were on the brief), for respondent.

Allen P. Schoofield, Jr., of the bar of the Supreme Court of Texas, pro hac vice, by special leave of court (J.

Parker Connor was on the brief), for Intervenor.

Before WILBUR K. MILLER, Senior Circuit Judge, BURGER, and TAMM, Circuit Judges.

Full Text of Opinion

BURGER, Circuit Judge:—The issue under review is whether the National Labor Relations Board could properly find that an employer and a union had bargained to an impasse, thus warranting the employer in reducing wages unilaterally after termination of their existing contract.

Petitioner, a local union affiliated with the International Brotherhood of Teamsters, seeks review of an order of the Board dismissing a complaint arising from charges filed by Petitioner against Empire Terminal Warehouse Company, Intervenor in this action. The issue under review grows out of an alleged violation by the Company of Section 8 (a) (5) of the National Labor Relations Act, 61 Stat. 141 (1947), 29 U.S.C. § 158 (1944), making it an unfair labor practice for an employer to refuse to bargain collectively with the representatives of his employees.

The Union charged that the employer had breached his bargaining duty by instituting a wage reduction while negotiations were pending and when no impasse had developed. The Trial Examiner dismissed the complaint on the grounds that impasse in negotiations was not necessary for such a unilateral action, also finding that there was no impasse at the time the action was taken. The Board upheld the dismissal, but concluded that the record showed an impasse had been reached. It did not, therefore, reach the question of whether a wage cut by the employer is permissible absent an impasse.

[ISSUE OF IMPASSE]

The only question before us is whether there was sufficient basis in the record for the Board's finding that an impasse had been reached. There is little dispute as to the actual history of the negotiations; the parties differ only on the Board's conclusion as to whether the status of bargaining constituted an impasse.

Prior to the negotiations under review the Union and the employer had had amicable collective bargaining relations beginning in 1956. With their contract due to expire on August 16,

▶ locates related rulings in *CDI's, Classification Guide, and Latest Additions*

Decisions of the Courts

1962, they began negotiations on July 13. The Union presented a complete proposed contract including significant changes in contract terms and a 25 cents hourly wage increase. At the second meeting, July 24, the Company presented a detailed counterproposal on all issues except wages, and pointed out that it was already paying 35 to 50 cents more per hour than its competitors, and could hire men in the area for less than the existing Union rate. The Union asserted it would not sign any contract without a wage increase. At a later meeting the Company asked the Union for a new wage proposal and the Union replied that it thought the next move was up to the Company. On August 6 the Union indicated it would ask its membership if they would forego the 25¢ increase. At this point a representative of the Federal Mediation and Conciliation Service was called in and participated in meetings held after August 6, 1962. Before the Union could meet, the Company wrote the Union that its "wage proposal in the negotiations for a new contract" was a reduction of 40¢ for new workers and 55¢ for existing ones and that it would put this reduction into effect on August 17, after the expiration of the contract. On August 13 the union membership voted to strike if a wage cut was made. On the day of contract expiration, August 16, the Union proposed an extension of the current contract. The Company rejected this, and the Union then proposed a new contract with a cut in the wage rate for new workers and the same rate as in the current contract for existing workers; the Company rejected this. At this point, the testimony indicates, no future meeting was scheduled but it was agreed that if either party wanted to meet again they could schedule another session "when the spirit moved them." The next day the Company put its reduction into effect.

The Board found that an impasse had been reached before the Company reduced wages. While the Board inaccurately recited that the Union was still demanding a wage increase at the time negotiations terminated, the record indicates no Union intention to recede from its position that there should be no wage cut for existing employees, who were the immediate concern, nor is there any suggestion that the Company had any intention of receding from its position on a wage reduction. At no time did the

Company refuse to meet; a week or more after the wage reduction became effective and after the contract expired, it wrote the Union stating its continued willingness to meet. But the Union then called for a second strike vote and a strike began on September 10 with most of the employees participating. All striking employees were replaced by September 12; the record does not reveal at what rates the replacements were employed. Thereafter meetings were held on September 24 and 27, October 3 and 12.

