

General Electric Company and International Union of Electrical, Radio and Machine Workers, AFL-CIO-CLC, and Its Local 676. Case 26-RC-4745

December 12, 1974

DECISION, ORDER, AND DIRECTION OF SECOND ELECTION

BY CHAIRMAN MILLER AND MEMBERS FANNING AND PENELLO

Pursuant to authority granted it under Section 3(b) of the National Labor Relations Act, as amended, a three-member panel has considered the objections to an election held May 16, 1974,¹ and the Regional Director's report (pertinent portion attached as Appendix) recommending disposition of same. The Board has reviewed the record in light of the exceptions and briefs, and, for the reasons below expressed, has decided to adopt the Regional Director's findings and recommendations that Objection G be sustained and the election be set aside accordingly.²

In sustaining Objection G, the Regional Director relied solely on two speeches admittedly delivered by General Electric officials to the Company's employees on April 26 and May 1, 1974, to urge the employees to vote against the I.U.E. in the pending election.³ He evaluated the remarks made on these occasions in light of the guidelines set out in *N.L.R.B. v. Gissel Packing*

¹ The election was conducted pursuant to a Stipulation for Certification Upon Consent. The tally was 402 for, and 597 against, the Petitioner, there were 6 challenged ballots, an insufficient number to affect the results.

² Petitioner initially filed six objections. In the course of his investigation, the Regional Director uncovered certain conduct, other than that specified in the Petitioner's objections, which might adversely affect the election, he dealt with such "other" conduct in seven sections of his report which he designated A through G. The Regional Director recommended that Objections 3, A, and D be sent to hearing, that Objection G be sustained, and that the remaining objections be overruled.

Since no exceptions were filed to the Regional Director's recommendations that Objections 1, 2, 4, 5, 6, B, C, E, and F be overruled, we adopt these recommendations *pro forma*. Further, and in view of our disposition of the case, *infra*, we deem it unnecessary to pass on or adopt the Regional Director's recommendation that Objections 3, A, and D be sent to hearing.

We note, but find no merit in, the Employer's claim that the Regional Director lacked jurisdiction to consider objections other than those specifically raised by Petitioner. It is well settled that "the Regional Director is not required to, nor can he properly, ignore evidence relevant to the conduct of the election or the preceding campaign simply because the Union may not have specifically mentioned such conduct in its objections." *Thomas Products Co., Division of Thomas Industries, Inc.*, 169 NLRB 706 (1968). See also *Pure Chem Corporation*, 192 NLRB 681 (1971), and cases there cited. The cases cited by the Employer are distinguishable in that the parties there never complied with the Board's Rules and Regulations so as properly to initiate an investigation in the first place. See, e.g., *Wilson-Sinclair Co.*, 191 NLRB 341 (1971), *Peoples Natural Gas, Division of Northern Natural Gas Company*, 191 NLRB 272 (1971).

³ Written texts of the speeches had been prepared by or for the officials involved in advance, in resolving questions as to the meaning and effect of the speeches, the Regional Director acted on the premise, which we accept as valid here, that, in addressing the employees, the officials did not depart from the prepared texts of the speeches.

Co., Inc., 395 U.S. 575, 616-620 (1969), to define the privileged bounds of employer communications, and concluded that General Electric's addresses overstepped the permissible line. He found, and on our independent reading of the speeches we agree, that the portions of the speeches hereinafter summarized in part and quoted in part are properly to be read as conveying an implicit threat of economic action by General Electric adverse to the employees' job interests if the I.U.E. won, rather than as nonobjectionable predictions of economic consequences that would follow unionization of the plant.

The April 26, 1974, speech was delivered by Hal Robertson, general manager of the General Electric division in which the Murfreesboro plant was located. The portions of Robertson's remarks with which we are here concerned purport to disclose to the Murfreesboro employees: (a) that General Electric operates its business on the basis of a "two-source supply" policy which involves assigning the production of one type of motor to two (or more) plants simultaneously; (b) the reasons why that policy was adopted and maintained; and (c) its impact on the Murfreesboro employees.

