

In the Matter of FEDERAL CARTON CORPORATION and NEW YORK
PRINTING PRESSMEN'S UNION No. 51

Case No. C-306.—Decided March 8, 1938

Paper Box Manufacturing Industry—Interference, Restraint, or Coercion: antiunion statements; threatening to close plant; requiring employees to revoke bargaining designation of union as a condition of returning to work; requiring employees to sign "yellow dog" contracts as a condition of returning to work; discrimination in regard to terms or conditions of employment of employee refusing to sign "yellow dog" contract; refusal to bargain collectively—*Discrimination:* "Yellow dog" contracts; refusal to grant wage increase to employee refusing to sign "yellow dog" contract—*Unit Appropriate for Collective Bargaining:* production employees; clerical and supervisory employees excluded; dissimilarity of interests—*Representatives:* proof of choice; applications for membership in union; vote of employees—*Collective Bargaining:* refusing to sign an agreement with the Union even if an understanding were reached while insisting upon signed individual contracts with its employees as a condition of reopening its plant; duty of employer to embody understanding with representatives of employees in binding agreement for definite term—*"Yellow Dog" Contract:* discontinuance ordered.

Mr. Martin H. Selman, for the Board.

Kotzen, Mann & Seigel, by *Mr. Philip L. Handsman*, of New York, N. Y., for the respondent.

Mr. Warren L. Sharfman, of counsel to the Board.

DECISION

AND

ORDER

STATEMENT OF THE CASE

On June 23, 1937, and August 10, 1937, New York Printing Pressmen's Union No. 51, herein called the Union, filed charges with the Regional Director for the Second Region (New York City) alleging that Federal Carton Corporation, New York City, herein called the respondent, had engaged in and was engaging in unfair labor practices affecting commerce within the meaning of the National Labor Relations Act, 49 Stat. 449, herein called the Act. On August 10, 1937, the National Labor Relations Board, herein called the Board, by the Regional Director for the Second Region, issued and served upon the parties a complaint and notice of hearing. The complaint

alleged that the respondent had engaged in and was engaging in unfair labor practices affecting commerce, within the meaning of Section 8 (1), (3), and (5) and Section 2 (6) and (7) of the Act.

With respect to the unfair labor practices, the complaint alleged in substance that the respondent, on or after May 5, 1937, refused to bargain collectively with the Union, which represented a majority of the respondent's employees in an appropriate unit; that the respondent warned its employees against becoming or remaining members of the Union, threatened their discharge for the same cause, kept under surveillance the meetings and meeting places of the Union, and resorted to other tactics of interference, restraint, and coercion in an effort to discourage union activities; that on July 12, 1937, at the conclusion of a strike caused by the foregoing acts of the respondent, it required its employees to sign individual contracts of employment, and conditioned a 15-per cent increase in wages upon compliance therewith; and that the respondent, on July 14, 1937, refused to give to Arthur McGee the 15-per cent wage increase given to all other employees because he would not sign an individual contract of employment, thereby discriminating in regard to the conditions of his employment.

On August 17, 1937, the respondent filed an answer, which, in effect, constituted a general denial of the allegations of the complaint as to the unfair labor practices. The answer also set up the affirmative defenses that the respondent's business was not interstate in character and that its operations did not obstruct or burden commerce; that the Board's action in prosecuting the complaint did impede commerce; and that the complaint was improperly issued because of defects in the charges filed by the Union.

Pursuant to the notice, a hearing was held in New York City on August 17, 18, 19, and 20, 1937, before William Seagle, the Trial Examiner duly designated by the Board. At the commencement of the hearing counsel for the respondent renewed the request he had previously made to the Regional Director for the Second Region by making a motion to adjourn the hearing until about September 20, 1937, because certain executive officers of the respondent were unavailable. The Trial Examiner denied the motion on the ground that some of its executives were available who had knowledge of the negotiations with the Union. The Board and the respondent were represented by counsel, and both participated in the hearing. Full opportunity to be heard, to examine and cross-examine witnesses, and to introduce evidence bearing on the issues was afforded all parties.