[SCOPE OF REVIEW]

Our evaluation of the Board's finding that the Company did not refuse to bargain in good faith depends, as we suggested, on whether there is a record basis for the finding that at the time of the wage reduction the parties had reached an impasse in wage negotiations. It is elementary that firmness of a bargaining position does not constitute bad faith. Our scope of review confines us to determining whether there is an absence of substantial evidence to support the Board's finding; impasse is a question of fact involving the Board's presumed expert experience and knowledge of bargaining problems. The problem of deciding when further bargaining on an issue is futile is often difficult for the bargainers and is necessarily so for the Board. But in the whole complex of industrial relations few issues are less suited to appellate judicial appraisal than evaluation of bargaining processes or better suited to the expert experience of a board which deals constantly with such problems.

Where good faith bargaining has not resolved a key issue and where there are no definite plans for further efforts to break the deadlock, the Board is warranted, see *American Shipbuilding Co. v. N.L.R.B.*, 380 U.S. 300, 58 LRRM 2672 (1965), and perhaps sometimes even required, cf. *N.L.R.B. v. Intra-coastal Terminal, Inc.*, 286 F.2d 954, 47 LRRM 2629 (5th Cir. 1961), to make a determination that an impasse existed.

There is no fixed definition of an impasse or deadlock which can be applied mechanically to all factual situations which arise in the field of industrial bargaining. Nor is there a rigid formula for assessing so subtle an issue as the precise time when an impasse occurs; but the fact that the parties resume discussions on issues other than wages after the date of

the wage cut is not incompatible
a finding that an impasse on
wage issue had been reached by
date.

The claim that the Board er-
refusing to order the Compan
reveal its financial position is not
founded. The Company's positio
wages was not based on a clai
financial inability to pay but o
ground that it was paying rat
excess of prevalling rates of its
petition in the same labor market

Affirmed.

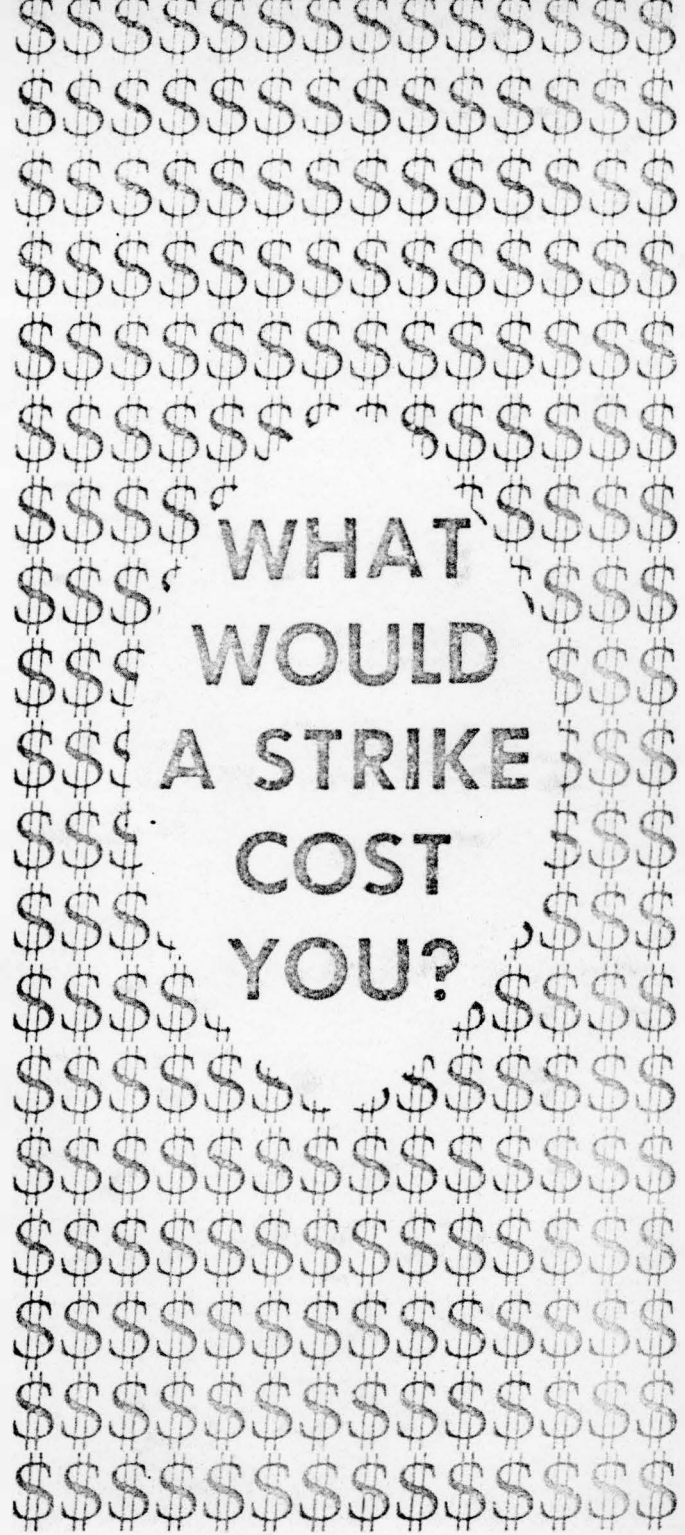
Everyone LOSES In A Strike!