In the initial portion of his speech, Robertson explained how the past measures General Electric had taken in implementing its "two-source supply" policy had benefited Murfreesboro employees. His remarks in that connection were phrased in terms plainly meant to connote that General Electric had chosen to operate and to expand Murfreesboro as a facility duplicate to that maintained at De Kalb, Illinois, because the De Kalb employees had chosen I.U.E. representation:⁴

A few years back the appliance motor department began using dependability as a sales tool, dependability as a result of us being two suppliers in one. [We have] two independent manufacturing locations, De Kalb and Murfreesboro, with duplicate motor facilities. The two-source supplier strategy was the very reason the Murfreesboro plant came into being. Despite seven I.U.E. strikes at De Kalb in the last 15 years . . . our customers were able to get the motors they needed from Murfreesboro because of our being a two-source supplier. . . .

* * * * *

Because Murfreesboro was working while De Kalb was on strike for 9 weeks in 1967, and 16 long weeks in 1970, I was able to convince our customers that we were, in fact, two sources of supply in one and were prepared to serve their needs in the future.

⁴ According to the Employer, the Murfreesboro plant was represented by the Teamsters from 1965 to 1972, but has not been represented by any union since 1972 when, in an election in which the I.U.E. participated, the employees voted against any union representation.

Robertson then made it crystal clear that Murfreesboro's remaining a non-I.U.E. plant in the Murfreesboro-De Kalb "two-source supply" system had been responsible for the rise in employment at Murfreesboro in the past and would be necessary to avoid a possible drop in employment at Murfreesboro in the future:

It certainly has made sense to continue building this two-source supply approach by investing in and expanding Murfreesboro.

Murfreesboro production has doubled, compared to De Kalb in the past 4 years, as the General Electric Company has invested more than twice as much money here as in De Kalb, and, employment here has increased 10 times as fast as in De Kalb. . . .

I think it is more important than ever that we continue to have two production sources to continually deliver motors if we are to protect our ability to satisfy customer needs and protect your jobs. . . .

Two-source supply is the very heart of our major goal for this business—satisfying customer needs so that we can continue to satisfy employee needs, particularly in the area of job security.

Finally, Robertson spoke about General Electric's development of the new Form V motor in the period following the employees' rejection of the I.U.E. in the 1972 Board election conducted 17 months before; about the current assignment of the production of that motor to the De Kalb, Illinois, plant; about the expanded production planned by General Electric for that motor in light of the "high interest" of the Company's current major customers in aspects of that motor which resolved certain problems the latter had encountered in servicing the motor currently produced at Murfreesboro; and about the "keen interest" the Murfreesboro employees had demonstrated in participating in the manufacture of the new motor.⁵ These remarks,

⁵ As pointed out by the Regional Director, his investigation produced, in part, undisputed evidence that 2 months earlier management had solicited and obtained, from substantially all the employees, pledges of "dependability" from the Murfreesboro employees under the representation that such pledges would not only demonstrate the employees' interest in having the corporate officers assign Form V production work to Murfreesboro (and thus use this plant as the second source of supply for the motor), but also would help persuade the corporate officers to act accordingly.

Our reference to these perpetuation events is not to be taken as carrying any implication of a judgment as to the propriety of these activities. We have looked at them, as well as at the other undisputed aspects of General Electric's bargaining relationships with the I.U.E., as described in the texts of General Electric's April 26 and May 1, 1974, speeches, solely for the purpose of determining what inferences might reasonably be drawn from the remarks contained in the speeches by the employees to whom those speeches were addressed. Our doing so for that purpose is permitted, if not commanded, in cases such as this, by well-established precedents. Thus, as was stated by the Supreme Court in *Gissel*, *supra*, consideration of the "labor

viewed in the context of Robertson's precedent explanation of the "two-source supply" policy, were calculated to convey the message that Murfreesboro's remaining a non-I.U.E. plant was an important, if not a decisive, factor in any company decision to choose that plant as the second manufacturing facility for the Form V motor:

I think there are two things that we all need to understand about Form V. The first is that it is a great motor. The customers really like it. . . . Secondly, it is in the vital interests of this business that we are able to provide a continuous supply of Form V or any other motor to our customers. . . .

