

**Rumford Steel Industries, Inc. and Local Union
4652-J, United Steelworkers of America, AFL-
CIO-CLC. Case 1-CA-28474**

March 25, 1992

DECISION AND ORDER

BY CHAIRMAN STEPHENS AND MEMBERS
DEVANEY AND OVIATT

Upon a charge filed by the Union on July 22, 1991 (amended on September 20, 1991), the General Counsel of the National Labor Relations Board issued a complaint on September 25, 1991, against Rumford Steel Industries, the Respondent, alleging that it has violated Section 8(a)(1) and (5) and Section 8(d) of the National Labor Relations Act. Although properly served copies of the charge and complaint, the Respondent has failed to file an answer.

On February 5, 1992, the General Counsel filed a Motion for Summary Judgment. On February 11, 1992, 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.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

Ruling on Motion for Summary Judgment

Section 102.20 of the Board's Rules and Regulations provides that the allegations in the complaint shall be deemed admitted if an answer is not filed within 14 days from service of the complaint, unless good cause is shown. The complaint states that unless an answer is filed within 14 days of service, "all of the allegations in the complaint shall be deemed to be admitted to be true and shall be so found by the Board." Further, the undisputed allegations in the Motion for Summary Judgment disclose that by letter dated December 18, 1991, counsel for the General Counsel informed the Respondent that unless an answer was received by January 3, 1992, a Motion for Summary Judgment would be filed. On January 3, 1992, the Respondent requested, and was granted, an extension of time to January 10, 1992, to file an answer. To date, no answer has been filed by the Respondent.

In the absence of good cause being shown for the failure to file a timely answer, we grant the General Counsel's Motion for Summary Judgment.

On the entire record, the Board makes the following

FINDINGS OF FACT

I. JURISDICTION

The Respondent, a corporation with an office and place of business in Providence, Rhode Island, has been engaged in the business of steel fabrication. During the 12 months preceding the issuance of the complaint, a representative period, the Respondent, in the course and conduct of its business, sold and shipped from its Providence, Rhode Island facility products, goods, and services valued in excess of \$50,000 directly to points outside the State of Rhode Island and, during the same period, purchased and received products, goods, and services valued in excess of \$50,000 directly from points outside the State of Rhode Island. We find that the Respondent is an employer engaged in commerce within the meaning of Section 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

Since about 1978, and at all relevant times, the Union has been recognized by the Respondent as the exclusive collective-bargaining representative of its employees in an appropriate unit, with such recognition having been embodied in successive collective-bargaining agreements, the most recent of which is effective by its terms from September 1, 1989, to August 31, 1992. The appropriate unit consists of:

All regular full-time and regular part-time production and maintenance employees employed by Respondent at its plant located at 33 Acorn Street, Providence, Rhode Island, but excluding office clerical employees, professional employees, guards and supervisors as defined in the Act.

Article II of the parties' most recent collective bargaining agreement, entitled "Dues Checkoff," requires the Respondent to deduct from the weekly wages earned by employees on the active payroll the regular weekly dues provided for in the Union's constitution and bylaws for those employees who authorize such deductions in writing, and to remit the same to the treasurer of the International Union during the month following the deduction. Further, article XVI of that agreement, entitled "Group Insurance," requires the Respondent to pay the full cost of Blue Cross/Blue Shield Plan "100" for participating employees and their dependents.

Since on or about April 20, 1991, and continuing to date, the Respondent has failed and refused to

remit to the Union the dues it has deducted from employees' paychecks as required under article II of the agreement, and on or about July 1, 1991, it ceased making payments to the medical insurance plan, as required by article XVI of that agreement. Further, on or about July 6 and 8, 1991, the Respondent bypassed the Union and dealt directly with unit employees on matters relating to medical insurance. We find that by engaging in the above conduct, the Respondent has engaged in unfair labor practices within the meaning of Section 8(a)(1) and (5) and Section 8(d) of the Act, as alleged.

CONCLUSIONS OF LAW

By failing and refusing to remit dues collected from employees to the Union, and ceasing to make payments to the employees' medical insurance plan, as required by the terms of its collective-bargaining agreement with the Union, and in bypassing the Union and dealing directly with employees on matters relating to medical insurance, the Respondent has engaged in unfair labor practices affecting commerce within the meaning of Section 8(a)(1) and (5), Section 8(d), and 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.