- EMPLOYEES lose pay checks, and it takes a long time to recover the loss.
- The COMMUNITY, its merchants and stores lose the benefit of payroll dollars.
- The COMPANY loses production, sales and often customers. Money which might be available for more jobs and expansion is lost.

UNIONS claim a strike is their strongest economic weapon, but some UNION LEADERS use strike threats and strikes with complete disregard for how it will affect employees.

UNION LEADERS lose no paychecks during a strike.

These same UNION LEADERS generally "call the shots" on when to strike and for how long.



Before You Go On Strike, Or Vote To Strike, Think About

What It Will Cost You!

Use This Strike-Cost Table To Figure Out Your Money Loss —

- If your take-home pay is \$300 a week and you strike for a 10 cents an hour increase, the table shows it will take you 75 weeks to get back your one-week's money loss — if the strike is settled in one week and you do get the 10 cents an hour increase.
- If the strike lasts longer than one week, simply multiply the number of weeks on the table by the number of weeks the strike lasts to find out how long it will take you to recover your money loss.

Example:

A three-week strike under the above circumstances would take you 4 years and 17 weeks (75 x 3 = 225 weeks) to recover your money loss.

If the strike fails to get the increase sought, you never recover the money lost during the strike.

For Every Week You Strike — In The Hope of Getting

An Hourly Increase Of ↗

0¢ 3¢ 5¢ 10¢ 25¢ 50¢

It Will Take You This Long To Get Back
What You Lost

If your present take-home pay is	You Will LOSE	0¢	3¢	5¢	10¢	25¢	50¢
\$120	\$120	Never*	100 Weeks	60 Weeks	30 Weeks	12 Weeks	6 Weeks
\$140	\$140	Never*	117 Weeks	70 Weeks	35 Weeks	14 Weeks	7 Weeks
\$160	\$160	Never*	133 Weeks	80 Weeks	40 Weeks	16 Weeks	8 Weeks
\$180	\$180	Never*	150 Weeks	90 Weeks	45 Weeks	18 Weeks	9 Weeks
\$200	\$200	Never*	167 Weeks	100 Weeks	50 Weeks	20 Weeks	10 Weeks
\$220	\$220	Never*	183 Weeks	110 Weeks	55 Weeks	22 Weeks	11 Weeks
\$240	\$240	Never*	200 Weeks	120 Weeks	60 Weeks	24 Weeks	12 Weeks
\$260	\$260	Never*	217 Weeks	130 Weeks	65 Weeks	26 Weeks	13 Weeks
\$280	\$280	Never*	233 Weeks	140 Weeks	70 Weeks	28 Weeks	14 Weeks
\$300	\$300	Never*	250 Weeks	150 Weeks	75 Weeks	30 Weeks	15 Weeks
\$320	\$320	Never*	267 Weeks	160 Weeks	80 Weeks	32 Weeks	16 Weeks
\$340	\$340	Never*	283 Weeks	170 Weeks	85 Weeks	34 Weeks	17 Weeks
\$360	\$360	Never*	300 Weeks	180 Weeks	90 Weeks	36 Weeks	18 Weeks
\$380	\$380	Never*	317 Weeks	190 Weeks	95 Weeks	38 Weeks	19 Weeks
\$400	\$400	Never*	333 Weeks	200 Weeks	100 Weeks	40 Weeks	20 Weeks