On November 17, 1937, the Trial Examiner filed his Intermediate Report, in which he found that the respondent had engaged in and was engaging in unfair labor practices affecting commerce, as alleged in the complaint, within the meaning of Section 8 (1), (3),

and (5) and Section 2 (6) and (7) of the Act. He recommended that the respondent cease and desist from the commission of the unfair labor practices, and, affirmatively, that it bargain collectively with the Union; that it inform the members of the Collective Bargaining Committee of the Federal Carton Corporation that it would no longer recognize or deal with them, and that the individual contracts of employment which they signed were void and of no effect; and that it inform all of its employees who signed such contracts that the respondent would not demand their performance. The Trial Examiner further found that the respondent had not interfered with, restrained, or coerced its employees by warning them against becoming or remaining members of the Union, by threatening them with discharge for the same cause, or by spying upon their activities.

On December 6, 1937, the respondent filed exceptions to the Intermediate Report and to various rulings of the Trial Examiner. Thereafter, on December 28, 1937, the respondent presented oral arguments before the Board in support of its contentions. At the same time it submitted a memorandum on its exceptions to the Intermediate Report.

The Board has reviewed the rulings of the Trial Examiner on motions and on objections to the admission of evidence and finds that no prejudicial errors were committed. The Board has also considered the exceptions to the findings, conclusions, and recommendations of the Trial Examiner, but, save for those exceptions which are consistent with the findings, conclusions, and order set forth below, we find them to be without merit.

Upon the entire record in the case, the Board makes the following:

FINDINGS OF FACT

I. THE BUSINESS OF THE RESPONDENT

Federal Carton Corporation, a New York corporation organized in 1934, is engaged in the manufacture of folding paper boxes at its plant in New York City. It employs 50 men and women.

The principal raw materials used by the respondent in its manufacturing processes are paper board, ink, glue, wrapping paper, and twine. During the year ending June 30, 1937, \$147,000 worth of the raw materials purchased by the respondent were shipped to it from States other than New York. These purchases amounted to approximately 84 percent of the \$173,000 worth of goods bought by the respondent.

During the same period the respondent sold its finished products for \$339,000. Of this total, \$224,000 worth, or approximately 66 per cent, were sold to customers who required shipments to be made to points outside of the State of New York.

II. THE ORGANIZATION INVOLVED

New York Printing Pressmen's Union No. 51 is a labor organization affiliated with the International Printing Pressmen's and Assistants' Union of North America, which is in turn affiliated with the American Federation of Labor. Although the Union has been in existence for some 80 years, it has been organizing the folding-box industry only for the past year and a half. It admits to membership all production employees engaged in the industry in the New York metropolitan area.

III. THE UNFAIR LABOR PRACTICES

A. *The chronology of events*

Late in April 1937, Andrew Lukan, an employee of the respondent and a member of the Union, decided that the time was ripe for the organization of the respondent's employees. He solicited the aid of the Union in order to attain this objective. As a result of his efforts the Union distributed a circular at the respondent's plant on May 11, 1937, calling for a meeting of the employees on May 13. At this meeting a unanimous vote of the 35 employees of the respondent who were present authorized the Union to represent them for the purposes of collective bargaining. A committee was also elected to cooperate with Edwin L. Duck, a Union organizer, in bargaining with the respondent. At this meeting, and shortly thereafter, about 40 of the respondent's 50 employees applied for membership in the Union.

On May 17, Duck arranged for a conference with the respondent's executives on May 26. Prior to this conference, on May 24, the respondent's employees had a meeting at which they voted, 32 to 18, in favor of continuing to negotiate with the respondent through the Union. On May 26, Duck, Stewart, another Union organizer, and the committee of employees met with two of the respondent's executives to negotiate with respect to wages, hours, and other conditions of employment. Duck presented the demands of the employees, which were a 15-per cent increase in wages, a 40-hour week, time and one-third for overtime, a closed shop, and a signed agreement. At the conclusion of the discussion the respondent asked Duck to submit a contract which it might consider. On May 28, Duck submitted a contract. It contained a provision for a 20-per cent wage increase, contrary to the original demand of 15 per cent, and provided for a closed shop, although the respondent had clearly indicated at the meeting on May 26 that it would not accede to such a provision. The respondent's witnesses testified that after the receipt of this agreement they no longer trusted the Union, and from that time on, they decided that they would not sign an agreement with the Union.