So, as we look to the future, we hope to be selling our customers two things, one new, the other not so new; the new aspect is this great new Form V motor, the other is the strong tradition of dependability that this Murfreesboro plant has built. You've proved that dependability to our customers and me time and again on December 7, 1972 when you told the I.U.E. that you understood this business a whole lot better than they did and didn't need them to control your destiny. All of these things are really what you are voting on when you walk into that booth on May 16.

Plant Manager J. C. Flynn delivered the May 1, 1974, speech. His remarks repeat and give emphasis to the message conveyed by Robertson that Murfreesboro's remaining a non-I.U.E. plant had been responsible for the rise in employment there in the past and would be necessary to avoid a possible drop in employment, and the loss of the Form V assignment, in the future:

Let's go ahead to job security. Eighteen or so years ago De Kalb had over a thousand employees. Today they have 556 employees. They've just about decreased in half. At that time Murfreesboro didn't exist, and, of course, today we've got approximately a thousand employees.

Another case is in Portsmouth, Virginia, where we make all of our General Electric television sets. That's a relatively new plant and they've got about four to five thousand people there. Now the I.U.E. was there just before our election and the folks there voted to be union-free. Then the union came here and our folks voted to be union-free. . . . The point that I want to make is this. That it hasn't been too many years ago when Syracuse, New

relations setting" is of importance to proper evaluation of the meaning conveyed to the employees by disputed employer pre-election communications and their impact on employee choice. See 395 U.S. at 617.

York [now an I.U.E. plant] made all of the General Electric televisions and they had 14 thousand people there. Today Syracuse has only 7,000 people and 4,000 to 5,000 jobs are now in Portsmouth, Virginia.

In the 50's . . . job security was belonging to a union But today, over 30 to 35 percent of the plants in the General Electric Company are non-union, and the point that I made was that going into the 80's and 90's will be quite difficult. Using the techniques that we used back in the 50's are just not going to solve them. I don't know exactly what in the world is going to solve them, but I'm sure that's not it. This plant needs Form V. There is no question. We need to get started in the mini appliances. Ask any 26-27 year-old how many children they have, and they'll say one or two. What in the world do these folks need with a 16-pound washer. They may continue to buy them. I don't know. We're only trying to position ourselves so that we don't find ourselves like General Motors did this year when all of a sudden they've got to make compact cars. Their business is off 30 percent. They've got folks laid off all over the country. Now, I'm not saying that this will happen to us. I don't know

In excepting to the Regional Director's judgment of its communications, *supra*, as impermissible preelection speech, General Electric argues, in effect, that such a judgment ignores both: (a) its 8(c) right to tell its employees about the adverse economic impact which it has good-faith reason to believe the I.U.E.'s installation as the bargaining agent here would or might have upon its business; and (b) its employees' equal right, accordingly, to a "frank disclosure of the dangers inherent in their assuming representation by the I.U.E." in the circumstances. (The phrases in quotes are from General Electric's brief.) It also asserts, in this respect, that, if its speeches are read as a whole and in light of *Gissel's* explanations as to the extent to which employers may permissibly go in countering a union's preelection or organizational campaign, none of its remarks can properly be regarded as objectionable statements which would warrant setting the election aside. We find these exceptions without merit.