* Strike failed to obtain hoped-for increase (and this does happen).

If a strike lasts several weeks, just multiply by number of weeks . . . **THINK HARD!**

"ONE ON ONE THEMES"

PRO COMPANY PEOPLE:

- 1.) Thanks for putting up with all the disruptions. I appreciate your working during the strike. Thanks for your support.
- 2.) I know you are a hard worker and I appreciate that. Thanks for your effort and support.
- 3.) I appreciate your long service with the Company. You are a hard worker and I appreciate your support. If you can do anything to convince the other side to vote for the Company, I would appreciate that also.
- 4.) Thanks for working during the strike. We couldn't have serviced our customers and kept going without you. Thanks again.

PEOPLE ON THE FENCE:

- 1.) I don't know where you stand, but I hope it is with the Company. I hope you'll vote NO on Friday.
- 2.) I hope you will give the Company a chance and vote NO on Friday.
- 3.) I hope you will give the Company a chance. We have tried to be fair. We've helped people when we could. I would appreciate a NO vote.

UNION ADHERENTS:

- 1.) I know we have had our differences, but I would like you to give the Company a chance. I really don't think we need a union to get where we all want to be. I hope you will vote NO.
- 2.) I can't make any promise and I won't make any, but I'm sure we can work together to make Uddeholm the kind of place all of us want.
- 3.) Even though you may have signed a card and even though you were on strike, I hope that we can put all of that behind us and start working together so we can get where we all want to be. I hope you will give the Company a chance and vote NO on Friday.

U.S. Business

TRENDS THAT SHAPE THE FUTURE

2300 N Street, N.W.
Washington, D.C. 20037

The nation is officially in a recession now, and analysts figure that the slump will be a bit longer and a lot deeper than most business downturns.

Gloom was rife at a conference on the midyear economic outlook sponsored by the American Statistical Association in Chicago on June 4.

Many experts there think the recession--which the National Bureau of Economic Research says followed a January peak in business activity--will last throughout 1980. Next year is expected to bring only gradual recovery.

The peak-to-trough dip in total output is seen hitting 3.5 to 4 percent. In the past 40 years, only the downturn of 1973-75 exceeded that. Some sectors will be hurt even more this time around: Autos, steel, housing, farm equipment.

Among other predictions made by economists at the conference--

Unemployment will climb to 9 percent of the labor force.

Cost-of-living rises will descend into single-digit territory by year-end.

General-merchandise sales, excluding food, autos and fuel, will not return to levels of the fourth quarter of 1979 until the end of 1981.

Auto sales will not pick up until the last three months of this year.

Home building has hit bottom but will improve only slightly in the rest of 1980. Interest rates on mortgages will have to fall to 10 or 11 percent to stimulate demand. Nonresidential building will taper off late this year.

Interest rates will continue to drop. The prime rate, which banks charge best-risk corporate borrowers, will fall to 9 or 10 percent this year. Some big banks cut their primes in early June from 14 to 13, lowest since September.

Proof of rapid deterioration in business conditions keeps piling up.

Joblessness is at its highest level in 3½ years. The rate shot up to 7.8 percent last month from 7 in April. It has increased 1.6 percentage points since March. That's the biggest two-month gain since World War II.

Employment has fallen by nearly 1 million since February to 97 million.

A drop in factory orders in April was the sharpest in 5½ years.

