

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES
ATLANTA BRANCH OFFICE

UNITED STEEL, PAPER AND
FORESTRY, RUBBER, MANUFACTURING,
ENERGY, ALLIED INDUSTRIAL AND
SERVICE WORKERS INTERNATIONAL
UNION, LOCAL 1192, AFL-CIO, CLC
(BUCKEYE FLORIDA CORPORATION,
a Subsidiary of BUCKEYE TECHNOLOGIES,
INC. and GEORGIA PACIFIC, LLC)

and

CASE 12-CB-109654

JIMMIE RAY WILLIAMS, an Individual

and

BUCKEYE FLORIDA CORPORATION,
a Subsidiary of BUCKEYE TECHNOLOGIES,
INC. and GEORGIA PACIFIC, LLC,
Party in Interest

*Mark G. Eskenazi, Esq., and
Christopher Zerby, Esq.,*
for the General Counsel.
Brad J. Manzillo, Esq.,
for the Respondent.

DECISION

STATEMENT OF THE CASE

WILLIAM NELSON CATES, Administrative Law Judge. This case was tried before me on February 4, 2014, in Tallahassee, Florida. Charging Party Jimmie Ray Williams (Charging Party Williams or Williams) filed the charge initiating this matter on July 19, 2013, and the General Counsel issued a compliant and notice of hearing on November 29, 2013. The Government alleges the Union violated Section 8(b)(1)(A) of the National Labor Relations Act

(the Act) by, maintaining a “Fair Share Policy” which requires bargaining unit employees who are not members of the Union to pay a fair share of the cost of processing a grievance. The complaint further alleges the Union refused to process a grievance request of Charging Party Williams because he failed to pay the cost of representation as set out in the Union’s Fair Share Policy. The Union, in its answer to the complaint, admits it had the Fair Share Policy specified in the complaint. However, it denies it refused to process Williams’ grievance, but only declined representation if Williams refused to pay. As affirmative defenses, the Union alleges it neither made payment under the Fair Share Policy a condition of employment nor applied a fee to non-members for representation that it does not apply to members.

The parties were given full opportunity to participate, to introduce relevant evidence, to examine and cross-examine witnesses, and to file briefs. I carefully observed the demeanor of the witnesses as they testified and I rely on those observations here. I have studied the whole record, and based on the detailed findings and analysis below, I conclude and find the Union violated the Act essentially as alleged in the complaint.

FINDINGS OF FACT

I. JURISDICTION

The Union admits and I find, at all material times, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Local 1192, AFL–CIO, CLC (the Union) is and has been a labor organization within the meaning of Section 2(5) of the Act. I further find the United Steel, Paper and Forestry, Rubber, Energy, Manufacturing, Allied Industrial and Service Workers International Union, AFL–CIO, CLC (the International) is and has been a labor organization within the meaning of Section 2(5) of the Act. At all material times, Howard B. Pickels (Union President Pickels or Pickels) has been the president of the Union and has been an agent of the Union within the meaning of Section 2(13) of the Act.

The Union admits and I find, at all material times, Buckeye Florida Corporation, a subsidiary of Buckeye Technologies, Inc., which in turn is a subsidiary of Georgia Pacific, LLC (the Company), is a Delaware corporation with an office and place of business in Perry, Florida. The Company’s Perry, Florida plant (the Perry plant or Foley, Florida plant) is a cellulose chemical and paper pulp mill. In the past 12 months, a representative period, the Company purchased and received at its Perry, Florida plant goods valued in excess of \$50,000 directly from points located outside the State of Florida. Thus, I find the Company is and has been an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

A. Background

The Union and the International are jointly the exclusive bargaining representative of employees at the Perry plant. Under the collective-bargaining agreement in effect from April 1,

2012, through April 1, 2016, the Company recognized the Union and the International as the exclusive bargaining representative of the following unit:

5 All persons employed by the Employer at its Foley, Florida plant operation in production and maintenance work, but excluding all persons employed by the Employer as office clerical, administrative, professionals, guards and supervisors as defined in the Act.

