

**UNITED STATES GOVERNMENT
BEFORE THE NATIONAL LABOR RELATIONS BOARD
REGION 29**

QUALITY KING DISTRIBUTORS, INC.
Employer

and

CLAUDIA SORTO
Petitioner

Case No. 29-RD-071777¹

and

LOCAL 348-S, UNITED FOOD AND
COMMERCIAL WORKERS UNION, C.T.W.
Intervenor²

and

LOCAL 25, UNION DE TRABAJADORES DE QUALITY KING
(LOCAL 25, QUALITY KING EMPLOYEES UNION)
Intervenor³

DECISION AND ORDER

Quality King Distributors, Inc. (“Quality King” or “the Employer”) is engaged in

¹ The instant case was initially consolidated and heard with five other related cases. Four of those cases were subsequently withdrawn (Case Nos. 29-RD-070847, 29-RC-071136, 29-RC-071701, and 29-RC-071711). The fifth case (29-RD-071819) involved the same employer involved herein, Quality King Distributors, Inc., but involved a different division (the “re-packing division”), with a different unit of employees covered by a different collective bargaining agreement. Because I find the collective bargaining agreement involved in the instant case to bar an election, I am issuing the instant Decision and Order dismissing the petition, and I hereby sever this case. A Decision in the Quality King re-packing division case (29-RD-071819) will issue separately.

² Local 348-S’s motion to intervene was granted based on its status as the incumbent recognized union representing the petitioned-for employees and based on its collective bargaining agreement covering those employees. Its name appears as amended at the hearing.

³ The Hearing Officer granted limited intervenor status to Local 25 in this case, based on a less-than-10% showing of interest. Local 25’s statuses as a labor organization and as an intervenor are discussed in detail below.

distributing health products and beauty products from its facility in Ronkonkoma, New York. A unit of employees including warehouse employees has been represented for collective bargaining purposes by Local 348-S, United Food and Commercial Workers Union, CTW (“Local 348-S”). There is a collective bargaining agreement between the Employer and Local 348-S, effective by its terms from August 3, 2010, to July 31, 2012. On January 4, 2012, Claudia Sorto, an individual, filed a petition under Section 9(c) of the National Labor Relations Act (“the Act”), seeking to decertify Local 348-S as the warehouse unit’s collective bargaining representative. As discussed below in more detail, Local 25, Quality King Employees Union (“Local 25”) intervened in the proceedings.

The Employer and Local 348-S have raised a number of issues herein. First, the Employer challenges the authority of the National Labor Relations Board (“the Board”) to issue decisions, alleging that the Board ceased having a valid quorum on January 3, 2012, and challenging President Obama’s subsequent “recess appointment” of three Board members. Second, both the Employer and Local 348-S contend that the 2010-2012 collective bargaining agreement covering the warehouse unit bars an election at this time under the Board’s “contract bar” doctrine.⁴ By contrast, the decertification petitioner, Ms. Sorto, contends that there was no valid collective bargaining agreement in effect. Third, the Employer and Local 348-S contend that Local 25 does not qualify as a labor organization within the meaning of Section 2(5) of the Act, and that its motion to

⁴ There is no dispute that the decertification petition was not filed within the so-called “open period,” 60 to 90 days before the expiration of the contract. Leonard Wholesale Meats, 136 NLRB 1000 (1962). Given this contract’s expiration date of July 31, 2012, the relevant open period will begin on May 3, 2012, and end on June 1, 2012.

intervene should have been denied. By contrast, Local 25 contends that it is a labor organization as defined in the Act, and that its intervention was proper.

A hearing on these issues was held before Nicholas Heisick, a Hearing Officer of the Board. In support of its position that the contract exists and bars an election, the Employer called its human resources/payroll director, Olga Lancaster, to testify. Local 25's president, Cesar Alarcon, testified regarding Local 25's status as a labor organization.

Pursuant to Section 3(b) of the Act, the Board has delegated authority in this proceeding to the undersigned Regional Director.