New cars in May sold at a yearly rate of only 7.4 million units, skimpiest since late '74. The sales pace for U.S.-made cars was the slowest in 10 years.

June targets for output of autos and trucks are the lowest in two decades.

Construction outlays declined in April for the third month in a row.

Value of new construction contracts, meanwhile, were 34 percent below a year earlier, according to the Dodge unit of McGraw-Hill.

News on inflation is both encouraging and discouraging.

The rise in producer prices for finished goods slowed to a yearly pace of
(over)

Our index of business activity fell for the fourth straight week. It is only a fraction above its low point, 104.3, hit during the last recession.

Business

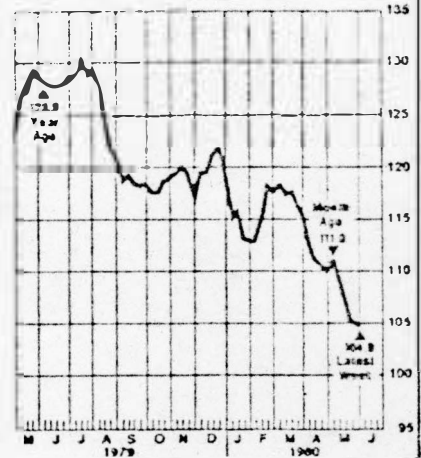
USN&WR INDEX OF BUSINESS ACTIVITY

WEEKLY INDICATORS (1967 = 100)*	Year Ago	Month Ago	Week Ended	
			May 24	May 31
Composite index†	128.0	111.0	105.0	104.9
Steel production	113.7	92.4	76.8	71.9
Auto production	129.7	81.9	70.5	76.8
Crude-petroleum production	95.5	99.9	99.7	93.7
Electric-power production	130.3	183.9	185.1	185.7
Lumber production	93.8	65.4	70.5	70.5
Freight carloadings (misc. mds)	30.3	71.5	65.6	64.6

MONTHLY INDICATORS (1967 = 100)	Year Ago	Month Ago	Latest	For
Consumer prices, goods and services	211.5	239.8	242.5	Apr.
Producer prices, finished goods	212.7	240.0	241.0	May
Industrial production*	150.8	151.3	143.5	Apr.
Retail-store sales*	293.3	312.3	308.5	Apr.
Civilian employment*	129.7	130.6	130.4	May

* Seasonally adjusted

† Includes, besides the six series listed, production of trucks, bituminous coal and paperboard.



June 20, 1980

TO ALL WAREHOUSE EMPLOYEES:

In earlier letters I have told you that I really don't think you need a union at Uddeholm, and I want to repeat that now and tell you in more detail why I feel that way.

First, the economy is bad and seems to be getting worse. I have attached several articles which tell how bad it is in the steel and auto industries and the country as a whole. Take a minute to read them. This is the time to pull together as a team, not separate into an adversary union vs. company situation. The best way to weather this storm is to beat out our competitors by working together to make our plant more efficient than theirs and by providing more and better service to our customers.

Second, I am convinced that you now have almost all of the things the union talks about and your not paying any dues, fees or assessments to get them. In my last letter, I detailed your excellent program of employee policies and benefits and pointed out that they cost the company on the average of \$3.11 per hour, in addition to your regular wages. Also, I don't think a union can do for you what you can do for yourself. As in the past, I and Steve are always available to discuss your problems. We have not treated anyone unfairly at Uddeholm. We have promoted from within. We have been fair in enforcing plant rule, attendance regulations, and overtime distribution.

Third, our plant is a small one. We need flexibility to service our customers properly. Anything that would harm this flexibility would not be good for our operations.

Consider what progress we have made in putting together this new plant in the last year. A union wasn't necessary to bring us to our present level of policies and benefits. What reason is there to believe that we will not continue to improve, change and develop in the future, as we have in the past.

The Most Important Job Quiz You May Ever Answer

According to the union organizers all you have to do is vote the union in and you've got it made with more money.

