

**Yorba Linda Country Club: Yorba Linda Ranch Co., Inc.; Don The Beachcomber Enterprises: YLCC, Inc.; California Golf, Ltd.; Golf of Southern California, Ltd.; Beachcomber Golf and Manufacturing, Maintenance Industrial and General Construction Workers, Local 652, affiliated with Southern California District Council of Laborers, both affiliated with Laborers' International Union of North America, AFL-CIO, Petitioner. Case 21-RC-12441**

October 13, 1972

### DECISION AND ORDER

BY MEMBERS JENKINS, KENNEDY, AND PENELLO

Upon a petition duly filed under Section 9(c) of the National Labor Relations Act, as amended, a hearing was held before Hearing Officer Theodore B. Horn. Following the hearing and pursuant to Section 102.67 of the National Labor Relations Board Rules and Regulations and Statements of Procedure, Series 8, as amended, by direction of the Acting Regional Director for Region 21, the case was transferred to the Board for decision.

Pursuant to the provisions of Section 3(b) of the National Labor Relations Act, as amended, the National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.<sup>1</sup>

The Board has reviewed the Hearing Officer's rulings made at the hearing and finds that they are free from prejudicial error. They are hereby affirmed.

Upon the entire record in this case, the Board finds:

YLCC, Inc., leases certain land in Yorba Linda, California, and is engaged in the operation and management of the Yorba Linda Country Club thereon. The Petitioner seeks to represent certain employees of YLCC, Inc.

During 1971, the Yorba Linda Country Club, a private club (operated then by another corporation as set forth below), had total gross revenues of approximately \$605,000 of which \$300,000 represented dues and initiation fees from members and the remaining \$305,000 represented revenue from all other sources.

YLCC, Inc., contends that the Board should not assert jurisdiction because its operations do not satisfy the jurisdictional standard for retail enterprises.

The Board decided in *Walnut Hills Country Club*<sup>2</sup> that the retail standard is the applicable standard for operations of a private golf and country club. The Board, in determining whether or not the gross

volume of such a business meets the Board's retail standard, has declined to include members' dues and initiation fees as income derived from the retail operations.<sup>3</sup> Contrary to the Petitioner's contention, this rule applies even though the club is run for profit.<sup>4</sup> Thus it is clear that the Yorba Linda Country Club operation does not satisfy the Board's \$500,000 annual gross revenue jurisdictional standard for retail enterprises as established in *Carolina Supplies and Cement Co.*<sup>5</sup>

The Petitioner contends, however, that the Yorba Linda Country Club operation is so inextricably entwined with certain other enterprises that the gross revenue of all of these enterprises should be combined in order to establish that the Board's jurisdictional standard is satisfied.

The record reveals that until February 1, 1972, Yorba Linda Country Club was owned and operated by Yorba Linda Ranch Co., Inc., which was owned in its entirety by Joseph Drown.<sup>6</sup> Drown also owned 59 percent of the stock in Don The Beachcomber Enterprises. Beachcomber Golf was a wholly owned subsidiary of Don The Beachcomber Enterprises and owned and operated four public golf courses.

On February 1, 1972, California Golf Ltd., a partnership, purchased Yorba Linda Ranch Co., Inc., from Drown and Beachcomber Golf from Don The Beachcomber Enterprises. On or about March 1, 1972, California Golf, Ltd., organized YLCC, Inc., and Golf of Southern California, Ltd., to operate and manage the Yorba Linda Club and four public golf courses, respectively. Since that time, the partnership, California Golf, Ltd., has retained the ownership of the land on which Yorba Linda Country Club is located and a leasehold interest in the land on which the four public golf courses are situated. YLCC, Inc., owns the operating assets, such as equipment and licenses, and is engaged in operating and managing the club. Golf of Southern California, Ltd., similarly owns the operating assets and is engaged in operating and managing the four public golf courses. Yorba Linda Ranch Co., Inc., and Beachcomber Golf have ceased to exist.

California Golf, Ltd., YLCC, Inc., and Golf of Southern California, Ltd., are all owned by the same individuals: David Price has a 60-percent interest in each entity and members of his family own virtually all of the remaining 40 percent. At the time the petition herein was filed in late November 1971, David Price also owned about one half of one percent of the stock of Don The Beachcomber Enterprises. He was

<sup>3</sup> *Pennsylvania Labor Relations Board (Chartiers Country Club)*, 139 NLRB 741

<sup>4</sup> *Rancho Los Coyotes Country Club*, 170 NLRB 1773

<sup>5</sup> 122 NLRB 88, 89

<sup>6</sup> The gross revenue figures referred to above were in fact those of Yorba Linda Ranch Co., Inc

<sup>1</sup> The Petitioner's request for oral argument is hereby denied as, in our opinion, the record in this case adequately presents the issues and positions of all the parties

<sup>2</sup> 145 NLRB 81

then, and remained at the time of the hearing, president of Don the Beachcomber Enterprises and a member of its board of directors.

The facts recited herein provide insufficient basis for considering Don the Beachcomber Enterprises, Yorba Linda Ranch Co., Inc., or Beachcomber Golf as a single employer with YLCC, Inc. Nor does the record otherwise furnish any basis for so concluding.

We turn then to the relationship between YLCC, Inc. and California Golf, Ltd., and Golf of Southern California, Ltd., which matter was more fully developed at the hearing. California Golf, Ltd., has no employees and no jurisdictional facts concerning it appear<sup>7</sup> but the combined gross revenue of YLCC, Inc., and Golf of Southern California, Ltd., if considered a single employer, would be sufficient to satisfy the Board's applicable standard for asserting jurisdiction.

The office for Golf of Southern California, Ltd., is located many miles from Yorba Linda; purchases of materials, equipment, and supplies are made separately and locally; and insurance for the two corporations is separate. There is no temporary interchange between the employees of YLCC, Inc., on the one hand and the four public golf courses on the other, and evidence of permanent interchange is minimal

and limited to the closing of one of the public courses formerly operated by Beachcomber Golf. The record further reveals that management and labor relations policies concerning YLCC, Inc., are made by its manager, Hughes, while such matters involving the employees of the four public golf courses are made by Burns, manager of Golf of Southern California, Ltd. Hiring, firing, and day-to-day operations at YLCC, Inc., are controlled by its manager Hughes and, similarly, Burns controls such matters involving the employees of Golf of Southern California, Ltd. There is no evidence of common management or labor relations between the two corporations, and indeed the record shows affirmatively that Price plays no active role in management or labor relations.

As it is clear that each of the companies is, in fact, managed independently of the others, and in view of the other factors described above, we are unable to conclude that their relationship is such as to justify treating them as a single employer for jurisdictional purposes.<sup>8</sup> As jurisdiction over YLCC, Inc., cannot be asserted on any other basis consistent with our established standards, we shall dismiss the petition.

#### ORDER

It is hereby ordered that the petition herein be, and it hereby is, dismissed.

<sup>8</sup> *Justru Realty Corporation*, 156 NLRB 1; *Gerace Construction, Inc.*, 193 NLRB No. 91.

<sup>7</sup> As noted above, its assets consist of the land ownership of leaseholds at the various clubs and operations are all controlled by the two operation and management companies.