10 Florida is a “right to work” state¹ and the collective-bargaining agreement does not contain a union-security provision.

15 The collective-bargaining agreement contains a grievance and arbitration procedure (GC Exh. 2 pp. 6–11). Under this procedure a grievant must first address his or her dispute with his or her immediate supervisor (GC Exh. 2 p. 6). If the grievance is not satisfactorily resolved at this first step, the procedure specifies the grievance is to be reduced to writing and presented to progressively higher ranking managers by the grievant and the “Grievance Representative.” To proceed to arbitration, the International must provide its consent.

20 Pickels testified an employee may process a grievance without the assistance or intervention of the Union. However, he could only identify one instance in which a nonmember employee (Cruz) had, approximately 10 years ago, gone “out on his own and tried to present his grievance without the Union’s representation.” Pickels conceded, however, that an employee cannot proceed past the third step to arbitration without the approval of the International. Charging Party Williams was not aware of any employee having filed a grievance on his or her own behalf.

B. The Union’s Fair Share Policy

30 Since May of 2013, the Union has maintained a Fair Share Policy. That policy applies to unit employees who are not members of the Union and requires they pay a fee to the Union if they wish to be represented by the Union when filing a grievance under the collective-bargaining agreement. Members of the Union approved the policy during a meeting on May 20, 2013 (USW Exh. 1).

35 Within a day or so of the May 20, 2013 meeting, Pickels distributed copies of a “Notice to Employees for Fair Share Policy” to various union members who posted the notices in the 10 to 12 break areas throughout the Perry facility as well as on the four union bulletin boards at the facility. The notice read as follows:

40 The purpose of this Notice is to inform you of your rights as an employee covered by the Collective Bargaining Agreement (“CBA”) for Buckeye Florida and USW Local 1192. Recently, Local 1192 of the United Steelworkers, with the support of the International Union, has established a Fair Share Policy for all employees covered by the CBA.

¹ I take judicial notice that the Constitution of the State of Florida contains a “right to work” provision. F.S.A. Const. Art. 1 sec. 6 (1968).

5 It is the policy of the United Steelworkers (“Union”) to represent all bargaining unit employees in a professional, diligent manner and non-discriminatory manner, regardless of their membership status in the Union. At the same time, the Union’s policy is that, as a matter of fairness and equity, non-members should pay their fair share of the costs of the Union representation on the same basis as regular members of the Union.

10 In the event that the non-member of the Union (“Fair Share Employee”) employed in the bargaining unit covered by the USW Local 1192 wishes to be represented by the Union for a grievance, s/he will be required to pay a Fair Share Representation Fee, which shall be:

15 **“The equivalent of the USW’s dues less applicable deductions under *Communications Workers of America v. Beck*, 487 U.S. 735 (1988). The Fair Share representative Fee shall be payable for the remainder of the term of the collective bargaining agreement in effect at the time the grievance is filed. Such Fee shall also be payable through the portion for the term of any new collective-**
20 **bargaining agreement(s) in effect subsequent to the filing of the grievance, if the grievance is still being processed by the Union during the life of such new collective bargaining agreement(s) until the processing and complete resolution of the grievance had been completed.”**

25 The Union and the non-member shall make suitable arrangements for the non-member to pay the Fair Share Representation Fee. If an employee refuses or fails to make payment of the Fair Share Representation fee as described above for a period of 30 days or longer, the Union may cease its representation of the
30 employee in the grievance. (GC Exh. 2.)

35 This policy remained in effect until August of 2013, when Williams filed his charge with the Board (USW Exhs. 3 and 4). At that time, the Union notified unit employees by posting and hand delivery it was suspending the Fair Share Policy. Since that time, the Union has not charged a unit employee a fee for grievance processing.

C. Williams’ Grievance

40 Charging Party Williams had been a maintenance worker in the Company’s preventative maintenance department at its Perry facility since 1997. As such, he was a member of the unit represented by the Union and the International. Until early 2013, Williams had been a member of the Union. However, in early 2013, Williams resigned his membership and stopped paying union dues. His employment with the Company ended in July of 2013. The circumstances of Williams’ departure from the Company are not before me.