This type of talk is easy, especially when those doing the talking do not expect to be held accountable for their actions. They are only interested in your money.

Take a pencil and jot down your answers to the following questions. The results you arrive at may surprise you!

	THE COMPAN	YOU	THE UNION
1. Who put up the money to start our company?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Who hired you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Who provides the services to our customers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Who put in the time that is recorded on your time card?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Who repairs and maintains our equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Who pays your paycheck every week?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Who gave you your last pay increase?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Who pays for all your benefits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Who provides your job for you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Who can you depend on to pay your paycheck next week, next month and next year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Who loses all pay if you are called out on strike?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Whose family depends on your job with us?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If all your answers fall within the GREEN blocks, it will be obvious to you where your livelihood comes from.

YOUR PAY - YOUR BENEFITS - YOUR SECURITY COMES FROM YOUR COMPANY.

THE UNION CAN GUARANTEE YOU ABSOLUTELY NOTHING!

VOTE NO


THE BASIC ELEMENTS OF UNION PREVENTION

By: Leonard C. Scott

The establishment of an effective union prevention program can result in important benefits to a firm. In the first place and most obviously, such a program can minimize interference with managerial action. Also, the lack of a union can prevent an adversary aspect from building in the relationship between workers and managers and thereby allow for the creation of a positive work environment in which job satisfaction and productivity can be maximized.

There are eight basic elements in union prevention: (1) survey employee attitudes on a regular basis; (2) show an individualized concern for employee satisfaction; (3) communicate regularly and forthrightly with workers concerning company progress and direction; (4) treat all employees in a fair but firm manner; (5) maintain wages and fringe benefits at competitive levels; (6) attempt to gain the allegiance of the natural leaders in the work force; (7) keep the work environment as clean and orderly as the production process will allow; and (8) avoid hiring workers who do not have the qualifications to perform the work they are employed to do.

The building of a union prevention program begins with the personnel function. If an operation does not have a personnel man, it

should get one or delegate this responsibility to someone already in the organization and have him/her trained in modern personnel techniques. If a personnel man is already on the scene, his effectiveness should be closely reviewed, and "new blood" brought into the function if performance there is found to be inadequate in the light of causes of any "people problems." The next area to scrutinize is line management. If it is found that members of supervision are weak in handling employee relations problems, they should be exposed to intensive supervisory training. More about this later.

Organization and Communications

Organization and communications are vital elements in union prevention. Personnel should propose employee relations policy, and top management should review and approve it. After Personnel codifies and interprets approved policies, line management gives life to them through their everyday directions and interaction with employees. Care must be taken that line management does not over time transfer to Personnel through inaction the day-to-day responsibility for preventing union organization. Personnel and top management can assist and support supervisors in employee relations matters, but in the last analysis they are the ones who will determine the success or failure of the company's union prevention program. Therefore, early in the development of a union prevention program, a supervisory training program should be presented. It should provide front-line supervisors with the following information:

- (1) Responsibilities and benefits of a supervisor
- (2) Leadership skills

- (3) Human relations and communications
- (4) Basic techniques of supervision, such as manpower management, job analysis and evaluation, appraising employee performance, training, accident prevention, giving instructions, discipline and handling complaints and problem employess
- (5) Understanding the management cycle - planning, organizing, directing and controlling
- (6) Details of the employee relations program, wage structure, wage payment plan and work rules
- (7) Decision making and problem solving
- (8) Keys to supervisory success, such as self assessment and development, managing time, creativity and building positive relations with superiors
- (9) Company obligations under employment related government regulations

Effective communication within management and between management and employees is very important in building a defense against union attack. Communications on employee relations matters must flow up and down the chain of command. Top management should hold regular meetings with line management to discuss company thinking on labor matters and get from these men the problem they are having in the labor sphere and the gripes they are getting from their workers. Supervisors should hold regular meetings with their employees to get soundings concerning worker attitudes. A weekly five or ten minute safety meeting is an excellent device for securing information on employee thinking. It can be used not only to discuss safety matters, but also to flush out gripes and problems in their infancy stages. Care must be taken, however, to insure that these meetings are not allowed to generate into scheduled gripe sessions or not take the place of meetings between individual

workers and their supervisors to air and settle specific complaints. Formal employee attitude surveys should also be used to learn what employees have on their minds and their degree of company loyalty.

