

In the Matter of ILLINOIS PACKING COMPANY and UNITED PACKING-  
HOUSE WORKERS OF AMERICA (C. I. O.)

*Case No. 13-R-2194.—Decided May 3, 1944*

*Mr. Calmon R. Golder*, of Chicago, Ill., for the Company.

*Messrs. Ralph Helstein and Jesse Prosten, and Miss Virginia Spence*,  
of Chicago, Ill., for the C. I. O.

*Mr. Daniel D. Carmell*, of Chicago, Ill., for the Amalgamated.

*Mr. John Gavin*, of Chicago, Ill., for the Engineers.

*Mr. James M. Kennedy*, of Chicago, Ill., for the Firemen.

*Mr. William C. Baisinger, Jr.*, of counsel to the Board.

DECISION

AND

ORDER

STATEMENT OF THE CASE

Upon petition duly filed by United Packinghouse Workers of America (C. I. O.), herein called the C. I. O., alleging that a question affecting commerce had arisen concerning the representation of employees of Illinois Packing Company, Chicago, Illinois, herein called the Company, the National Labor Relations Board provided for an appropriate hearing upon due notice before John R. Hill, Trial Examiner. Said hearing was held at Chicago, Illinois, on February 9, 10, and 11, 1944. The Company, the C. I. O., Amalgamated Meat Cutters & Butcher Workmen of North America, A. F. of L., herein called the Amalgamated, International Union of Operating Engineers, Local 399, A. F. of L., herein called the Engineers, and International Brotherhood of Firemen & Oilers, Local 7, A. F. of L., herein called the Firemen, appeared and participated.<sup>1</sup> All parties were afforded full opportunity to be heard, to examine and cross-examine witnesses, to introduce evidence bearing upon the issues, and to file briefs with the Board. The Trial Examiner's rulings made at the hearing are free from prejudicial error and are hereby affirmed.

<sup>1</sup>Meat Drivers and Helpers Union, Local 710, herein called Local 710, was served with Notice of Hearing but failed to appear at the hearing.

Upon the entire record in the case, the Board makes the following:

### FINDINGS OF FACT

#### I. THE BUSINESS OF THE COMPANY

Illinois Packing Company, a Delaware corporation, owns and operates a plant at Chicago, Illinois, at which it is engaged in the purchase and slaughter of livestock and the sale of meat and various by-products. The Company purchases all livestock used at its plant from the Union Stock Yards at Chicago, Illinois. Over 60 percent of the livestock so purchased is originally shipped to the Union Stock Yards from points outside the State of Illinois. During the year 1943 the Company purchased over \$6,000,000 worth of livestock. During the same period the Company sold in excess of \$8,000,000 worth of meat products, of which approximately 50 percent was sold to the United States Government for use by its armed forces. In addition, the Company shipped approximately 5 percent of its meat products to points outside the State of Illinois. The Company is a member of The Packers Association of Chicago, herein called the Association.

The Company admits and we find that at its Chicago plant it is engaged in commerce within the meaning of the National Labor Relations Act.

#### II. THE ORGANIZATIONS INVOLVED

United Packinghouse Workers of America is a labor organization affiliated with the Congress of Industrial Organizations, admitting to membership employees of the Company.

Amalgamated Meat Cutters & Butcher Workmen of North America, International Union of Operating Engineers, Local 399, and International Brotherhood of Firemen & Oilers, Local 7, are labor organizations affiliated with the American Federation of Labor, admitting to membership employees of the Company.

#### III. THE ALLEGED APPROPRIATE UNIT

The C. I. O. contends that all production and maintenance employees of the Company, excluding executives, salesmen, office and clerical employees, shipping clerk, truck drivers,<sup>2</sup> chief engineer, engineers,<sup>3</sup>

<sup>2</sup> Not all members of the Association employ truck drivers. However, the member-companies who do employ truck drivers have customarily dealt through the Association in conjunction with others with Local 710 concerning their truck drivers.

<sup>3</sup> The Engineers at present represents the engineers employed by the Company by virtue of a collective bargaining contract with the Association.

firemen,<sup>4</sup> foremen, and all other supervisory employees, constitute an appropriate bargaining unit.<sup>5</sup>

The Company and the Amalgamated deny the appropriateness of the unit sought by the C. I. O. contending that inasmuch as the Company is a member of an association of employers which has represented all member-companies as a single entity in matters of collective bargaining, since its formation in 1934, only an association-wide unit is appropriate.

