

In the Matter of JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY
and UNITED OFFICE AND PROFESSIONAL WORKERS OF AMERICA, C. I. O.

Case No. 1-R-1744.—Decided July 27, 1944

Messrs. Malcolm C. Young and Samuel A. Fitch, of Boston, Mass.,
for the Company.

Grant & Angoff, by *Mr. Sidney S. Grant*, of Boston, Mass., for the
UOPWA.

Mr. Paul T. Burke, of Holliston, Mass., for the National.

Mr. Robert Silagi, of counsel to the Board.

DECISION

AND

ORDER

Upon a petition duly filed by United Office and Professional Workers of America, C. I. O., herein called the UOPWA, alleging that a question affecting commerce had arisen concerning the representation of employees of John Hancock Mutual Life Insurance Company, Boston, Massachusetts, herein called the Company, the National Labor Relations Board provided for an appropriate hearing upon due notice before John W. Coddaira, Jr., Trial Examiner. Said hearing was held at Boston, Massachusetts, on May 2, and May 6, 1944. The Company, UOPWA, and National Industrial Insurance Agents' Union, herein called the National appeared and participated. All parties were afforded full opportunity to be heard, to examine and cross-examine witnesses, and to introduce evidence bearing on the issues. The Trial Examiner's rulings made at the hearing are free from prejudicial error and are hereby affirmed. All parties were afforded opportunity to file briefs with the Board.

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

FINDINGS OF FACT

I. THE BUSINESS OF THE COMPANY

John Hancock Mutual Life Insurance Company is a Massachusetts corporation having its principal office in Boston, Massachusetts. It is engaged in insuring the lives of its policyholders on the mutual in-

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insurance plan and in investing its funds. On December 31, 1938, the Company was, in terms of amount of insurance in force, sixth largest and, in terms of assets, the seventh largest United States life insurance company. On December 31, 1937, the Company had more than 8 million policies in force with a total face value of more than 4 billion dollars, and its policyholders, who resided in all States of the United States and in many foreign countries, numbered approximately 5,600,000.

The Company's business is managed and directed by directors and officers located at the home office in Boston. Thus, the terms and conditions of the various policies of insurance offered by the Company are determined, and all investments of the Company's funds are made, by such officials at the home office. All applications for insurance and claims, applications for loans, and other matters pertaining to insurance in force are acted upon at the home office. All policies of insurance and all checks covering disbursements by the Company are executed at the home office.

The Company does business in 38 States, the District of Columbia, and the Territory of Hawaii. It sells insurance and to a considerable extent deals with its policyholders through the medium of general agents and district offices. As of December 31, 1937, the Company had 51 general agents located in 31 States and the Territory of Hawaii, and 369 district offices in 34 States, the District of Columbia, and the Territory of Hawaii.

On December 31, 1938, the Company's assets, consisting of cash, bonds of the United States Government and its political subdivisions, railroad, and railroad equipment bonds, public utility bonds, industrial bonds, stocks, notes secured by mortgages on real estate, real estate, and premium notes and loans to policyholders, totaled more than 929 million dollars. Most of the Company's cash is kept on deposit in commercial banks throughout the country. On December 31, 1937, it had more than 21 million dollars on deposit in 361 banks located in 36 States, the District of Columbia, and the Territory of Hawaii. All securities purchased by the Company are delivered to it in Boston and, with the exception of small amounts on deposit with various State authorities, are kept at the home office. Aside from its home office property, the Company owns no real estate except such as it acquires through mortgage foreclosure or by conveyances in lieu of such foreclosure. The value of such property owned by the Company as of December 31, 1938, exceeded 84 million dollars. The Company manages this property through 68 agents and farm correspondents in various States of the United States. During 1937 the Company purchased furniture, fixtures, and mechanical equipment having a value of \$223,324.78. All such purchases were made in Boston, Massachusetts,

and approximately 36 percent of such items were delivered to and used in district offices in Massachusetts and other States. During the same year the Company spent \$323,744 for postage, telephone, telegraph, and express services, and \$66,183 for the traveling expenses of its supervisors.

We find that the Company is engaged in commerce within the meaning of the Act.¹

II. THE ORGANIZATIONS INVOLVED

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

National Industrial Insurance Agents' Union, an unaffiliated labor organization, admits to membership employees of the Company.