The respondent did not delay long in communicating its attitude

with regard to the Union to the employees. On June 4, it called the employees together and read a statement to them. The statement was also mailed to each employee and to Duck and Stewart. The following language from the statement accurately expresses the respondent's attitude throughout the remaining conferences with the Union and employee representatives:

After your duly elected representatives and we have come to a mutually satisfactory understanding, we would be glad to put the agreement into writing. We have no objection to your duly elected representatives advising you or negotiating for you. After such negotiations are finished, our agreement must be with our own employees, and not with the Union. . . . Experience teaches us that contracts with unions are not guarantees of uninterrupted work. . . . We cannot expect to get any work, which we are sure we could otherwise get, unless we can positively assure our customers that any boxes ordered from us will be delivered on time. Under these conditions, it appears that in a very short time there will not be any orders on hand to justify continued operation of the plant. Accordingly, should we be made to close down for lack of orders or should there be a prolonged interruption of work, it is almost certain that it will force the directors of the company to go out of the business of manufacturing folding boxes. Do not let anyone tell you that we are not serious or sincere in making this statement. We definitely are.

Immediately after this statement was read Duck and the employee representatives had a further conference with the respondent's officials. Duck's position at this meeting was that he did not insist upon the demands made in the contract submitted on May 28. No agreement was reached, however, because of the position taken by the respondent in the statement issued earlier that day.

When the parties conferred again on June 11 the respondent refused to recede from the position it had previously adopted. Duck, on the other hand, offered several alternatives. He was willing to abandon the closed-shop demand, to allow the employees to countersign any agreement between the respondent and the Union, or to leave all of the questions to arbitration. As the respondent was adamant, the employees took a vote and decided to go on strike. On June 11, work ceased and on June 14, picketing started. The strike continued until July 12.

After the Union filed charges on June 23, there were several conferences between the parties at the regional offices of the Board in New York City. The first of these conferences, on June 30, was concluded before it was well under way because some of the respondent's executives were not present. The second conference, on July 2,

broke down almost immediately when an attorney for the respondent, at the start of the meeting, stated that irrespective of other matters, the respondent would not sign any agreement with the Union. It appears that later on in this conference one of the Board's examiners, in answer to a question from one of the respondent's executives, Meyer Stein, stated that a simple refusal to sign a contract with the Union did not constitute a refusal to bargain collectively, within the meaning of Section 8 (5) of the Act.

By July 8, Andrew Lukan, the chairman of the committee of employees, decided that he was through with the strike. After another unsuccessful meeting between the parties on July 9, Lukan wrote to all of the employees, and called a meeting for the purpose of taking a vote on the question of whether or not they should return to work. On July 12, the employees voted 23 to 13 to return to work. A volunteer committee then went to the respondent to take up the matter, manner, and conditions of returning to work. The respondent refused to bargain with this committee until the employees authorized the committee, in writing, to bargain for them. A paper authorizing the Collective Bargaining Committee of the Federal Carton Corporation, herein called the Bargaining Committee, to bargain for them was then signed by 34 employees. On the afternoon of July 12 the respondent and the Bargaining Committee started their negotiations. The Bargaining Committee first attempted to get a verbal agreement with the respondent in order that union members would not have to sign contracts. The respondent took the position that in return for the 15-per cent wage increase it was willing to give, it would require the men to sign individual contracts of employment, and that it would not open its plant until a majority had signed such contracts and the remainder gave verbal assurance that they would cause no trouble. The discussions then turned to the form of the contract to be adopted. The model was an individual contract of employment used by the Grand City Container Corporation, which was an associated company, managed, in large measure, by the same executives, and located in the same building as the respondent. A number of changes were made in this contract at the suggestion of the Bargaining Committee. When the negotiations resumed again on the morning of July 13, the respondent required the employees to sign a new authorization to the Bargaining Committee, expressly revoking the prior authorizations to the Union. Forty-two employees signed such a paper. The contract was soon in a final form, and about 45 out of 46 employees signed these individual contracts of employment, which were countersigned by the Bargaining Committee. In their final form, the contracts granted a 15-per cent wage increase, a 40-hour week, and certain premiums for overtime work. They also provided that any

employee had the right to join or not to join a union, but that the employees did not have the right to demand a signed contract between the respondent and any union.