For the reasons discussed below, I conclude that Local 25 meets the definition of a labor organization and that its limited intervention status was properly granted. However, I also conclude that the 2010-2012 collective bargaining agreement between the Employer and Local 348-S bars an election at this time. I will therefore dismiss the petition.

FACTS

History of the case

The petitioner in this case, Claudia Sorto, initially filed a petition to decertify Local 348-S on December 21, 2011, in Case No. 29-RD-070847. In that petition, she identified the employer as "Quality King Distributors, Inc., d/b/a Pro-Choice Beauty Care, Inc." She also identified a single unit of about 1,000 employees, and identified Local 348-S as the incumbent union representing one large unit. Shortly thereafter, on December 21, 2011, a union called Local 223 Amalgamated Industrial, Toys, Novelty and

Production Workers (“Local 223”), for which Cesar Alarcon was identified as a business agent, filed a petition in Case No. 29-RC-071136, naming “Quality King Distributors, Inc.” as the employer, and also identifying Local 348-S as the representative of a 1,000-employee unit. Those two cases were consolidated and set for hearing on January 4, 2012.⁵

However, in connection with the Region’s processing of those two petitions, it appeared that there were three employing entities, with Local 348-S representing multiple smaller units, each unit having a separate collective bargaining agreement. In some instances, two units were employed by the same employing entity: (1) what the parties called the “regular” warehouse unit (whose employees receive and store merchandise, pick merchandise and load trucks), and (2) a “re-packing” unit (whose employees work in a different area of the facility, taking products out of one case, putting them in another case, sometimes shrink-wrapping them, and sometimes changing the labels).

As a result, 10 new petitions were filed. Specifically, on January 3 and 4, Sorto filed “RD” petitions for each of the five units, and Local 223 filed corresponding “RC” petitions for the same units, as follows:⁶

<u>Employer:</u>	<u>RD Case No.</u>	<u>RC Case No.</u>
Pro’s Choice Beauty Care, Inc. [warehouse unit]	29-RD-071754	29-RC-071694
Pro’s Choice Beauty Care, Inc., Re-Packing Division	29-RD-071757	29-RC-071741

⁵ All dates hereinafter are in 2012, unless otherwise indicated.

⁶ For some reason, the separate petitions continued to state “1,000” as the number of employees in each unit, although the real number is obviously smaller. For example, Local 348-S representative Eduardo Cordero testified that there are approximately 200 employees in the Pro’s Choice regular warehouse unit.

Quality King Distributors, Inc. [warehouse unit]	29-RD-071777	29-RC-071711
Quality King Distributors, Inc. Re-Packing Division	29-RD-071819	29-RC-071701
Perfumania Holdings, Inc.	29-RD-071824	29-RC-071736

Thus, on January 4, when the parties arrived for the hearing on the initial RD and RC petitions, the Region was also processing the new petitions that had just been filed the day before, or the same day. The January 4 hearing primarily focused on the two units at Pro’s Choice Beauty Care, Inc., i.e., the “regular” warehouse unit, and the re-packing unit. The Employer and Local 348-S’s witnesses testified that those two parties reached agreement on new contracts for the two Pro’s Choice units, and that the contracts have actually been applied. By contrast, Local 223’s employee-witnesses generally testified that they never voted to ratify the contract, and that they did not even know there was a contract. (Shortly after the January 4 hearing date, the initial RD petition and RC petition naming one large employer/unit were withdrawn.)

On January 12, the Acting Regional Director issued an order consolidating the four then-pending Quality King cases, and consolidating the two then-pending Perfumania cases, and setting both sets of cases for hearing on January 13. The Acting Regional Director also agreed to allow the employer in the Pro’s Choice cases to submit an offer of proof regarding a potential union-security issue at the January 13 date. Thus, a total of 10 petitions (i.e., the five RD and five RC petitions listed above) were going to be

heard that day *in seriatim*. The three employing entities were represented by the same attorney,⁷ and the other parties were the same in all cases.