III. THE ALLEGED QUESTION CONCERNING REPRESENTATION; THE ALLEGED APPROPRIATE UNIT

Pursuant to a proceeding initiated by the UOPWA, on June 6, 1938, the Massachusetts Labor Relations Commission rendered a decision which determined the following unit as appropriate for collective bargaining with the Company: "all industrial insurance agents engaged in the transaction of the industrial insurance business and operating out of eleven district offices and one sub-district office located in Greater Boston . . ." ² One of the offices enumerated was the Brighton district office which covered agents working in Brighton, Brookline, Newton, and Wellesley, all suburbs within the metropolitan area of Boston. Thereafter, in February 1942, the Company and the UOPWA entered into an agreement covering the unit established in 1938. Upon the termination of said contract, National petitioned the Massachusetts Labor Relations Commission for certification as the collective bargaining representative of the industrial agents in Greater Boston, and UOPWA appeared as intervenor in the case. An election held in March 1943 resulted in the certification of National as bargaining representative.³ This certification covered the same unit as was established by the decision rendered in 1938, with exception of the

¹ The above findings of fact are taken from *Matter of John Hancock Mutual Life Insurance Company*, 26 N. L. R. B. 1024, decided August 23, 1940, in accordance with a stipulation signed by all parties. Said stipulation provides that the facts contained in the cited case shall not be deemed irrelevant solely by reason of the lapse of time since the date thereof.

² *Matter of John Hancock Mutual Life Insurance Company*, Cases Nos. C. R. 20, 21, 22, and 30.

³ The certification declared that National was the exclusive collective bargaining representative of "all the industrial insurance agents working out of the following offices of the Company: Boston #1, Boston #2, Brighton, Cambridge, Hyde Park, Malden, Quincy, Roxbury, Somerville, Wakefield, Waltham, Wellesley and Weymouth . . ."

exclusion of the Brockton office, concerning which no issue was raised by either union, since it is outside the 15-mile radius generally construed as the limits of Greater Boston, and was represented by a different local of the United Office and Professional Workers of America. On June 7, 1943, the Company and National executed a contract for a term of 2 years which covered the offices located in Greater Boston. Specifically included in the unit was the Company's district office in Brighton. During the month of November 1943, after consultation with National and upon giving assurances that the measure was not intended to change its bargaining relations with National nor work hardships upon the agents affected, the Company established a new district office in Newton. The Newton office was created by dividing territory covered by the Brighton district office into two parts and by making some minor adjustments in contiguous areas. Those agents whose debits remained within the territory covered by the Brighton office continued to report there and the 28 agents whose debits comprised the Newton area reported to the new office. In addition, the Wellesley suboffice, which had formerly been attached to Brighton, was transferred to Newton.

Sometime during January 1944, the petitioner requested bargaining rights from the Company with a view toward representing the industrial agents in Newton. The Company refused to recognize the UOPWA until it had been certified by the Board in an appropriate unit.

The Company and National oppose the unit sought by the UOPWA on two grounds, first, that it is inappropriate, and second, that the Newton agents are covered by their contract of June 1943, which bars a present investigation into the question concerning representation. UOPWA, on the other hand, maintains that Newton is a newly established district office not specifically mentioned in any prior certification or contract, and hence outside the purview of the unit contemplated by the agreement between the Company and the National. We do not agree with the position adopted by the petitioner. The record shows that administrative realignments of the district offices of the Company are not infrequent but take place whenever demanded by the necessities of business growth. Moreover, as indicated above, the change in administrative arrangement was accomplished after an agreement thereon had been reached between the Company and National whereby all the employees affected by the district shift were to remain part of the unit covered by the contract. Thus, the agents presently operating out of Newton who had been included in the bargaining unit when they were part of the Brighton district office, remained part of the unit currently represented by National. They are, therefore, covered by the existing contract. Furthermore, we note that collective bar-

gaining in Greater Boston between the Company and the unions has always proceeded upon the basis of a unit which was metropolitan, not district-wide, in scope. We are of the opinion, therefore, that the district unit petitioned for is inappropriate. This view is consonant with our recently adopted policy of avoiding the creation of units for insurance agents smaller than State-wide in scope in the absence of unusual circumstances.⁴ Since the contract between the Company and National does not expire until June 7, 1945, and since, in any event, the unit proposed in this proceeding is not appropriate for the purposes of collective bargaining, we find that no question has arisen concerning the representation of employees of the Company and shall, therefore, dismiss the petition filed herein.

ORDER

Upon the basis of the foregoing findings of fact, and upon the entire record in this proceeding, the National Labor Relations Board hereby orders that the petition for investigation and certification of representatives of employees of John Hancock Mutual Life Insurance Company, Boston, Massachusetts, filed by United Office and Professional Workers of America, C. I. O., be, and it hereby is, dismissed.

⁴ See *Matter of Metropolitan Life Insurance Company*, 56 N. L. R. B., No. 1635 and No. 1642; also *Matter of Washington National Insurance Co.*, 57 N. L. R. B. 227, and *Matter of The Life Insurance Company of Virginia*, 57 N. L. R. B. 279.