

Casecraft, Inc., a wholly owned subsidiary of Delacraft Corporation and Luggage Workers Union of Chicago, Local 415A, United Food and Commercial Workers, International Union, AFL-CIO-CLC. Case 13-CA-30919

July 24, 1992

DECISION AND ORDER

BY CHAIRMAN STEPHENS AND MEMBERS
DEVANEY AND RAUDABAUGH

Upon a charge filed by the Union on April 3, 1992, the General Counsel of the National Labor Relations Board issued a complaint against Casecraft, Inc., a wholly owned subsidiary of Delacraft Corporation, the Respondent, alleging that it has engaged in unfair labor practices within the meaning of 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 June 18, 1992, the General Counsel filed a motion to transfer proceedings to the Board and Motion for Summary Judgment. On June 23, 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 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 counsel for the General Counsel, by letter dated June 4, 1992, notified the Respondent that unless an answer was received by close of business on June 15, 1992, a Motion for Summary Judgment would be filed. The Respondent failed to file an answer.

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, an Illinois corporation, at its facility in Chicago, Illinois, has been engaged in the manufacture of business cases. The Respondent, in the course and conduct of its business operations during the past calendar year, annually purchased and received products, goods, and materials valued in excess of \$50,000 directly from points outside the State of Illinois. 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

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

All production employees employed by Respondent at its Chicago, Illinois facility, but excluding all foreman, salesmen, chauffeurs, watchmen, office help, guards and supervisors within the meaning of the Act.

Since about 1978, and at all times material, the Union has been the designated exclusive collective-bargaining representative of the Unit and during this period of time, the Union has been recognized as such representative by the Respondent. Such recognition has been embodied in successive collective-bargaining agreements, the most recent of which was effective by its terms for the period October 1, 1990, to September 30, 1993, and is referred to as the agreement.

Since about 1978, and at all times material, the Union has been, and is, the exclusive representative of the Unit for the purposes of collective bargaining with respect to rates of pay, wages, hours of employment, and other terms and conditions of employment.

Since about October 8, 1991, the Respondent failed to continue in full force and effect all the terms and conditions of the agreement by failing to remit contributions to the Chicago Luggage and Leather Goods Employees Pension and Insurance Trust Funds.

The terms and conditions of the agreement which the Respondent failed to continue in full force and effect are mandatory subjects of bargaining.

The Respondent engaged in the conduct described above without the Union's consent or agreement.

DECISIONS OF THE NATIONAL LABOR RELATIONS BOARD

CONCLUSIONS OF LAW

1. By failing and refusing to continue in full force and effect all the terms and conditions of the collective-bargaining agreement and by failing to remit the contributions to the Chicago Luggage and Leather Goods Employees Pension and Insurance Trust Funds, the Respondent has failed and refused, and is failing and refusing, to bargain collectively and in good faith with the exclusive bargaining representative of its employees in violation of Section 8(a)(1) and (5) of the Act.

The unfair labor practices described above affect 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.

We shall order the Respondent to continue in effect all terms and conditions of the collective-bargaining agreement and to make its employees whole for any losses attributable to its failure to remit the contributions required by the agreement as set forth in *Kraft Plumbing & Heating*, 252 NLRB 891 fn. 2 (1980), enfd. 661 F.2d 940 (9th Cir. 1981). All payments to employees shall be made with interest to be computed in the manner prescribed in *New Horizons for the Retarded*, 283 NLRB 1173 (1987).¹

ORDER

The National Labor Relations Board orders that the Respondent, Casecraft, Inc., a wholly owned subsidiary of Delacraft Corporation, Chicago, Illinois, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Failing to continue in full force and effect all the terms and conditions of the October 1, 1990 to September 30, 1993 collective-bargaining agreement by failing to remit the contributions required under article XVII of the agreement. The appropriate bargaining unit is:

All production employees employed by Respondent at its Chicago, Illinois, facility, but excluding all foreman, salesmen, chauffeurs,

¹ Because the provisions of employee benefit fund agreements are variable and complex, we leave to the compliance stage the question of whether the Respondent must pay any additional amounts into the benefit funds in order to satisfy our "make whole" remedy. See *Merryweather Optical Co.*, 240 NLRB 1213, 1216 (1979).

watchmen, office help, guards and supervisors within the meaning of the Act.

(b) Failing and refusing to bargain collectively and in good faith with the representative of its unit employees.

(c) 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) Continue in full force and effect all the terms and conditions of the October 1, 1990 to September 30, 1993 collective-bargaining agreement by remitting the contributions required under article XVII of the agreement.

(b) Bargain collectively and in good faith with the Union.

(c) Post at its facility in Chicago, Illinois, copies of the attached notice marked "Appendix."² Copies of the notice, on forms provided by the Regional Director for Region 13, 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.

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

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."

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 fail to continue in full force and effect all the terms and conditions of the October 1, 1990 to September 30, 1993 collective-bargaining agreement by failing to remit the contributions required under article XVII of the agreement. The appropriate bargaining unit is:

All production employees employed at our Chicago, Illinois, facility, but excluding all foreman, salesmen, chauffeurs, watchmen, office help, guards and supervisors within the meaning of the Act.

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 continue in full force and effect all the terms and conditions of the October 1, 1990 to September 30, 1993 collective-bargaining agree-

ment by remitting the contributions required under article XVII of the agreement with Chicago Luggage and Leather Goods Employees Pension and Insurance Trust Funds.

WE WILL bargain collectively and in good faith with Luggage Workers Union of Chicago, Local 415A, United Food and Commercial Workers, International Union, AFL-CIO-CLC.

CASECRAFT, INC., A WHOLLY OWNED
SUBSIDIARY OF DELACRAFT CORPO-
RATION