

inatory discharge to the date of offer of reinstatement, less their net earnings during said period, the backpay to be computed on a quarterly basis in the manner established by the Board in *F. W. Woolworth Company*, 90 NLRB 289.

General Counsel in his "Proposed Recommendations" (General Counsel Exhibit No. 1) requests that the recommended order include an award of interest on backpay. This is for the Board to determine as a matter of policy and the Trial Examiner as of the date of this recommended report is aware of no Board Order awarding interest.

CONCLUSIONS OF LAW

1. The business operations of Respondent constitute and affect trade, traffic, and commerce among the several States within the meaning of Section 2(6) and (7) of the Act.

2. Airco Employees Association, Inc., and United Steelworkers of America, AFL-CIO, are labor organizations within the meaning of Section 2(5) of the Act.⁷²

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

4. By forming, assisting, interfering, and dominating the administration of Airco, and by recognizing and entering into a contract which provides for a dues-checkoff provision and by according continuing effect to its contract with said Airco, Respondent has engaged in and is engaged in unfair labor practices within the meaning of Section 8(a)(1) and (2) of the Act.

5. By discriminating with regard to the hire and tenure of employment of Thomas Curry and Ray E. Richburg, Respondent discouraged membership in United Steelworkers of America, AFL-CIO, and committed unfair labor practices within the meaning of Section 8(a)(3) of the Act.

[Recommendations omitted from publication.]

⁷² *NLRB v Standard Coil Products Co., Inc.*, 224 F. 2d 465, 467-469 (C.A. 1), cert. denied 350 U.S. 902

Dixie Belle Mills, Inc., A Wholly-Owned Subsidiary of Bell Industries, Inc. and Textile Workers Union of America, AFL-CIO-CIL, Petitioner. *Case No. 10-RC-5149. October 30, 1962*

DECISION ON REVIEW AND DIRECTION OF ELECTION

On February 15, 1962, Walter C. Phillips, the Regional Director for the Tenth Region, issued a Decision and Order in the above-entitled proceeding, dismissing the petition on the ground that the unit requested was inappropriate and the Petitioner had specifically disclaimed any desire to proceed in a larger unit. Thereafter, pursuant to Section 102.67 of the Board's Rules and Regulations, Series 8, as amended, the Petitioner filed with the Board a timely request for review of such Decision and Order on the ground that the Regional Director's findings were in error and that, in the circumstances of this case, the requested unit, limited to a single plant, is appropriate. The Employer filed a statement in opposition to the request for review.

On March 8, 1962, the Board by telegraphic order granted the request for review because of the factual and policy issues raised. Thereafter, the Petitioner filed a brief supporting its unit contention and the Employer filed a brief in opposition thereto.

The Board has considered the entire record with respect to the issues under review, including the positions of the parties as set forth

in the request for review, the opposition thereto, and their briefs, and makes the following findings:

There is no bargaining history for any of the plants involved herein.¹ The Petitioner requested a unit of all production and maintenance employees at the Employer's manufacturing plant and warehouse located at Calhoun, Georgia. The Employer contended that the only appropriate unit must also include the approximately 1,100 employees of Belcraft Chenilles, Inc., another wholly owned subsidiary of Bell Industries, Inc., with 5 mills and several warehouses located at Dalton, Georgia, about 20 miles from Calhoun.² No union is seeking to represent the more comprehensive unit. The Regional Director found the single-plant unit sought by the Petitioner inappropriate based on the integration of operations. We do not agree.

The evidence set forth in the Regional Director's decision amply supports his conclusion that, although they are separate corporate entities, Bell and its wholly owned subsidiaries, Dixie Belle and Belcraft, are operated as a single enterprise and constitute a single employer under the Act. This single-employer determination, however, does not establish that only an employerwide or multiplant unit is appropriate. For the factors which are relevant in identifying the breadth of an employer's operation are not conclusively determinative of the scope of an appropriate unit.