Gissel teaches that employer "predictions" of the kind to which General Electric would equate its speeches, *supra*, are privileged under Section 8(c) of the Act only if "carefully phrased on the basis of objective fact" to describe "demonstrably probable consequences beyond the employer's control." Else, *Gissel* warns, the alleged statement of "prediction" may be read as a "threat of retaliation." See 395 U.S. at 619. Careful analysis of General Electric's speeches, its defensive

arguments, and their asserted base in light of *Gissel* standards, as we understand them, fails to persuade us that its speeches reasonably can be viewed as "predictions," rather than "threats."

To be sure, the above remarks nowhere contain an *explicit* statement that General Electric *would* either withdraw work now assigned to the Murfreesboro plant if the I.U.E. won the election or that it *would* no longer consider that plant as a locale for the production of its new motor. But it cannot be gainsaid that the threat of such action was conveyed to the employees by General Electric's "frank disclosures" that, in the exercise of its managerial authority to determine production assignments to its various plants, General Electric could, and possibly would, assign more production work to the Murfreesboro plant if Murfreesboro remained an unrepresented plant. The probability that this would be done was emphasized by reference to the thousands of jobs which had been lost to employees at other General Electric plants after those employees assumed I.U.E. representation, while a corresponding gain of jobs occurred in the plants "free" of the I.U.E. To make the threat of loss of jobs at Murfreesboro more explicit, General Electric made it clear to the employees that it was about to expand the production of its new motor through the use of a facility other than the currently I.U.E.-represented plant at De Kalb, Illinois, and/or one similarly represented, and that it sought to assign this product to a plant unencumbered by the presence of a collective-bargaining representative. It went on to point out that Murfreesboro employees "needed" that new production assignment to protect their jobs against future potential threats of a diminishing marketplace.

General Electric's euphemistic references to a "two-source supply" are but a thinly veiled threat to provide more and better job opportunities at nonunion plants than at organized plants, which is the plainest kind of discriminatory conduct. While General Electric might wish to be able to insure both itself and its customers against production interruptions which can sometimes result from employee concerted activity, no such insurance is legally possible, for the simple reason that employees have a federally protected right to engage in such activity.⁶ That right may no more be interfered with by deliberately withholding job opportunities at represented plants than it can by "runaway shop" conduct which precedent has long been established as being illegal. Threats to engage in such conduct cannot be hidden behind innocent sounding labels such as "two-source supply."

⁶ While an employer may take certain defensive action when threatened with an imminent strike, that is quite a different matter from seeking to prevent organization efforts by threatening long-term loss of work merely because of the possibility of a strike at some speculative future date

In this context, we find that the statements were not permissible predictions, but rather were threats of action by General Electric adverse to the employees' interests in their jobs, and thus tending to interfere with, restrain, and coerce the employees' freedom of choice. Hence, the election must be set aside.

We shall therefore direct a second election.

ORDER

It is hereby ordered that the election conducted herein on May 16, 1974, be, and it hereby is, set aside.

[Direction of Second Election and *Excelsior* footnote omitted from publication.]

APPENDIX

G. Threat of Loss of Business and Unionization's Adverse Affect Upon New Product Lines

The investigation disclosed that the plant involved herein manufactures an appliance motor referred to as "Form R" motor. In another plant of the Employer located in DeKalb, Illinois, the Employer produces another type appliance motor designated a "Form V" motor. The "Form R" motor is utilized in standard sized dryers whereas the newer Form V motor is used in what is referred to as the mini appliance line.

In February, 1974, a time when the current union campaign was openly under way but prior to the filing of the petition herein, management of the Murfreesboro plant solicited employees to sign petition forms which were to be submitted to the corporate officers in an effort to persuade the corporate officials to assign additional production of the Form V motor to the Murfreesboro plant. Attached hereto as Exhibit D is a copy of one of the signature pages for that petition. On February 14, a ceremony was held at the plant at which time a bound volume of the pledges was presented to the division vice president. Apparently, a substantial majority of the employees in the plant signed the petition (Exhibit D).