We shall order the Respondent to comply with its collective-bargaining agreement by making the required payments to the Blue Cross/Blue Shield Plan "100" on behalf of participating employees and their dependents that have become due since on or about July 1, 1991, and to make whole unit employees by reimbursing them for any expenses they may have incurred as a result of the Respondent's failure to make the required medical insurance payments, as set forth in *Kraft Plumbing & Heating*, 252 NLRB 891 fn. 2 (1980), *enfd.* 661 F.2d 940 (9th Cir. 1981), with interest as prescribed in *New Horizons for Retarded*, 283 NLRB 1173 (1987). We shall also order the Respondent to remit to the Union dues that have been deducted from employee paychecks since April 30, 1991, as required by the collective-bargaining agreement, with interest as prescribed in *New Horizons for the Retarded*, *supra*.

ORDER

The National Labor Relations Board orders that the Respondent, Rumford Steel Industries, Inc.,

Providence, Rhode Island, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Bypassing Local Union 4652-J, United Steelworkers of America, AFL-CIO-CLC, which represents the Respondent's employees in an appropriate unit, and dealing directly with unit employees on matters relating to medical insurance. The appropriate unit consists of:

All regular full-time and regular part-time production and maintenance employees employed by Respondent at its plant located at 33 Acorn Street, Providence, Rhode Island, but excluding office clerical employees, professional employees, guards and supervisors as defined in the Act.

(b) Failing and refusing to comply with article XVI of its collective-bargaining agreement with the Union by not making medical insurance payments to Blue Cross/Blue Shield Plan "100" on behalf of participating employees and their dependents.

(c) Failing and refusing to comply with article II of its collective-bargaining agreement with the Union by not remitting to the Union dues that have been deducted from employee paychecks.

(d) 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) Make whole unit employees by making payments to Blue Cross/Blue Shield Plan "100" on behalf of participating employees and their dependents that have become due since on or about July 1, 1991, and reimburse employees for any expenses incurred by them as a result of the Respondent's failure and refusal to make such payments, with interest.

(b) Remit to the Union dues that have been deducted from employee paychecks but not sent to the Union since on or about April 30, 1991, as required by article II of the collective-bargaining agreement, with interest.

(c) Preserve and, on request, make available to the Board or its agents for examination and copying all payroll records, social security payment records, timecards, personnel records and reports, and all other records necessary to analyze the amounts due under the terms of this Order.

(d) Post at its facility in Providence, Rhode Island, copies of the attached notice marked "Ap-

pendix."¹ Copies of the notice, on forms provided by the Regional Director for Region 1, after being signed by the Respondent's authorized representative, shall be posted by the Respondent immediately upon receipt and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material.

(e) Notify the Regional Director in writing within 20 days from the date of this Order what steps the Respondent has taken to comply.

¹ 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 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 the National Labor Relations Act and has ordered us to post and abide by this notice.

WE WILL NOT bypass Local Union 4652-J, United Steelworkers of America, AFL-CIO-CLC, which is the exclusive collective-bargaining representative of our employees in an appropriate unit, and deal directly with unit employees about mat-

ters relating to their medical insurance. The appropriate unit consists of:

All regular full-time and regular part-time production and maintenance employees employed by us at our plant located at 33 Acorn Street, Providence, Rhode Island, but excluding office clerical employees, professional employees, guards and supervisors as defined in the Act.

WE WILL NOT fail and refuse to make medical insurance payments to Blue Cross/Blue Shield Plan "100" on behalf of participating employees and their dependents, as required by our collective-bargaining agreement with the Union.

WE WILL NOT fail and refuse to remit to the Union dues that have been deducted from employee paychecks as required by our collective-bargaining agreement with the Union.

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 make unit employees whole by paying the medical insurance payments that have become due since on or about July 1, 1991, and for any expenses they may have incurred as result of our failure and refusal to make such payments, with interest.

WE WILL remit to the Union dues that have been deducted from employee paychecks but not sent to the Union since on or about April 20, 1991, with interest.

RUMFORD STEEL INDUSTRIES, INC.