A company that wants to keep a union out of its plants should tell employees that it has the will to settle employee grievances, wants workers to be an important part of the organization, and feels that an outside union is not necessary for the employees to secure just wages, benefits, and working conditions. These attitudes should be communicated to all employees via an employee handbook, general announcements, and orientation programs. The wording of such a statement, of course, should be cleared with company counsel before publication.

Also, the company should, on a regular basis, inform its employees as to the progress of the firm and what direction it proposes to take in the future. Employees are most interested in the condition and plans of their company in that they use this information to measure their employment security and opportunity for advancement. The company should give credit to employees for business success which they contributed to and enlist their support in solving problems which they have control over.

Employee Relations Program

If a company is going to keep a union out, it must provide an overall employment environment which offers what a union would push for, but on the employer's terms and to the degree and at the pace he chooses. The employee relations program portion of the union prevention plan may cost some money, but it will be worth the outlay when the cost of union restraint on management action is considered. The first step of

the employee relations program should be the review of wage rates for competitiveness in the market and for internal consistency. This should be followed by the drawing up of job descriptions and the evaluations of positions, the taking of wage surveys, the setting of new job rates where required, and the establishing of a wage payment plan which relates output to merit increases and provides for wage progressions which employees consider equitable. Wage schedules need not be made general knowledge, but if an individual employee asks what the rate progression is for his classification, he should be told. This information should include not only wage rates, but also output levels and time in grade requirements that go with moves from one wage level to another. Openness and honesty in this matter are most important in building trust between employees and management. Subsequent to the establishment of an equitable wage structure and wage payment system, a pension plan or profit sharing program should be adopted. This will provide long term security to employees. Its operation, however, will be in the hands of the company. The next order of business is to establish policy on how temporary assignments to higher paying jobs are determined and what rules guide permanent transfers and bumping. The question of on-the-job training and accumulating company service credit (seniority) should also be addressed, and policy statements on these matters should be prepared.

Some additional programs which build employee morale and loyalty are the following:

- (1) Company newsletter
- (2) Employee bulletin board
- (3) Partial or complete subsidization of cost of work clothes

- (4) Reasonable washup time
- (5) Company sponsored employee discount purchase plan
- (6) Employee activity committee to organize dances, dinners and sports leagues
- (7) Service award program
- (8) Choosing employees at random for awards, such as free baseball tickets, paid dinners, etc.
- (9) Formal presupervisory training for workers aspiring to management positions - to be held after working hours
- (10) Annual company picnic
- (11) Program in which workers represent company at charitable events at holiday times
- (12) Annual open discussions between workers and top management - small groups meet with President and Personnel Director to discuss employee relations subjects and company progress
- (13) Company sports program - partial or full subsidizing of cost of golf, bowling and baseball leagues and uniforms
- (14) Scholarship awards to children of workers
- (15) Company paid lunches when production groups surpass long standing production records
- (16) Suggestion system - with or without cash awards
- (17) Display of company products in their final assemblies (if appropriate to items produced)
- (18) Sending of flowers to workers and members of their immediate families in the case of illness or mourning
- (19) Credit Union
- (20) Open house for families of workers

It might be said that these programs would be extremely costly or that they reflect a "giving away of the store." Not so! It must be remembered

that the taking of the initiative with respect to employee relations matters is greatly less expensive than "outsider" intervention. Also, many of these programs can be supported by the monies that are made through vending machines, lunchroom operations and employee activity committee events, such as raffles, picnics, etc. Further, these programs are reflective of a full-blown employee relations activity. That is something that the company should work toward. Perhaps it would take five or more years to totally implement.