Arthur McGee refused to sign such a contract because it might jeopardize his standing with the Union. Because of his refusal, the respondent withheld from McGee the 15-per cent increase granted to all other employees. On August 13, however, the respondent gave McGee a 15-per cent increase retroactive to July 14 when he returned to work.

B. The refusal to bargain collectively

1. The appropriate unit

The Union admits to membership all production employees working for the respondent without regard to the particular operation which they perform. Similarly, the Bargaining Committee has undertaken to represent all of the respondent's employees. The respondent has never suggested that it should deal with its employees on any other basis.

In accordance with our usual practice, where no labor organization desires to represent the clerical and supervisory employees, we shall exclude them from the bargaining unit because of the dissimilarity between their interests and those of the production employees.

We find that the production employees, exclusive of clerical and supervisory employees, constitute a unit appropriate for the purposes of collective bargaining, and that such a unit insures to the employees the full benefit of their right to collective bargaining and otherwise effectuates the policies of the Act.

2. Representation by the Union of the majority in the appropriate unit

At the hearing the respondent's pay roll for the week ending June 16 was introduced into evidence. This pay roll lists the names of 52 employees, 38 of whom worked during the week. However, this was a short week due to the strike on June 11, and the testimony of the various witnesses clearly indicates that the respondent normally employs about 50 persons.

At the Union meeting of May 13, 35 of the respondent's employees voted to authorize the Union to represent them for the purpose of collective bargaining with the respondent. Within the next few days about 40 of the respondent's employees had signed applications for membership in the Union. Forty-four of such applications were introduced into evidence. Finally, at a meeting on May 24, the respondent's employees voted, 32 to 18, to continue to negotiate through the Union.

It is true that on July 13, 42 employees revoked their authorization to the Union to represent them for the purposes of collective bargaining with the respondent. However, we find that this revocation is of no effect because it resulted from the unfair labor practices of the respondent, described below.

We find that on May 24, 1937, and at all times thereafter, the Union was the duly designated representative of the majority of the employees in an appropriate unit, and, pursuant to Section 9 (a) of the Act, was the exclusive representative of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment.

3. The refusal to bargain

The officials of the respondent have never refused to meet with the Union and employee representatives. As was noted above, the parties conferred on May 26, June 4, 11, and 30, and July 2 and 9. However, on June 4, the respondent, in a written statement to its employees, said, "We have no objection to your duly elected representatives advising you or negotiating for you. But after such negotiations are finished, our agreements must be with our own employees." This decision was arrived at after the Union submitted a contract on May 28 which differed in several respects from the sense of the conference of May 26, and reflected a feeling of distrust in the Union. However, the alteration of proposed terms by a union during the course of incomplete negotiations, does not alone relieve an employer from his duty to bargain collectively. Once the strike was started it became evident that the respondent would not enter into any agreement with the Union, because it took the position that it would not reopen its plant until individual contracts had been signed by a majority of its employees. Thus, by insisting on written contracts, and by refusing at the same time to sign a contract with the Union, it was effectively refusing to enter into any agreement with the Union. As a result the negotiations at the conferences from June 4 through July 9 were always halted on the question of a signed agreement with the Union. Even the compromise proposals of the Union were rejected without serious consideration or the presentation of counter offers. Furthermore, the arrangement of terms and conditions of employment, other than the signed agreement, could have been readily agreed upon, as is evidenced by the individual contracts of employment which the respondent subsequently entered into with its employees, and by Duck's willingness to abandon the demand for a closed shop.