One employee, Witness N, stated that in February, the Company called a meeting with one employee from each department being selected to attend. This employee witness was selected by his foreman to attend the meeting and was instructed to report to the employees in his department on the discussion at the meeting. This witness asserts that some 14 employees attended the meeting with Hal Robertson, General Manager of the division. This witness testified that Robertson stated that if the union came in, they would definitely not receive the Form V motor at the G.E. plant in Murfreesboro and that there would possibly be 150 to 200 jobs lost. The witness states that when he inquired as to how the union winning the election could

result in 200 jobs being lost, Robertson replied that it would hurt the business from Maytag and Whirlpool because those companies depended upon a non-union plant for their supply of motors. The witness testified that he advised employees in his section of the results of that meeting including the above.

The Employer, asserting that the pledge signing occurred outside the critical period, did not present evidence on these allegations.

The investigation reflects that the issue of the Form V motor production being placed in the Murfreesboro plant was raised as an issue in the campaign by the Union in handbills of April 8, and April 24, attached hereto as Exhibits E and F respectively. Thereafter, the Employer delivered two speeches to assembled groups of employees in which the issue of Form V motors was raised. The first such speech occurred on April 26, and was delivered by Hal Robertson. The second speech occurred on May 1, 1974, and was delivered by J. C. Flynn, the plant manager. During the course of the investigation, the Employer presented copies of those speeches. The text of the April 26 speech is attached hereto as Exhibit G and the speech of May 1 is attached as Exhibit H.

The Petitioner presented several employees who testified regarding remarks made by Robertson in the April 26 speech.

One employee previously identified as Witness G testified that he recalled Robertson saying that if they voted the union in, they would not get the Form V motor at the Murfreesboro plant and he also states that Robertson said this would mean that there were 200 jobs at stake. This witness testified that Robertson read from a prepared speech. A second witness, previously identified as Witness K, testified regarding this same meeting and recalled that Robertson had stated that a determining factor in bringing the Form V motor to Murfreesboro was whether the Union was voted in. Another witness, previously identified as Witness L, testified that Robertson stated that the Company had to have a two-source supply of motors and that if the union was voted in, the decision on the Form V motor would probably be adverse to them because the Company wanted to continue its two-source supply. This witness also testified that on May 2, he told his foreman, Wendell Steagell, that he would like to build the Form V motor and Steagell replied that the best way to do it would be to vote against the Union. Another employee witness, Witness O, testified Robertson told the employees that voting the Union in would hurt their chances to get the Form V motor. Yet another employee, Witness P, testified that Robertson stated that if the I.U.E. came in, this would cut off their two-source supply.

Comparing the content of the text of the April 26 speech, Exhibit G, the testimony of employee witnesses, it is apparent that a credibility conflict exists as to the actual content of remarks made by Robertson. However, after careful consideration of the contents of Exhibits G and H, it is concluded that no resolution of credibility issues is necessary as the admitted remarks made in the speeches of April 26 and May 1 necessitate a finding that the Employer's remarks interfered with a free expression of choice by employees in the election.

In the two speeches, the Employer dwells upon the issue of its system known as the two-source supply. Robertson in his speech offers some explanation as to the meaning of this term when he states that:

A few years back the appliance motor department began using dependability as a sales tool, dependability as a result of us being two suppliers in one. Two independent manufacturing locations, DeKalb and Murfreesboro, with duplicate motor facilities. The two-source supplier strategy was the very reason the Murfreesboro plant came into being. Despite seven I.U.E. strikes at DeKalb in the last 15 years in which 212 days and \$3,540 in pay were lost per each employee, our customers were able to get the motors they needed from Murfreesboro because of our being a two-source supplier. Our customers depend on Murfreesboro as their primary motor source—one that's never let them down—one that can be counted on day after day.

It certainly has made sense to continue building this two-source supply approach by investing in and expanding Murfreesboro.