In the meantime, Local 223 decided that it no longer wanted to pursue its petitions in the RC cases, apparently over the objection of its agent Alarcon. Local 223's attorney appeared at the January 13 hearing for the limited purpose of requesting to withdraw the five RC petitions, but did not take a position on any issues or call any more witnesses. The Pro's Choice hearing re-opened and closed on January 13, before the Quality King hearing opened. During the Quality King hearing, Alarcon announced that he had resigned from Local 223; declared that he had just returned from the Employer's Bellport facility where he formed a brand-new union, Local 25; submitted a showing of interest for Local 25; and moved to intervene in the five remaining RD cases. Given Local 25's less-than-10% showing of interest in four of the five units, the Hearing Officer granted Local 25 limited intervenor status in the two Pro's Choice cases, the Perfumania case, and the regular warehouse unit in the instant Quality King case.⁸ Alarcon then testified about Local 25's status as a labor organization.

Thus, record evidence in the instant case – the decertification petition in the Quality King warehouse unit, Case No. 29-RD-071777 – comes from two sources: the

⁷ The three employing entities involved in these cases are clearly related, although the exact nature of their inter-relation is not detailed in the record. Marc Garrett was identified as the chief operating officer of both Pro's Choice and Quality King corporations. Similarly, Olga Lancaster identified herself as the human resources/payroll director for both Pro's Choice and Quality King. According to the commerce stipulations involved in these cases, Pro's Choice and Perfumania's primary place of business is located in Bellport, New York, whereas Quality King's primary place of business is located in Ronkonkoma, New York. The record does not indicate the extent of interaction between those two facilities.

⁸ Alarcon did not have a showing of interest in the Quality King re-packing unit, but he was given an additional 48 hours to submit the same. Local 25's intervention in that case will be addressed separately in the Decision in that case.

January 4 hearing in the multiple cases, and the January 13 hearing in the two Quality King RD cases.

The 2010 - 2012 contract

The 2010 – 2012 contract was admitted to evidence as Board Exhibit 3 at the Quality King hearing on January 13. There appears to be no dispute that it was signed by the Employer’s chief operating officer, Marc Garrett, and Local 348-S’s former secretary-treasurer John Fazio.⁹

The typed preamble of the contract itself says that it was “made and entered this 4th day of August, 2010.” Article XXXVIII regarding the contract term states that the agreement “shall go into force and effect on August 3, 2010 and shall continue in effect until July 31, 2012.” No dates appear on the signature page.

Article VII of the contract provides that, upon the signing of the agreement, employees who were employed for at least 90 days will receive a \$500 bonus. Articles XII and XVI require the Employer to make increased contributions, respectively, to the Health and Welfare Fund, and to the Annuity Fund. At the hearing, the Employer’s human resources/payroll director, Olga Lancaster, testified that the Employer has in fact paid the \$500 bonus to employees in the warehouse unit, and has made the required contributions to the benefit funds. (*See also* Employer Exhibit 1, cancelled checks to the benefit funds).

⁹ In the Pro’s Choice cases (Nos. 29-RD-071754 and 29-RD-071757), Local 223 called employee-witnesses to testify that employees never voted to ratify the contract. The Petitioner in the instant Quality King cases, Claudia Sorto, generally took the position that there is no valid contract in effect. However, neither Ms. Sorto nor Local 223 nor Local 25 elicited any specific evidence to challenge the existence or validity of the Quality King contracts.

Finally, it should be noted that Article II of the 2010 - 2012 contract contains, in part, the following union security provision:

It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing, and those who are not members on the effective date of this Agreement shall, on the 31st day following the effective date of this Agreement, become and remain members in good standing of the Union. It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the 31st day following the beginning of such employment, become and remain members in good standing of the Union. A member becomes and remains a member in good standing of the Union by the payment of the dues and initiation fees to the Union.

As noted above, the “term of the agreement” provision stated that the contract would go into effect on August 3, 2010, even though the preamble stated that the contract was “made and entered” one day later, on August 4, 2010.