Some time in May or June of 2013, Williams became aware the Company had hired contractors to perform unit work which he believed he could have performed on overtime. He initially spoke with his immediate supervisor, Rico Jordan, but was dissatisfied with the response. He next contacted Union President Pickels in the maintenance shop and made a verbal request to file a grievance. Williams testified Pickels told him he had to pay the equivalent of union dues for the remainder of the term of the collective-bargaining agreement if he wanted the Union to represent him in his grievance. Williams admitted Pickels response upset him. And, he could not recall the remainder of their conversation. Williams explained, “I don’t remember what I said. It made me mad and honestly I have no idea—there’s no telling what I told him—and I walked off.” Following this conversation, Williams took no other action to pursue his grievance and was unaware an employee could file a grievance without the assistance of the Union. Williams testified he never paid union dues or fees to the Union and the Union never filed an overtime grievance for him

On July 26, 2013, Union President Pickels emailed Charging Party Williams a copy of the Union’s Fair Share Policy. Williams could not recall ever seeing a copy of the Fair Shop Policy prior to Pickels July 26 email.

Pickels was equally uncertain of the exact date Williams approached him but agreed Williams verbally raised an overtime issue with him sometime in May or June of 2013. Pickels testified he informed Williams he would process the grievance, but Williams would have to comply with the Fair Share Policy. Pickels testified Williams responded “screw it, don’t worry about it” and “stormed off.” On June 17, 2013, Pickels sent an email to Union Attorney Brad Manzolillo with the International in which he wrote, “A non member by the name of Jimmie Ray Williams approached me about filing a grievance. . . . I advised him of the fair share policy that the Local had recently voted in and informed he [sic] that he would be expected to pay the equivalent of the Union Dues in order for us to process the grievance.” (USW Exh. 8.) Pickels testified, as far as he was aware, Williams never pursued the grievance.

III. DISCUSSION AND ANALYSIS

A. Legal Standards

Section 8(b)(1)(A) of the Act prohibits an exclusive bargaining representative from restraining or coercing employees in the exercise of their Section 7 rights, which includes the right to refrain from joining a union. The Board has long held that a union violates Section 8(b)(1)(A) when it makes union membership a condition to processing a grievance. See, e.g., *Auto Workers Local 1303 (Jervis Corp. Bolivar Div.)*, 192 NLRB 966 (1971). In *Machinists Local Union No. 697 (H.O. Canfield Rubber Co.)*, 223 NLRB 832 (1976), the Board extended that holding to a case in which the union had made payment of fees by nonmembers a condition of grievance processing. The Board held doing so discriminated against nonmembers and that to “discriminate against nonmembers by charging them for what is due them by right restrains them in the exercise of their statutory rights.” *Id.* at 835, relying on *Hughs Tool Co.*, 104 NLRB 318 (1953) (in which the Board held that demanding nonmembers pay a fee for grievance and arbitration processing violated the union’s obligations under Section 9(a) of the Act warranting revocation of the union’s certification). Thereafter, the Board has consistently held, absent a

valid union-security clause, or in a “right to work” state, a union may not charge nonmembers for processing of grievances or other related services because doing so coerces employees in the exercise of their Section 7 right to refrain from joining a union. *Furniture Workers Local 282 (Davis Co.)*, 291 NLRB 182 (1988); and *American Postal Workers (Postal Service)*, 277 NLRB 541 (1985).

B. Contentions of the Parties

The General Counsel contends in maintaining and implementing its Fair Share Policy, the Union violated Section 8(b)(1)(A). In addition to the policy being unlawful on its face, the General Counsel contends the Union violated its fiduciary duty to Williams, a unit employee, when it refused to represent him in processing a grievance.