From the speeches made to employees on April 26, and May 1, it is apparent that the Employer's explanation of the two-source supply envisions one non-union plant manufacturing the same product as another plant which is represented by the union, or more specifically, by the I.U.E. under its National Agreement. In his April 26 speech, Robertson goes on to explain in rather clear, unequivocal terms what a union victory would mean to the Murfreesboro operation. The message is rather clear that a union victory would be detrimental to the future employment opportunities of the Murfreesboro employees. On page 4 of his speech, Robertson compares Murfreesboro and the DeKalb operations stating that production in Murfreesboro has doubled compared to DeKalb in the past four years, that employment has increased ten-fold compared to DeKalb and that the company has invested twice as much money in the Murfreesboro plant. He then points out that during the I.U.E. national strike in 1970:

I want all of you to know that I never sold motors—I sold you—the people of Murfreesboro

who were keeping us going when our DeKalb folks walked day after day, week after week on the picket line; not because most of them really wanted to, but because they were a small local caught up in a National I.U.E. contract dispute, a dispute where smaller I.U.E. locals were powerless to decide anything for themselves.

Because Murfreesboro was working while DeKalb was on strike for 9 weeks in 1967 and 16 long weeks in 1970, I was able to convince our customers that we were, in fact, two sources of supply in one and were prepared to serve and protect their needs then, as well as in the future.

After reciting the fact that General Motors (Delco) had at one time been number one in the appliance motor business; that they lost that position and eventually closed that branch of their operation after consolidating 3 plants into 1 plant represented by the I.U.E., Robertson goes on to recite the fact that Emerson Electric, a competitor, has a non-union plant in Paragould, Arkansas, and is currently building a second plant in Independence, Kansas. He then states:

It looks as if Emerson has taken a hard look at the General Electric approach and has decided that having the flexibility of two manufacturing locations is the key to success in the appliance motor industry.

With what happened to General Motors (Delco), and what Emerson is now planning, I think it is more important than ever that we continue to have two production sources to continually deliver motors if we are to protect our ability to satisfy customer needs and protect your jobs.

Further in the speech, Robertson stated that:

Two-source supply is the very heart of our major goal for this business—satisfying customer needs so that we can continue to satisfy employee needs, particularly in the area of job security.

After discussing other matters, Robertson then turns his attention in the speech to the Form V motor. He launches into that area of his speech with the statement that:

One other thing has happened during that time and it deserves special mention—the department introduction and production of the new Form V motor—the customer high interest in this new product and your keen interest in Form V.

After reviewing the sales of this new motor, he states as follows:

Secondly, it is in the vital interest of this business that we are able to provide a continuous supply of Form V or any other motor to our customers. The greatest motor in the world isn't any good to our customer if we can't get it to him.

So, as we look to the future, we hope to be selling our customers two things, one new, the other not so new; the new aspect is this great new Form V motor, the other is the strong tradition of dependability that this Murfreesboro plant has built. You've proved that dependability to our customers and me time and again on December 7, 1972, when you told the I.U.E. that you understood this business a whole lot better than they did and didn't need them to control your destiny.

All of these things are really what you are voting on when you walk into that booth on May 16th.

The consequence of voting in favor of the union was pointedly driven home in a concluding portion of the speech wherein Robertson stated that:

They [competitors] know that our two-source supplier strategy has made us number one in the industry. An I.U.E. victory here combined with Emerson's new plant opening in Independence, Kansas, would make Emerson a two-source supplier and would give Emerson employees the added job security that this two-source strategy entails and could adversely affect our job security here in Murfreesboro.

In the speech given by J. C. Flynn on May 1, the opening portion of his speech dealt with the two-source supply concept in great detail. Again, it was made very clear that the two-source supply envisions a non-union plant producing the same product as another of the employer's plants which is union. In the speech delivered by Flynn, detailed attention is paid to the question of customers such as Sears Roebuck supplied by Whirlpool, a customer of G. E., and more specifically, a purchaser of motors from the Murfreesboro plant. It is pointed out that "Whirlpool is going to certainly deal with suppliers that they can get their supplies from."