*The Association and collective bargaining*

In 1934, 11 independent employers who were engaged in the meat packing business in Chicago, Illinois, inclusive of the Company, formed the Association for the purpose of collectively promoting their businesses. On October 24, 1934, the Association was incorporated under the laws of the State of Illinois. The articles of incorporation state in part that:

The object of this Association is to foster the interests and and promote the welfare of the business engaged in by its members:—To exchange credit information:—And, to do any all things necessary to not only protect the interests of its members, but to do all things necessary to benefit the members, that is not contrary to law.

They also provide that the management of the Association shall be vested in a board of five directors who shall be elected annually by the regular members.

At the time of its formation the Association was comprised of eight regular members and three associate members. Regular members are engaged in meat packing. Associate members are distinguishable from regular members in that they are engaged in businesses somewhat related to the meat packing industry such as the manufacture of sausage casings. Only regular members are entitled to vote at the meetings of the Association. The Association maintains a treasury which collects annual dues of \$25 from each regular member and \$12.50 from each associate member. The Association held its first regular meeting on October 19, 1934, at which five directors and four officers were elected and written bylaws approved. At this meeting the members elected a committee known as the labor committee to negotiate a tentative collective bargaining agreement with the Stock

<sup>4</sup> The Company is the only member of the Association that employs firemen. These employees are represented at present by the Firemen.

<sup>5</sup> The inclusions and exclusions set forth above appear to be the same as those described in the association-wide unit for which the Amalgamated is the bargaining representative.

Yards Labor Council, an affiliate of the Amalgamated, which had organized the employees of the member companies. The labor committee thereafter met with representatives of the Council and an agreement was reached whereby the employees of the member companies were to receive basic wages similar to those paid by the "Big Four Packers."<sup>6</sup> They further agreed to an 8 percent increase in wages retroactive to October 1, 1934, and to institute a dues check-off system. At a meeting on October 29, 1934, the Association approved the agreement which had been negotiated by the labor committee. The terms of the agreement were thereafter put into effect by all the member companies, with the exception of P. Brennan Company, a regular member, and Oppenheimer Casing Company, an associate member.<sup>7</sup> The member-companies operated under this oral bargaining agreement until 1937 when the oral agreement was reduced to writing and signed by the Amalgamated and all the members of the Association, including the Company.<sup>8</sup> Although undated, it appears from the record that this memorandum of agreement was executed on June 5, 1937. It made no reference to rates of pay, or to the guaranteed hours of work, nor did it provide for a termination date. It also appears, however, that under the oral agreement and the memorandum there was an understanding between the contracting parties that the rates of pay would correspond to those paid by the "Big Four Packers" and that 32 hours would constitute a working week. On November 5, 1940, the Association met to discuss the renewal of the bargaining agreement with the Amalgamated. Thereafter, on or about January 1, 1941, the Association and the Amalgamated agreed to extend their written agreement for an additional year. This was done by adding a clause to the 1937 agreement which read, "For the purpose of clarification, this contract is renewed for one year from January 1, 1941." This addendum was signed as follows:

Amalgamated Meat Cutters and Butcher Workmen of North America: by Patrick E. Gorman, President, Dennis Lane, Secretary-Treasurer; The Packers Association of Chicago: by W. F. Krippes, President.

On or about May 1, 1941, the Association and the Engineers entered into a collective bargaining contract covering all operating engineers employed by the member-companies of the Association. This agreement reduced to writing the oral understanding with respect to rates of pay, wages, hours of employment, and other conditions of employment which had existed between the Engineers and

<sup>6</sup> *Armour & Company, Swift & Company, Wilson & Company, Inc., and Cudahy Packing Company* are known as the "Big Four Packers" in the Chicago area.

<sup>7</sup> Both of these companies resigned from the Association in the early part of 1935.

<sup>8</sup> This agreement stated that it was between "The Packers Association of Chicago and its members, and the Amalgamated Meat Cutters and Butcher Workmen of North America."

the Association since the formation of the Association. By its terms it is to remain in effect until April 30, 1944, and is made by "The Packers Association of Chicago and Local Union No. 399 of the International Union of Operating Engineers of Chicago, Illinois, and vicinity." It is signed by the Engineers' president and recording secretary, and the Association's president, secretary, and treasurer.