Local 25's status

As noted above, the evidence concerning Local 25's labor organization status was elicited from the testimony of Cesar Alarcon in the two Quality King RD cases on January 13, 2012. Alarcon testified that Local 25 was created about two hours before he testified at the hearing, and that he is the president of Local 25. “A large group of employees,” which included employees of the Employer, elected him to be president of Local 25.¹⁰ Alarcon testified that he represents employees, will negotiate with employers on their behalf and concluded, “I'm a labor organization under the law.” More specifically, Alarcon testified that it is his intent to handle grievances of employees and

¹⁰ Until about two hours before his testimony, Alarcon was an employee of Local 223, involved in the organizing effort of employees working for the Employer, Pro's Choice Beauty Care, Inc., Pro's Choice Beauty Care, Inc. Re-Packing Division, Quality King Distributors, Inc. and Quality King Distributors, Inc. Re-Packing Division. Alarcon initially testified that he was the president of Local 25 for 2 hours, but later indicated that he was elected about 1 hour before his testimony. Local 25 does not have any other officers.

negotiate with the Employer over terms and conditions of employment of the employees. Alarcon admits that the only employee participation in Local 25 as of the date of the hearing was to elect him as president. However, Alarcon further stated that he intends to have employees participate in meetings, to authorize him to appoint other officers and to assist him in the creation of the organization's constitution and by-laws. Local 25 does not currently have an address. Local 25 does not have any collective bargaining agreements with other employers, has never negotiated on behalf of employees of any other employers and does not have a constitution or by-laws. Local 25 has not filed documents with the Department of Labor.

As stated in the history of the case, *supra*, Alarcon returned to the Regional office on January 13 with a showing of interest during the hearing for the instant Quality King case. Specifically, Alarcon submitted a less-than-10% showing of interest for the instant warehouse unit. The Hearing Officer granted limited intervenor status herein on that basis.

DISCUSSION

The Board's composition

There is no dispute that when the term of former Member Craig Becker expired on January 3, 2012, only two Board members remained (Chairman Mark G. Pearce and Brian Hayes). In New Process Steel v. NLRB, 130 S.Ct. 2635 (2010), the United States Supreme Court held that the Board has no authority to act without at least three members.

On January 4, 2012, President Obama appointed three current Board members (Sharon Block, Terence F. Flynn and Richard Griffin) to the Board. The Employer

asserts that the Board lacks authority to decide cases at this time because these three Presidential nominations were made during the pro forma session of Congress and, therefore, that the appointments were not constitutionally-valid "recess appointments."

The Board has found that it is not appropriate for it to decide whether Presidential appointments are valid. Instead, the Board applies the well-settled "presumption of regularity support[ing] the official acts of public officers in the absence of clear evidence to the contrary." *Lutheran Home at Moorestown*, 334 NLRB 340, 341 (2001), citing *U.S. v. Chemical Foundation*, 272 U.S. 1, 14-15 (1926). Accordingly, I presume the validity of the Board members' appointments, and my own continuing authority as the Board's delegate in this matter. The undersigned Regional Director will therefore proceed to decide the specific issues raised in the instant representation case.

Local 25's labor organization status

The Employer and Local 348-S contend that Local 25 is not a labor organization within the meaning of Section 2(5) of the Act. The RD Petitioner took no position on the status of Local 25.¹¹

Section 2(5) of the Act defines a "labor organization" as:

[A]ny organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

This statutory definition of a labor organization has been interpreted broadly. *See, e.g., Electromation, Inc.*, 309 NLRB 990, 993-4 (1992), *enfd.* 35 F.3d 1148 (7th Cir.

¹¹ The record is silent as to the RD Petitioner's response when asked whether she agreed that Local 25 was a labor organization within the meaning of Act. However, the RD Petitioner stated her agreement with the Hearing Officer's ruling to grant Local 25 limited intervenor status.