Flynn specifically raises the question of job security and reviews the significant decreases in total employment in several plants of the Employer represented by the I.U.E. He makes a very telling comparison between the union and non-union plants of the Employer, asserting that 18 years ago (a date when the union first began representing the employees) DeKalb, Illinois had over a thousand employees. He states that the plant today has only 556 employees and that whereas Murfreesboro did not exist at that time, today there are over

one thousand employees. In the next paragraph of his speech, he states:

Another case is in Portsmouth, Virginia where we make all of our General Electric television sets. That's a relatively new plant and they've got about four to five thousand people there. Now the I.U.E. was there just before our election and the folks there voted to be union free. Then the union came here and our folks voted to be union free. (Reference is to election of 1972). The I.U.E. went back there and the folks there wouldn't even sign these little authorization cards. As a matter of fact, they dispersed a lot of their organizers. The point that I want to make is this. That it hasn't been too many years ago when Syracuse, New York made all of the General Electric televisions and they had 14 thousand people there. Today Syracuse has only 7 thousand people and four to five thousand jobs are now in Portsmouth, Virginia.

The Employer's concept of two-source supplier and the necessity for a continuation of that concept has particular meaning with respect to the question of whether the Employer will institute production of the Form V motor in Murfreesboro. It is noted that the form used to solicit signatures in February, 1974, (see Exhibit D) states as part of the heading, "We Pledge Full Support to the Department's Two Source Supplier Program - Let's Qualify for Form V for Murfreesboro." Also, whereas the incident might be considered isolated standing alone, the statement attributed by employee Witness L to his foreman, Wendell Steagell, is of some significance. The Employer contends that Steagell did not make the specific remark attributed to him. However, it is admitted by the Employer that Steagell told employees that he felt that the outcome of the election would be taken into account by the people who make the final decision on the placement of Form V motor production.

The undersigned is mindful of the fact that in the Supreme Court's *Gissel*¹⁷ Decision, it is stated that the test for determining whether predictions regarding potential changes in the business or in working conditions "must be carefully phrased on the basis of objective fact to convey an employer's belief as to demonstratable probable consequences beyond his control." It is the conclusion of the undersigned that the clear import of the Employer's speeches as referred to above constitutes not a lawful prediction, but rather, clear threats that a union victory would be detrimental to the future employment opportunities of the employees. The very clear message to the employees was that the Form V motor would not be built in the Murfreesboro plant in

¹⁷ *NLRB v. Gissel Packing Co.*, 395 U.S. 575

the event of a union victory. The solicitation of pledges in February, 1974, very clearly emphasized the need for allegiance to the two-source supplier concept and the speeches by the Employer made it clear to the employees that a vote in favor of the Union would clearly be inconsistent with Murfreesboro being part of the two-source supplier concept, particularly with reference to the Form V motor in that the Company had already established the manufacture of that motor in another plant already represented by the I.U.E. in DeKalb, Illinois. Similarly, I find that the Employer's reference to the loss of employment in its union plants and a corresponding gain of employment in non-union plants manufacturing the same products constitutes a further basis for setting aside the election.¹⁸

¹⁸ *The Timken Company*, 194 NLRB 853; *The Singer Company Friden Division*, 199 NLRB 1195.

In summary, the content of the speeches attached hereto as Exhibits G and H clearly have the effect of interfering with the employees' freedom of choice in the election by conveying to employees the message that unionization of the Murfreesboro plant would result in that plant not receiving the Form V motor production, and that further adverse effects would be felt because the plant would no longer serve as a useful tool in the Employer's two source supplier concept of being paired with another union plant of the Employer. Based on the foregoing, merit is found to this additional objection.

Accordingly, it is recommended that this additional objection be sustained.