In December 1941, the Association and the Amalgamated executed a new collective bargaining contract. This new agreement provided that it was to take effect on January 1, 1942, and continue in force for 1 year and thereafter in the absence of "notice given by either party thirty days prior to January 1st of any year." It provided, *inter alia*, for a closed shop, guaranteed time of 32 hours per week, an increase in vacation time, and dues check-off, but like the former agreement, made no reference to rates of pay. It was "by and between The Packers Association of Chicago and its members" and the Amalgamated. In the space for signatures appears the name of the Association, followed by the names of the member companies and the signatures of their respective representatives, and the name of the Amalgamated, followed by the signatures of its representatives. The contracting parties operated under this agreement until November 20, 1943, at which time, pursuant to notice of the desire to amend the contract given to the Association by the Amalgamated on November 15, 1943, the parties executed an addendum which extended the term of the contract to December 31, 1944, and incorporated therein certain agreed modifications. The addendum is signed by representatives of the Amalgamated and by the secretary and treasurer of the Association.

The minutes of the Association's meetings, which were read into the record at the hearing, indicate that the Association has held 37 meetings from the date of its formation in 1934, to and including January 6, 1944. These meetings were evenly distributed throughout the 10-year period, except that there was none held in 1943, and only 1 in 1942. At 18 of the 37 meetings, discussion related either wholly or in part to matters concerning labor relations such as the execution, modification, renewal, or interpretation of collective bargaining contracts. In addition to labor matters, the minutes of the various meetings disclose that discussions were had with respect to offal problems, freight rates, competition, sales problems, packing-house insurance, sewage problems, occupational disease laws, current business conditions, beef grading, and financial problems of the Association.

Following the resignation of P. Brennan Company and Oppenheimer Casing Company in 1935, there was no change in the membership of the Association until 1941, when a new member, H. Graver

Company, joined the Association. The only other change occurred in December 1942 when David Levy Company, a member, sold out to Superb Packing Company, which remained a member until 1943, at which time its business was purchased by Hygrade Packing Company. Hygrade Packing Company is not an independent packer, but owns plants in cities other than Chicago. It refused to join the Association. It appears that the Association comprises all of the independent meat packing companies in Chicago engaged exclusively in slaughtering and packing beef. At present the members of the Association employ a total of approximately 1,000 to 1,100 employees.

### *Conclusion*

In view of the foregoing facts and upon the entire record in the case, we conclude that, notwithstanding evidence indicating the appropriateness, from a functional viewpoint, of a bargaining unit confined to the plant of a single employer, the course of collective bargaining, which since 1934 has been conducted on a multiple-employer or association-wide basis, must govern the scope of the appropriate unit. The facts here presented demonstrate, from the standpoint of effective collective bargaining and peaceful labor relations, the desirability of an association-wide unit. Moreover, it clearly appears that all member-companies, including the Company, have delegated to the Association authority to engage in collective bargaining on their behalf and to enter into binding agreements with labor organizations. Accordingly, we find that the single employer unit requested by the C. I. O. is inappropriate for the purposes of collective bargaining.<sup>9</sup>

#### IV. THE ALLEGED QUESTION CONCERNING REPRESENTATION

Since, as stated in Section III, above, the bargaining unit sought to be established by the petitioner is inappropriate, we find that no question affecting commerce has arisen concerning the representation of employees of the Company in an appropriate bargaining unit.

### ORDER

Upon the basis of the foregoing findings, the National Labor Relations Board hereby orders that the petition for investigation and certification of representatives of employees of Illinois Packing Company, Chicago, Illinois, filed by United Packinghouse Workers of America (C. I. O.), be, and it hereby is, dismissed.

<sup>9</sup> See *Matter of George F. Carleton & Company, Inc., et al.*, 54 N. L. R. B. 222; *Matter of Rayonier Incorporated, Graves Harbor Division*, 52 N. L. R. B. 1269; *Matter of New Bedford Cotton Manufacturers Association*, 47 N. L. R. B. 174; *Matter of Central Foundry Company*, 46 N. L. R. B. 676; *Matter of Stevens Coal Company*, 19 N. L. R. B. 98.