Paragon Systems, Inc. *and* Security Union of the Northwest. Case 19–CA–086005

July 2, 2013

DECISION AND ORDER

BY CHAIRMAN PEARCE AND MEMBERS GRIFFIN AND BLOCK

The Acting General Counsel seeks a default judgment in this case pursuant to the terms of an informal settlement agreement. A charge was filed by Security Union of the Northwest (the Union) on July 25, 2012, against Paragon Systems, Inc. (the Respondent), alleging that the Respondent violated Section 8(a)(5) and (1) of the Act.

Subsequently, the Respondent and the Union entered into an informal settlement agreement, which was approved by the Regional Director for Region 19 on October 23, 2012. Among other things, the settlement agreement required the Respondent to: (1) provide the Union with the information it requested on July 6, 2012, relating to potential monetary reimbursements the Respondent owed to its represented employees; and (2) post and email appropriate notices.

The settlement agreement also contained the following provision:

> The Charged Party agrees that in case of non-compliance with any of the terms of this Settlement Agreement by the Charged Party, and after 14 days notice from the Regional Director of the National Labor Relations Board of such non-compliance without remedy by the Charged Party, the Regional Director will issue a complaint that will include the allegations spelled out above in the Scope of Agreement section. Thereafter, the General Counsel may file a motion for default judgment with the Board on the allegations of the complaint. The Charged Party understands and agrees that all of the allegations of the complaint will be deemed admitted and it will have waived its right to file an Answer to such complaint. The only issue that may be raised before the Board is whether the Charged Party defaulted on the terms of this Settlement Agreement. The Board may then, without necessity of trial or any other proceeding, find all allegations of the complaint to be true and make findings of fact and conclusions of law consistent with those allegations adverse to the Charged Party on all issues raised by the pleadings. The Board may then issue an order providing a full remedy for the violations found as is appropriate to remedy such violations. The parties further agree that a U.S. Court of Appeals Judgment may be entered enforcing the Board order ex parte, after service or attempted service upon the Charged Party/Respondent at the last address provided to the General Counsel.

By letter dated October 30, 2012, the Region sent the Respondent a copy of the approved settlement agreement and advised it to take the steps necessary to comply with the agreement and to inform the Region when it had done so. The letter specifically advised the Respondent of its obligation to post and email the appropriate notices and to provide the requested information. By email dated January 24, 2013, the Region notified the Respondent that it had not complied with the terms of the settlement, specifically addressing the obligations outlined in the Region's October 30, 2012 letter, attached to the email. The email further stated that failure to comply with the settlement agreement by February 1, 2013, could result in the Regional Director revoking the agreement, issuing a complaint and notice of hearing, and filing with the Board a motion for default judgment. The Respondent failed to comply.

Accordingly, pursuant to the terms of the noncompliance provisions of the settlement agreement, the Regional Director issued a complaint on May 21, 2013. Also on May 21 the Acting General Counsel filed a Motion for Default Judgment with the Board. On May 22, 2013, the Board issued an order transferring the proceeding to the Board and a Notice to Show Cause why the motion should not be granted. The Respondent filed no response. The allegations in the motion are therefore undisputed.

Ruling on Motion for Default Judgment

According to the uncontroverted allegations in the motion for default judgment, the Respondent has failed to comply with the terms of the settlement agreement by failing to furnish the Union with requested information and failing to post and email appropriate notices to all employees represented by the Union. Consequently, pursuant to the noncompliance provisions of the settlement agreement set forth above, we find that all of the allegations in the complaint are true.[1] Accordingly, we grant the Acting General Counsel's Motion for Default Judgment.

On the entire record, the Board makes the following

[1] See *U-Bee, Ltd.*, 315 NLRB 667, 668 (1994).

FINDINGS OF FACT

I. JURISDICTION

The Respondent is a State of Alabama corporation engaged in the business of providing physical security to various government agencies at their facilities throughout the Puget Sound area of Washington State, as well as other States.

During the 12-month period preceding the issuance of the complaint, a representative period, the Respondent, in conducting its business operations described above, derived gross revenues in excess of $500,000, and provided services valued in excess of $50,000 directly to entities outside the State of Washington.