Concern For Employee Satisfaction

All employees desire satisfaction from their work, and most want the opportunity to rise to the highest level in their company that their abilities will allow. A firm seeking to prevent serious discontent from developing among its employees must clearly show a realization of this situation. First, it must insure that its supervisors recognize that every worker is different and employ motivational techniques appropriate to each worker's individual personality. Second, it should direct all supervisors to learn what the job related aspirations of each of their workers are and attempt to develop each employee to the fullest extent of his capabilities. Third, the company's appraisal and promotion systems should involve reasonable standards, compensation increases which are based on performance, a commitment to promotion from within, and the use, in tandem, of ability, performance and company service in determining advancement.

Follow-Up

Employee relations matters must be monitored constantly by top management. They are as important as profit and loss considerations

where the work force is potentially volatile. If the company has a management by objectives program, employee relations objectives should be included in all managers' performance targets. Through information gained from line management and personal contacts, Personnel should keep top management up to date with respect to trends in grievances and work force morale.

Regular Review

All personnel policies, procedures, and programs must be reviewed regularly. Personnel should provide top management with status reports on the operation of all personnel related programs on a quarterly basis. New programs should be added when old ones lose their effectiveness. Employees must feel that management is doing all it can to make improvements in the work environment. Then and only then will the work force trust management, accept changes that might be required to increase productivity, and pull with management with respect to company goals. It has been proven that this approach works. Concern for employees by management will build confidence in management by workers. Employees don't want to pay union dues if they don't have to. If it is shown them that they can get some of the "loaf" without a union, they will go along with management.

Work Environment

Plant employees expect a safe and orderly place in which to work. Also, their pride in their employment is heightened when they are given modern equipment to work with and regular maintenance is used to keep it in good working order. Attention to employees' needs with respect

to their work environment and the condition of their tools and equipment must be present in all programs aimed at avoiding union organizations.

Natural Leaders

Line management and Personnel should maintain close contact with the natural leaders in the work force. Involving these individuals on an informal basis in the determination of new company policy and plans can insure that communication channels between rank and file and management are kept open and provide management with information on the acceptability of company action before it is taken. Also, management should consider using these individuals as sources for hiring new employees.

Employment

Companies should be careful to properly screen prospective employees and train new hires. The hiring of workers who are not qualified for, or trained to do, the work to which they are assigned, can create serious employee relations problems. Unqualified employees can quickly become frustrated employees, and frustrated employees can quickly become union adherents.

Some Additional Considerations

The following are some additional approaches that can be employed to keep a union out of a company:

- (1) Promote union adherents to supervisory jobs where the individuals are good leaders, fairminded and looking for selfadvancement. If no vacancies are available in management, such persons might be encouraged to make career changes which would enable them to utilize their leadership abilities more fully.

- (2) Keep employment files on all employees and terminate workers who break company rules or fail to perform up to standard. Some union adherents are just lazy persons looking for a crutch to lean on. A company should rid its work force of these types. It's usually easy. Oftentimes these workers are sloppy in their work, not punctual, annoying to hard working fellow employees and frequently insubordinate or destructive of company property. Do not be fearful of terminating union sympathizers who are sub-standard performers or who break work rules. The majority of workers will be looking at how management treats such individuals. If leniently, trust will never develop. If fairly but firmly, justice will seem to have been done.
- (3) Give awards to foremen with the least "people problems" and the highest production and best safety records.
- (4) Establish a formal grievance procedure. Use an "open door" policy or a "speak out" program involving the choosing of employees at random from each department every month or so to discuss company policy, plans, and progress and provide management with the thinking of employees on matters of mutual concern.

There are situations wherein union interest grows because the company cannot develop the profits to provide competitive wages, benefits, and working conditions. If it is seen that productivity is the problem,

management should establish an industrial engineering function. The majority of employees will accept changes aimed at increasing efficiency, even though it means a decrease in the work force, if they see that the end result is an improvement for those workers who remain in the company, and layoffs are handled in an equitable manner.

Keeping a union out of a firm is not a difficult matter. The key to success is building an awareness of the problems which cause unionization, establishing a program to counteract union interest, and operating the program as an important part of general business operations.

* * * * *