1994). In order to be a "labor organization," the Act requires that (1) employees participate in the organization; and (2) the organization exists, in whole or in part, for the purpose of "dealing with" employers concerning wages, hours, and other terms and conditions of employment. *Alto Plastics Mfg. Corp.*, 136 NLRB 850, 851-52 (1962).¹² The Board has stated that the intent of the organization, and not what it actually performs, is critical in ascertaining labor organization status, regardless of the progress of the organization's development. *Edward A. Utlaut Memorial Hospital*, 249 NLRB 1153, 1160 (1980); *Armco, Inc.*, 271 NLRB 350 (1984). Structural formalities, such as a constitution and by-laws or filing documents with the Department of Labor, are not required to find labor organization status within the meaning of Section 2(5) of the Act. See e.g., *Yale New Haven Hospital Police Benevolent Association*, 309 NLRB 363 (1992). Indeed, in *Advance Industrial Security, Inc.*, 225 NLRB 151 (1976), although the purposes of the petitioner had not yet come to fruition, it participated in no representational activities and lacked structural formality, the Board found labor organization status inasmuch as the petitioner indicated it intended to perform collective bargaining activities and to become formally structured if certified to represent employees in an appropriate unit.¹³ Similarly, in *American Automobile Association, Wisconsin*

¹² The term "dealing with" in Section 2(5) of the Act has been interpreted to extend beyond simply "bargaining with" an employer. *N.L.R.B. v. Cabot Carbon Company*, 360 U.S. 203, 210-212 (1959).

¹³ The Board cited *Comet Rice Mills Division Early California Industries*, 195 NLRB 671, 674 (1972) (where an employee became the president of an organization which envisioned participation of employees and existed for statutory purposes, the organization was found to be a labor organization within the meaning of Section 2(5) although its purposes never came to fruition) and *Butler Manufacturing Co.*, 167 NLRB 308 (1967) (where a newly formed union, which was not yet representing employees but admitted employees to membership and was formed for the purpose of representing the employees, was found by the Board to be a labor organization within the meaning of Section 2(5) of the Act).

Division, 242 NLRB 722 (1979), the Board found a petitioner, which was newly formed, was a labor organization within the meaning of the Act inasmuch as its members met, elected officers and evidenced an intent to bargain with the employer over their wages, hours and other terms and conditions of employment.

Here, the un rebutted evidence shows that a group of employees met and elected Cesar Alarcon to be the president of Local 25. Additionally, Alarcon testified that he intends to handle grievances of employees and negotiate with the Employer over the employees' terms and conditions of employment. Thus, the evidence shows that employees participate in Local 25, and that Local 25 exists for the purpose of dealing with the Employer concerning statutory subjects, although such purposes have not yet come to fruition. Accordingly, I find that Local 25 is a labor organization under Section 2(5) of the Act. See e.g. *Advance Industrial Security, Inc., supra*; *Comet Rice Mills Division Early California Industries, supra*.¹⁴

I am not persuaded by the argument that there is insufficient evidence that Local 25 is an organization in which employees participate, inasmuch as I find that the group action of employees electing Alarcon as the president of Local 25 satisfies the employee participation requirement of Section 2(5) of the Act.¹⁵ Moreover, with regard to Alarcon's reference to himself ("P") as being a labor organization, I note that the Board

¹⁴ See also *Roytype, Division of Litton Business Systems, Inc.*, 199 NLRB 354 (1972) (where a petitioner existed for statutory purposes, although those purposes did not yet come to fruition and employees participated in its organization and subsequent activities, although the latter had been limited by the organization's lack of representation rights, the Board found labor organization status.)

¹⁵ See e.g., *The Grand Union Company*, 123 NLRB 1665 (1959) (where the Board stated that the group action of employees in selecting and authorizing an individual representative satisfied the employee participation required by Section 2(5) of the Act). The United States Court of Appeals for the District of Columbia denied enforcement of this case in *Schultz v. NLRB*, 284 F.2d 254 (D.C. Cir. 1960); however it was cited with approval by the Board in *Legal Services for the Elderly Poor*, 236 NLRB 485 (1978).

has stated that the definition of labor organization in the Act is broad enough to include an individual representative. *Legal Services for the Elderly Poor*, 236 NLRB 485 (1978).

Local 25's intervention

Section 102.65(b) of the Board's Rules and Regulations regarding representation case hearings provides the following:

Any person desiring to intervene in any proceeding shall make a motion for intervention, stating the grounds upon which such person claims to have an interest in the proceeding. The Regional Director or the hearing officer, as the case may be, may by order permit intervention in person or by counsel or other representative to such extent and upon such terms as he may deem proper, and such intervenor shall thereupon become a party to the proceeding.