The respondent contends that it has never refused to bargain col-

lectively with the Union because it has always met with the Union representatives and been willing to discuss all matters relating to the working conditions of its employees. However, the Act imposes upon employers the duty not only to meet with the duly designated representatives of their employees, and to bargain in good faith with them in a genuine attempt to achieve an understanding on the proposals and counter proposals advanced, but, also, if an understanding is reached, to embody that understanding in a binding agreement for a definite term.¹ The position adopted by the respondent in its statement of June 4, and subsequently adhered to, that it would not enter into an agreement with the Union even after it had arrived at a "mutually satisfactory understanding" with the Union representatives, constituted an evasion of the duties of an employer under the collective bargaining provisions of the Act. By taking this position the respondent prevented any bona fide consideration of the various terms and conditions of employment which the Union representatives proposed to it.

We find that on June 4, 1937, and thereafter, the respondent refused to bargain collectively with the duly designated representatives of a majority of its employees in a unit appropriate for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, and other conditions of employment.

C. Discrimination by the respondent in order to discourage membership in the Union

1. The individual contracts of employment

When it became evident that the strike would not succeed because of the respondent's refusal to bargain collectively, Andrew Lukan called the men together to vote whether or not they should return to work. A majority voted to return to work, and designated the Bargaining Committee to arrange the terms upon which they would resume employment. The respondent rejected the Bargaining Committee's proposal for a verbal agreement as to these terms, and insisted upon a majority of the employees signing individual contracts of employment and the remainder giving verbal assurance that they would cause no trouble. The respondent also required its employees to revoke, in writing, their authorization to the Union to represent them for the purposes of collective bargaining. After negotiations, each of the employees, except Arthur McGee, signed an individual contract of employment with the respondent which was countersigned by the Bargaining Committee.

¹*Matter of St Joseph Stock Yards Company and Amalgamated Meat Cutters and Butcher Workmen of North America, Local Union No. 159, 2 N. L. R. B. 39.*

The individual contract deprived each employee who signed it of the right to strike until August 1, 1940, of the right to demand a closed shop, and of the right to demand a signed agreement by the employer with any union. While the contract states that the employer "agrees that no employee will be discharged because of legitimate union activities or affiliation with any union," it also states that "the employer has an absolute and unqualified right to hire or discharge any employee or employees for any reason, and regardless of his or their affiliation or non-affiliation with any union." Although an employee may question the reasonableness of his discharge, the decision of the employer is final and "the question of the propriety of any employee's discharge is in no event to be one for arbitration or mediation."

Despite the lip-service rendered by the terms of the contract to the right of an employee to join any union of his own choosing, the agreement deprives each employee subscriber of the fundamental rights inherent in union affiliation and activity. The deprivation of the right to a signed agreement takes from the employees their right to bargain collectively as the respondent has clearly indicated that it will only operate its plant if it has signed agreements with its individual employees. Other provisions deprive the employees of the right to protest against the respondent's exercise of its most powerful antiunion weapon, discharge for union affiliation or activity.

Meyer Stein, one of the respondent's executives, testified that the model for this contract was obtained from L. L. Balleisen, an industrial relations adviser for the Brooklyn Chamber of Commerce. He also testified that, as an attorney, he was familiar with the decisions of the Board. In a case decided March 4, 1936,² the Board found that a contract emanating from Balleisen, to which the contract under consideration is almost identical, was a "yellow dog" contract discouraging to membership in a union. The present contract has been altered to deprive the employees of "the right to demand a closed shop or signed agreement by the employer with any union," whereas the contract previously condemned deprived the employees of "the right to demand a closed shop or recognition by the employer of any union." In view of Meyer Stein's knowledge of the Board's decisions, and the policy of the respondent not to operate without signed agreements from a majority of its employees, it seems evident that the respondent has altered the contracts in order to evade the clearly established principle of the decision previously

² *Matter of Atlas Bag and Burlap Company, Inc., and Milton Rosenberg, Organizer, Burlap & Cotton Bag Workers Local Union No. 2469, Affiliated With United Textile Workers Union*, 1 N. L. R. B. 292

referred to, and yet at the same time to render the Union powerless to carry on its vital functions.