We find that the Respondent is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act, and that the Union is a labor organization within the meaning of Section 2(5) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

At all material times, the following individuals held the positions set forth opposite their respective names and have been supervisors within the meaning of Section 2(11) of the Act and/or agents within the meaning of Section 2(13) of the Act acting on behalf of the Respondent:

Leslie Kaciban	President
Nicole Ferritto	Director of Employee Relations
Roman Gumul	Director of Labor Relations

The following employees of the Respondent constitute a unit (the unit) appropriate for the purposes of collective bargaining within the meaning of Section 9(b) of the Act:

> Included: All full-time and regular part-time security officers employed by Respondent within King, Snohomish, Watcom, Island, San Juan and Skagit counties in Washington.
>
> Excluded: all other employees, office clerical employees, managers and supervisors as defined in the Act.

At all material times since July 2, 2008, the Union has been the designated exclusive collective-bargaining representative of the unit and has been recognized as such representative by the Respondent. This recognition has been embodied in successive collective-bargaining agreements, the most recent of which is effective by its terms from April 14, 2010, through November 30, 2012.

At all material times since at least July 2, 2008, based on Section 9(a) of the Act, the Union has been the exclusive collective-bargaining representative of the unit.

Since about July 6, 2012, the Union has requested, by letter, that the Respondent furnish the Union with information concerning incorrect FICA tax deductions from the unit employees' paychecks from 2008 through 2010 and which may be owed in reimbursement to unit employees.

The information requested by the Union, as described above, is necessary for and relevant to the Union's performance of its duties as the exclusive collective-bargaining representative of the unit.

Since about July 6, 2012, the Respondent, by Roman Gumul, has failed and refused to furnish the Union with the requested information described above.

CONCLUSION OF LAW

By the conduct described above, the Respondent has been failing and refusing to bargain collectively with the exclusive collective-bargaining representative of its employees in violation of Section 8(a)(5) and (1) of the Act, and has engaged in unfair labor practices affecting commerce within the meaning of Section 2(6) and (7) of the Act.

REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, we shall order it to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act. Specifically, having found that the Respondent has violated Section 8(a)(5) and (1) of the Act by failing and refusing to provide to the Union the requested information that is necessary and relevant to its performance of its duties as the exclusive collective-bargaining representative of the unit employees, we shall order the Respondent to furnish the Union with the information requested on July 6, 2012.

ORDER

The National Labor Relations Board orders that the Respondent, Paragon Systems, Inc., Puget Sound area of the State of Washington, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Refusing to bargain collectively with Security Union of the Northwest by failing and refusing to furnish it with requested information that is relevant and necessary to the Union's performance of its functions as the collective-bargaining representative of the Respondent's unit employees. The bargaining unit is:

> Included: All full-time and regular part-time security officers employed by Respondent within King, Snohomish, Watcom, Island, San Juan and Skagit counties in Washington.

Excluded: all other employees, office clerical employees, managers and supervisors as defined in the Act.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Furnish to the Union in a timely manner the information requested by the Union on July 6, 2012.

(b) Within 14 days after service by the Region, post at its facilities in the Puget Sound area of the State of Washington, copies of the attached notice marked "Appendix."[2] Copies of the notice, on forms provided by the Regional Director for Region 19, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other electronic means, if the Respondent customarily communicates with its members by such means. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. If the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since July 6, 2012.

(c) Within 21 days after service by the Region, file with the Regional Director for Region 19 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

Dated, Washington, D.C. July 2, 2013

Mark Gaston Pearce, Chairman

Richard F. Griffin, Jr., Member

Sharon Block, Member

(SEAL) NATIONAL LABOR RELATIONS BOARD

APPENDIX

NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT refuse to bargain collectively with Security Union of the Northwest by failing and refusing to furnish it with requested information that is relevant and necessary to the Union's performance of its functions as the collective-bargaining representative of the following employees in the collective-bargaining unit:

Included: All full-time and regular part-time security officers employed by us within King, Snohomish, Watcom, Island, San Juan and Skagit counties in Washington.

Excluded: all other employees, office clerical employees, managers and supervisors as defined in the Act.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights listed above.

WE WILL furnish to the Union in a timely manner the information requested by the Union on July 6, 2012.

PARAGON SYSTEMS, INC.

[2] If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."