The Board has held that the showing of interest is an administrative matter not subject to litigation. O.D. Jennings & Co., 68 NLRB 516 (1946); River City Elevator Co., 339 NLRB 616 (2003).

As stated above, Cesar Alarcon appeared at the January 13 hearing as president of Local 25, and moved to intervene on the basis of a showing of interest. The Hearing Officer administratively determined that Local 25 had submitted at least one employee-signature from the Quality King warehouse unit, although the showing represented less than 10% of said unit. The Hearing Officer granted Local 25 "limited" intervenor status, meaning that Local 25 was allowed to participate in the proceeding (and would be allowed to appear on the ballot in any election conducted in the unit), but could not block stipulations agreed to by the other parties. *See* NLRB Casehandling Manual Section 11023.4.

In their post-hearing briefs, the Employer and Local 348-S point out that Quality King's facility is in Ronkonkoma, New York, whereas the Pro's Choice and Perfumania

facility is located in Bellport, New York. They question how Alarcon, who testified on January 13 that employees elected him president at the Bellport facility that day, could also have obtained signatures from any Quality King employees who work in Ronkonkoma, during Alarcon's two-hour absence from the Regional office.

As stated above, the showing of interest is an administrative matter, not subject to litigation. I have reviewed Local 25's showing of interest, as well as the payroll records submitted by the employers in these related cases, and I have determined that Local 25 has indeed submitted a showing of interest in the Quality King warehouse unit involved in the instant case. I therefore affirm the Hearing Officer's granting of limited intervenor status to Local 25.

Contract bar issue

In establishing the contract bar doctrine, the Board has attempted to strike a balance between preserving employees' right to freely choose their representative, and preserving some stability in the parties' collective bargaining relationship. This doctrine provides that when the contracting parties have executed a collective-bargaining agreement, they are entitled to a reasonable period of stability in their relationship without interruption. General Cable Corp., 139 NLRB 1123 (1962).

Employees who are covered by an existing contract of up to three years duration, but who wish to change or eliminate their bargaining representative, must wait until the specified "open period" to file their petition. Specifically, for non-healthcare employers, the petition must be filed between 60 and 90 days before the expiration date of the contract. Leonard Wholesale Meats, 136 NLRB 1000 (1962). The Board then gives an incumbent union and employer a 60-day "insulated period" during which they may try to

negotiate and execute a new contract, without the disrupting effect of rival petitions or decertification petitions. Any petitions filed within the insulated period are dismissed.

Nevertheless, in order for a contract to bar an election, it must conform to certain standards. *See generally* Appalachian Shale Products Co., 121 NLRB 1160, 1161 (1958); Seton Medical Center, 317 NLRB 87 (1995). For example, the Board has held that a contract containing a union security clause which is clearly unlawful on its face does not bar an election. Paragon Products Corp., 134 NLRB 662 (1962); Electrical Workers Local 444 (Paramax Systems), 311 NLRB 1031 (1993). As the Board explained in Paragon Products, *supra*, 134 NLRB at 663, any postponement of employees' rights to select their representative is justified *only* where a valid contract fosters labor stability. By contrast, a contract that is itself in conflict with the policies of the Act, e.g., by containing an unlawful union security clause, "must be subordinated to employees' freedom of choice." *Id.*

A proviso of Section 8(a)(3) of the Act allows an employer and union to require employees to become union members as a condition of employment, as long as the employees have a grace period of at least 30 days ("on or after the thirtieth day following the beginning of such employment or the effective date of such agreement, whichever is later"). A contract which, on its face, clearly and unambiguously gives incumbent employees at least 30 days from its effective date to become union members may bar an election, even if the contract was not executed until later. Jet-Pak Corporation, 231 NLRB 552 (1977).