We find that the contracts used by the respondent for individual agreements with its employees are antiunion or "yellow dog" contracts, discriminatory in regard to terms or conditions of employment, and discouraging to membership in the Union.⁸

2. Discrimination against Arthur McGee

Of all the employees who returned to work on July 14, only Arthur McGee refused to sign an individual contract of employment. Because of this refusal the respondent did not give him the 15-per cent wage increase that it gave to the other employees. However, on August 13, the respondent gave McGee a 15-per cent increase retroactive to July 14 when he returned to work.

We find that the respondent has discriminated against Arthur McGee in regard to the terms or conditions of his employment, thereby discouraging membership in the Union.

D. Conclusion as to unfair labor practices

We find that the respondent, by calling together its employees on June 4 and making the statement referred to above, by compelling its employees to revoke their authorization to the Union and to enter into the individual antiunion or "yellow dog" contracts referred to above, by discriminating in regard to the terms or conditions of employment of Arthur McGee, and by refusing to bargain collectively with the duly authorized representatives of a majority of its employees, has interfered with, restrained, and coerced its employees in the exercise of the rights guaranteed under Section 7 of the Act.

We find that the respondent has not interfered with, restrained, or coerced its employees by spying upon their activities. We will order that the complaint be dismissed in so far as it alleges that the respondent has thereby engaged in and is engaging in unfair labor practices within the meaning of Section 8 (1) of the Act.

IV. THE EFFECT OF THE UNFAIR LABOR PRACTICES UPON COMMERCE

The activities of the respondent set forth in Section III above, occurring in connection with the operations of the respondent described in Section I above, have a close, intimate, and substantial relation to trade, traffic, and commerce among the several States, and have led and tend to lead to labor disputes burdening and obstructing commerce and the free flow of commerce.

⁸ See *Matter of Hopwood Retinning Company, Inc. and Monarch Retinning Company, Inc. and Metal Polishers, Buffers, Platers and Helpers International Union No. 8, and Teamsters Union, Local No. 534*, 4 N. L. R. B. 922

THE REMEDY

We have found that the respondent has refused, since June 4, to bargain collectively with the Union, in that, while requiring signed contracts from its employees, it refused to sign an agreement with the Union, and thus prevented any bona fide consideration of the terms or conditions of employment proposed by the Union. In order to effectuate the policies of the Act, we shall order the respondent, upon request, to meet with the duly designated representatives of the Union, to bargain in good faith with them in respect to rates of pay, wages, hours of employment, and other conditions of employment, and, if an understanding is reached on any of such matters, to embody said understanding in an agreement for a definite term, to be agreed upon, if requested to do so by the Union.

We have also found that the individual contracts of employment signed by the employees and countersigned by the Bargaining Committee are antiunion or "yellow dog" contracts, discouraging to membership in the Union. In order to restore the status quo as it existed prior to the execution of these illegal contracts, and to enable the processes of collective bargaining to function, we shall order the respondent to inform, in writing, the members of the Bargaining Committee and each employee who has signed such a contract that the contracts were entered into pursuant to unfair labor practices within the meaning of the Act, and will be treated by the respondent as void and of no effect; and that the respondent is therefore obliged to discontinue such contract as a term or condition of employment, and that the employees are released from its obligations and the respondent will no longer demand its performance.

While we have found that the respondent discriminated against Arthur McGee in the terms or conditions of his employment, it has already remedied its discriminatory action, and, therefore, no affirmative order need be made in this connection.

Upon the basis of the foregoing findings of fact, and upon the entire record in the case, the Board makes the following:

CONCLUSIONS OF LAW

1. New York Printing Pressmen's Union No. 51 is a labor organization within the meaning of Section 2 (5) of the Act.
2. The production employees, exclusive of clerical and supervisory employees, constitute a unit appropriate for the purposes of collective bargaining, within the meaning of Section 9 (b) of the Act.
3. New York Printing Pressmen's Union No. 51 was on May 24, 1937, and at all times thereafter has been, the exclusive representative of all the employees in such unit for the purposes of collective bargaining, within the meaning of Section 9 (a) of the Act.