It appears that the operations are integrated insofar as they involve executive, managerial, engineering, or service activities, such as management planning; procurement and sales; coordination and allocation of design, materials, and equipment; personnel and accounting services, etc. It is these functions upon which the Regional Director, and now our dissenting colleague, rely primarily in reaching his conclusion. On the other hand, both intermediate and immediate supervision of the Dixie Belle plant are separate from that of other plants of Bell. The day-to-day operations of each are the responsibility of different vice presidents of Bell, and each plant has its own assistant personnel director who handles such matters as interviewing, hiring, promoting, and firing employees for that plant.

¹ A Board-directed election was held on December 15, 1955, in the multiplant unit urged by the Employer here but did not result in the selection of a bargaining representative and no collective bargaining ensued *Belcraft Chenilles, Inc.*, Case No. 10-RC-3256, not published in NLRB volumes. That proceeding, therefore, cannot qualify as bargaining history.

² The scope of the unit in Case No. 10-RC-3256 was pursuant to the agreement of the parties and hence is not controlling. See *Raleigh Coca-Cola Bottling Works*, 80 NLRB 768, 770. In these circumstances there is no merit in the Employer's contention that changed circumstances must be shown to have occurred since the earlier election to support the Petitioner's present unit position.

Nor is the scope of the Board's Order in the prior unfair labor practice proceeding (Cases Nos 10-CA-2443 and 10-CA-2472) relevant to the unit question raised here. For, there is no indication that the issues therein encompassed a unit determination and, in any event, the proceeding was confined to an enforcement decree on a settlement stipulation.

In addition, functionally the plants are substantially separate operations. Thus, while Dixie Belle and Belcraft both manufacture textiles, each is primarily engaged in producing its own type of product. Where they do produce a common or related product, the allocation of orders is made at the management planning level and the product is later assembled or finished rather than integrated in the manufacturing process. Even in the few instances where the manufacturing operations of the plants are devoted to the production of a single item, there is no interchange of plant employees and any interchange which does occur is solely in the transportation of the items being processed.³ Although the Employer asserts, in its brief in support of the Regional Director's findings, that seniority is not lost upon permanent transfer between plants, the Regional Director found that such transfers occur only infrequently and that no seniority roster was, in fact, maintained.

A single-plant unit, being one of the unit types listed in the statute as appropriate for bargaining purposes,⁴ is presumptively appropriate.⁵ Therefore, unless such plant unit has been so effectively merged into a more comprehensive unit by bargaining history, or is so integrated with another as to negate its identity,⁶ it is an appropriate unit even though another unit, if requested, might also be appropriate. Moreover, even assuming that the unit urged by the Employer and found by the Regional Director here may be the most appropriate unit, this does not establish it as the only appropriate one. It has not been the Board's policy to compel labor organizations to seek representation in the most comprehensive grouping, or indeed in any larger unit, unless an appropriate unit compatible with that requested does not exist. Therefore, the crucial question in each case is whether the unit requested is appropriate.⁷ The facts

³ The fact that the Employer's truckdrivers do, in the normal course of their duties, transport material and finished products between the various plants and warehouses of the Employer, as well as to and from other consignees, does not destroy the separate identities of the various operations. Nor does the fact that the parent corporation owns all of the machinery and, through a machine shop located at Dalton, Georgia, occasionally installs, removes, or makes certain repairs on machinery at Calhoun, create a degree of integration inconsistent with the separately identifiable operation of the plant. Under these circumstances, the exclusion of evidence as to the extent of the services rendered to the Calhoun plant was not prejudicial.

⁴ Section 9(b) of the Act.

⁵ See *Temco Aircraft Corporation*, 121 NLRB 1085, 1088, and cases cited therein.

⁶ See *Straits Aggregate & Equipment Corp. and Rogers City Cement Products, Inc.*, 133 NLRB 108.

⁷ See *E. H. Koester Bakery Co., Inc.*, 136 NLRB 1006; *Ballentine Packing Company, Inc.*, 132 NLRB 923, 925. We reject the Employer's contention that a unit finding consistent with the scope of the petition places undue reliance upon the extent of the Union's organization contrary to the limitations of Section 9(c)(5) of the Act. That section only precludes the Board from giving controlling weight to this consideration and does not arise where, as here, the unit finding is supported by factors wholly unrelated to the Petitioner's extent of organization. (See *Western Light & Telephone Company, Inc.*, 129 NLRB 719, 722; *Sav-On Drugs, Inc.*, 138 NLRB 1032, footnote 4.) The scope of a unit designated in a union's petition does not necessarily indicate the extent of its organization. But even if a petitioning union's proposal is, in part, based upon the extent of its

here do not reveal such a degree of integration or merger of operations as would require rejection of a request for a single-plant unit.