In the instant case, the evidence indicates that Quality King Distributors, Inc. and Local 348-S indeed entered into a contract, which was introduced into evidence as Board

Exhibit 3. There seems to be no dispute that the Employer and Local 348-S executed the contract, and that at least some contract provisions went into effect thereafter.

As noted above, Article XXXVIII of the contract stated that it would go into effect on August 3, 2010, even though its preamble stated that the contract was “made and entered” on August 4, 2010. In other words, on its face, the contract appears to have been retroactive by one day. The contract’s union security provision requires incumbent employees who are not already union members to become union members “on the 31st day following the effective date of this Agreement.” Thus, under this provision, any incumbent employees who were not already union members as of August 4th (when the parties “entered into” the contract) would have 31 days from the August 3rd “effective date” to become union members. Since 31 minus 1 equals 30, these provisions collectively have the effect of giving employees a 30-grace period from the August 3rd “effective date” to become members, which meets the minimum required by the Section 8(a)(3) proviso. The contract also gives new employees 31 days from the date of their employment. Thus, the union security provisions appear valid on their face, and do not remove the contract’s bar quality. Jet-Pak Corp., *supra*.

In sum, based on all the foregoing, I conclude that the collective bargaining agreement between the Employer and Local 348-S bars an election among the petitioned-for employees at this time. I will therefore dismiss the petition in the instant case.¹⁶

¹⁶ As noted above, the open period for filing a petition under the current contract will begin on May 3, 2012.

CONCLUSIONS AND FINDINGS

Based upon the entire record in this proceeding, the undersigned finds and concludes as follows:

1. The Hearing Officer's rulings are free from prejudicial error and hereby are affirmed.
2. The record indicates that Quality King Distributors, Inc., is a domestic corporation, with its principal office and place of business located at 201 Commack Street, Ronkonkoma, New York. The parties stipulated that the Employer is engaged in distributing health care products and beauty products, on both a wholesale basis and a retail basis. During the past year, which period represents its annual operations generally, the Employer purchased and received at its Ronkonkoma, New York facility, goods and supplies valued in excess of \$50,000 directly from points located outside the State of New York.¹⁷

Based on the foregoing, I find that the Employer is engaged in commerce within the meaning of the Act. It will therefore effectuate purposes of the Act to assert jurisdiction in this case.

3. The parties stipulated, and I hereby find, that Local 348-S is labor organization as defined in Section 2(5) of the Act. As discussed *supra*, I have also found that Local 25 is a labor organization as defined in the Act. Both labor organizations claim to represent certain employees of the Employer.

¹⁷ Where an employer is engaged in both retail and wholesale distribution, either jurisdictional standard may apply. DeMarco Concrete Block Co., 221 NLRB 341 (1975). The relevant wholesale standard appears above.

4. As discussed above, I have found that Local 348-S's collective bargaining agreement covering the petitioned-for employees bars an election at this time. No question concerning commerce exists concerning the representation of those employees within the meaning of Section 9(c)(1) and Section 2(6) and (7) of the Act.

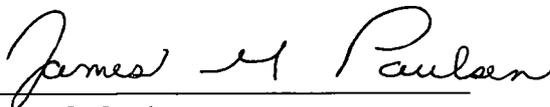
ORDER

Accordingly, it is hereby ordered that the petition in Case No. 29-RD-071777 be, and it hereby is, dismissed.

RIGHT TO REQUEST REVIEW

Under the provisions of Section 102.67 of the Board's Rules and Regulations, a request for review of this Decision may be filed with the National Labor Relations Board, addressed to the Executive Secretary, 1099 14th Street, N.W., Washington, D.C. 20570-0001. This request must be received by the Board in Washington by 5 p.m., EST on **February 29, 2012**. The request may be filed electronically through the Agency's website, www.nlr.gov,¹⁸ but may **not** be filed by facsimile.

Dated: February 15, 2012.



James G. Paulsen
Regional Director, Region 29
National Labor Relations Board
Two MetroTech Center, 5th Floor
Brooklyn, New York 11201

¹⁸ To file the request for review electronically, go to www.nlr.gov, select **File Case Documents**, click on the NLRB Case Number, and follow the detailed instructions.