The Union concedes it both maintained and implemented the Fair Share Policy. However, it contends its policy is not unlawful because it does not make payment of the fee a condition of employment. In addition, the Union contends it did not apply a fee for representation to nonmembers that does not apply to members. In support of this latter argument, the Union relies on Chairman Murphy’s dissent in *Machinists Local 697*, 233 NLRB at 836–837. Finally, the Union contends it did not refuse to provide Williams with representation, rather, upon being informed of the Fair Share Policy, Williams chose not to pursue his grievance.

C. Analysis

Applicable Board law is well settled and unambiguous in this case. This matter arose in the State of Florida, a “right to work” state, and the collective-bargaining agreement between the Union and the employer contains no union-security clause. The Union, via its Fair Share Policy charges nonmember employees covered by the collective-bargaining agreement a fee for processing a grievance. Under these circumstances and current Board precedent, this Fair Share Policy violates Section 8(b)(1)(A) of the Act.

Moreover, the Union’s defenses are without merit. The Union contends its policy does not coerce employees in the exercise of their Section 7 rights because it does not make payment of the fee a condition of employment. However, in none of the cases in which the Board has addressed this issue did the policy make payment of the grievance processing fee a condition of employment. Rather the Board looked to whether the policy coerced the employee in his or her right to refrain from joining the union. In each and every case, the Board held that such policies do so.

Equally without merit is the Union’s contention its policy is not discriminatory because it charges nonmembers the same fee it charges members. In *Machinist Local 697*, supra, Chairman Murphy dissented from the majority’s remedial order, noting that Board precedent did not prohibit some “sharing of costs.” She wrote she would have found a violation only to the extent nonmembers paid fees in excess of those paid by members and she would have ordered the union to handle any grievances upon a nonmember’s offer “to pay an amount equal to the monthly dues paid by members for the remainder of the contract.” *Id.* at 837. However, the Board has

subsequently declined to follow Chairman’s Murphy’s dissent when presented with a case involving such “equal” sharing of costs. Specifically, in *Furniture Workers Local 282 (Davis Co.)*, supra, the union sought to charge a grievance processing fee equal to the lesser of either the actual cost of processing the grievance or the “dues left to be paid under the contract.” Implicitly declining to follow Chairman Murphy, the Board held the union could not charge *any* fee for “vital collective-bargaining services.” *Id.* at 183. Therefore, under current Board precedent the Union’s Fair Share Policy violates Section 8(b)(1)(A) of the Act, regardless of whether the fee is the equivalent of dues paid by members.

5

10

The Union appears to attach significance to its contention an employee can pursue a grievance without the assistance of the Union. However, there is no evidence of this practice occurring during any relevant time period. Furthermore, the Union concedes even if an employee could proceed without the Union through some steps, a grievance cannot be successfully pursued beyond the third step without the consent of the International. Therefore, I conclude this contention lacks merit.

15

20

The Union also relies on a decision by the Supreme Court of the State of Nevada finding valid a similar policy promulgated by a union representing certain State Government employees citing *Cone v. Nevada Service Employees Union, SEIU Local 1107, et al.*, 116 Nev. 473 (2000). *Cone* involved interpretation of a State statute covering State Government employees with provisions similar to those provisions of the Act at issue in the instant case. The court considered the Board precedent cited herein interpreting these similar provisions and rejected it, disagreeing with the Board’s holding because it leads to, in the court’s opinion, an “inequitable” result. *Cone*, 116 Nev. at 616. The Board was well aware of these equitable concerns when, interpreting the Act, it reached its contrary conclusion. See *American Postal Workers*, supra at 543; *Machinist Local 697*, supra at 835; and *Hughes Tool Co.*, supra at 328–329 (holding charging fees for grievance representation is not a “permissible solution” to the “free rider” problem). Even if the cases were similar in all other regards, I am bound by Board precedent. *Iowa Beef Packer, Inc.*, 144 NLRB 615, 616 (1963). Therefore, I find the Union’s reliance on the Nevada Supreme Court’s holding in *Cone* misplaced.