4. The respondent, by refusing to bargain collectively with the representatives of its employees on June 4, 1937, and thereafter, has engaged in and is engaging in unfair labor practices, within the meaning of Section 8 (5) of the Act.

5. The respondent, by discriminating against Arthur McGee in regard to the terms or conditions of his employment, thereby discouraging membership in the Union, has engaged in unfair labor practices, within the meaning of Section 8 (3) of the Act.

6. The respondent, by soliciting and entering into individual anti-union contracts of employment with its employees, has discriminated in regard to terms and conditions of employment to discourage membership in the Union, and has engaged in and is engaging in unfair labor practices, within the meaning of Section 8 (3) of the Act.

7. The respondent, by interfering with, restraining, and coercing its employees in the exercise of the rights guaranteed in Section 7 of the Act, has engaged in and is engaging in unfair labor practices, within the meaning of Section 8 (1) of the Act.

8. The aforesaid unfair labor practices are unfair labor practices affecting commerce, within the meaning of Section 2 (6) and (7) of the Act.

ORDER

Upon the basis of the above findings of fact and conclusions of law, and pursuant to Section 10 (c) of the National Labor Relations Act, the National Labor Relations Board hereby orders that the respondent, Federal Carton Corporation, its officers, agents, successors, and assigns, shall:

1. Cease and desist from:

(a) Refusing to bargain collectively with New York Printing Pressmen's Union No. 51, as the exclusive representative of all its production employees, except clerical and supervisory employees;

(b) Discriminating in regard to hire or tenure of employment or any term or condition of employment through in any manner offering, soliciting, entering into, continuing or enforcing or attempting to enforce the individual antiunion contracts of employment with its employees in order to discourage membership in New York Printing Pressmen's Union No. 51 or any other labor organization;

(c) Discriminating against Arthur McGee, or any other employee, in regard to hire or tenure of employment or any term or condition of employment in order to discourage membership in New York Printing Pressmen's Union No. 51 or any other labor organization;

(d) In any other manner interfering with, restraining, or coercing its employees in the exercise of their right to self-organization, to form, join, or assist labor organizations, to bargain collectively

through representatives of their own choosing, or to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection, as guaranteed in Section 7 of the National Labor Relations Act.

2. Take the following affirmative action, which the Board finds will effectuate the policies of the Act:

(a) Upon request, bargain collectively with New York Printing Pressmen's Union No. 51, as the exclusive representative of its employees, except clerical and supervisory employees, in respect to rates of pay, wages, hours of employment, and other conditions of employment, and, if an understanding is reached on any of such matters, embody said understanding in an agreement for a definite term, to be agreed upon, if requested to do so by said Union;

(b) Personally inform in writing the members of the Bargaining Committee of the Federal Carton Corporation and every employee who has signed an individual contract of employment, that such contract constitutes a violation of the National Labor Relations Act and that the respondent is obliged therefore to discontinue such contract as a term or condition of employment; and that the employees are released from its obligations and the respondent will no longer demand its performance;

(c) Post immediately notices in conspicuous places in its plant stating that the respondent will cease and desist in the manner aforesaid; that the contracts referred to above between the respondent and the Collective Bargaining Committee of the Federal Carton Corporation and each of its employees individually is void and of no effect; and that the respondent will bargain collectively with New York Printing Pressmen's Union No. 51 as directed in paragraph 2 (a) of this order; and maintain said notices for a period of thirty (30) consecutive days from the date of posting;

(d) Notify the Regional Director for the Second Region in writing within ten (10) days from the date of this order what steps the respondent has taken to comply herewith.

And it is further ordered that the complaint be, and it hereby is, dismissed in so far as it alleges that the respondent has engaged in and is engaging in unfair labor practices, within the meaning of Section 8 (1) of the Act, by spying upon the activities of its employees.