25

30

35

Accordingly, I find the Union violated Section 8(b)(1)(A) of the Act by maintaining and implementing a policy under which the Union charged nonmember unit employees a grievance processing fee.

CONCLUSIONS OF LAW

40

1. The Union is a labor organization within the meaning of Section 2(5) of the Act.

Act.

2. The International is a labor organization within the meaning of Section 2(5) of the

3. The Company is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

45

4. By, maintaining and implementing a policy under which the Union charges nonmembers who are represented by the Union a fee for processing a grievance, the Union violated Section 8(b)(1)(A) of the Act.

5

REMEDY

Having found the Union has violated Section 8(b)(1)(A) of the Act by maintaining a policy under which the Union will charge nonmembers who are represented by the Union a fee for processing a grievance, I order the Union to cease and desist and take certain affirmative action designed to effectuate the policies of the Act, including rescinding its unlawful Fair Share Policy.

Having found the Union has violated Section 8(b)(1)(A) of the Act by implementing a policy under which it sought to charge Jimmie Ray Williams a fee for processing a grievance, I order the Union to process the grievance Jimmie Ray Williams sought to file in 2013, without charging a fee of any type, and seek to have the Company consider the grievance timely filed.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended²

20

ORDER

The Union, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, Local 1192, AFL–CIO, CLC, and United Steel, Paper and Forestry, Rubber, Energy, Manufacturing, Allied Industrial and Service Workers International Union, AFL–CIO, CLC its officers, agents, and representatives, shall

1. Cease and desist from

(a) Maintaining and/or implementing its Fair Share Policy or any like policy pursuant to which nonmember unit employees are charged a fee for grievance processing.

(b) Refusing to process any grievance because a unit employee is not a member of the Union and has not paid a fee for processing the grievance.

(c) In any like or related manner 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.

40

(a) Rescind its current Fair Share Policy and so notify all unit employees at the Company’s Perry, Florida facility.

² If no exceptions are filed as provided by Sec. 102.46 of the Board’s Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

(b) Process grievances filed by nonmember unit employees without charging a fee.

5 (c) Process the grievance filed by Jimmie Ray Williams in 2013, without charging him a fee, and seek to have the Company consider the grievance timely filed.

10 (d) Within 14 days after service by the Region, post at the Buckeye Florida Corporation's facility in Perry, Florida, copies of the attached notice marked "Appendix."³ Copies of the notice, on forms provided by the Regional Director for Region 12, after being signed by the Union's authorized representative, shall be posted by the Union 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, the notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other
15 electronic means, if the Union customarily communicates with employees whom it represents by such means. Reasonable steps shall be taken by the Union to ensure that the notices are not altered, defaced, or covered by any other material. In the event that, during the pendency of these proceedings, the Company has gone out of business or closed the facility involved in these proceedings, the Union shall duplicate and mail, at its own expense, a copy of the notice to all
20 current employees and former employees employed by the Company at any time since May 20, 2013.

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

Dated, Washington, D.C. March 24, 2014

30

35

William Nelson Cates
Administrative Law Judge

³ 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."

APPENDIX

**NOTICE TO MEMBERS AND
NONMEMBER UNIT 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 enforce our current Fair Share Policy.

WE WILL NOT refuse to process any grievance because a grievant is not a union member.

WE WILL NOT charge any nonmember a fee for processing a grievance.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

WE WILL rescind our current Fair Share Policy.

WE WILL process an overtime grievance for Jimmie Ray Williams without charging him a fee or union dues.

**UNITED STEEL, PAPER AND FORESTRY,
RUBBER, MANUFACTURING, ENERGY,
ALLIED INDUSTRIAL AND SERVICE
WORKERS INTERNATIONAL UNION,
LOCAL 1192, AFL-CIO, CLC
(Labor Organization)**

Dated: _____ **By:** _____
(Representative) (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlr.gov.

South Trust Plaza, 201 East Kennedy Boulevard, Ste 530, Tampa, FL 33602-5824
(813) 228-2641, Hours: 8 a.m. to 4:30 p.m.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER, (813) 228-2455.