In view of the foregoing and the entire record, especially the degree of autonomy in the operations at the plant of Dixie Belle, Calhoun, Georgia, the lack of a substantial interchange of employees between the Dixie Belle production and maintenance operations and those at any of the Belcraft plants at Dalton, Georgia, the geographical separation of the Calhoun operation from Dalton, the absence of any bargaining history, and the fact that no labor organization seeks to represent a multiplant unit, we find that in the circumstances of this case the single-plant unit requested by the Petitioner will "assure to employees the fullest freedom in exercising the rights guaranteed by this Act," and is, therefore, appropriate.⁸

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

All production and maintenance employees employed by the Employer in its Calhoun, Georgia, operations, including truckdrivers and plant clerical employees, but excluding all office clerical employees, professional employees, guards, and all supervisors as defined in the Act.

[Text of Direction of Election omitted from publication.]

MEMBER RODGERS, dissenting:

The Employer herein, Dixie Belle Mills, Inc., operates a mill and warehouse in Calhoun, Georgia. Belcraft Chenilles, Inc., operates five mills and several warehouses in Dalton, Georgia, a scant 20 miles from Calhoun. Both of these companies manufacture chenille products and are wholly owned subsidiaries of Bell Industries, Inc. The Regional Director found, which finding is not disputed, that Dixie Belle and Belcraft constitute a single employer and, in view of the substantial integration of their operations, that a unit of production and maintenance employees at the Calhoun operation alone was not an appropriate unit for the purposes of collective bargaining. Accordingly, he dismissed the Union's petition. The Regional Director cited relevant Board precedent in support of his holding.⁹

In spite of the overwhelming amount of evidence showing an uncommonly high degree of integration between these related operations,

organizational efforts, it does not follow that such a unit is necessarily defective or that in designating that unit as appropriate the Board is thereby giving any, much less controlling, weight to the union's extent of organization (See *E H Koester Bakery Co, Inc*, *supra*, at footnote 16.)

⁸ See *American Linen Supply Co., Inc*, 129 NLRB 993. Accord *Sav-On-Drugs, Inc.*, *supra*, and *Quaker City Life Insurance Company*, 134 NLRB 960.

⁹ *Barber-Colman Company*, 130 NLRB 478, 479, *Brown Engineering Company, Inc.*, 123 NLRB 1619; *Melrose Hosiery Mills, Inc.*, 114 NLRB 1166, *S. G. Tilden, Inc.*, 129 NLRB 1096; *National Welders Supply Company, Inc.*, 129 NLRB 514, 516.

which remains uncontroverted,¹⁰ without even attempting to distinguish or overrule the cases relied upon by the Regional Director, my colleagues have found that a unit confined to the employees of the Calhoun operation is appropriate. I cannot agree.

In agreement with the Regional Director, I find that the unit sought by the Petitioner is inappropriate, and as, in any event, the Regional Director's decision was not "clearly erroneous"—the applicable review standard in this case¹¹—I would dismiss the petition.

MEMBER LEEDOM took no part in the consideration of the above Decision on Review and Direction of Election.

¹⁰ The machinery of all of the plants is owned by Bell; the purchasing of all major materials is done at Dalton, in Bell's name; all the plants share materials without regard to where they are stored; the manufacturing operations of all the plants are determined and controlled by the same committee; orders may be filled by any of the plants, without regard to where or with whom they are placed; operations are determined by the committee in such a manner as to equalize employment between the various plants; items manufactured at one plant may be shipped to another plant for finishing, are there combined with items manufactured in other plants, and may be stored at, or shipped from, any of the warehouses; both companies use the same trucks; both companies have the same officers and the same selling agent; all moneys received are payable to Bell which furnishes both companies with sufficient money for expenses; all invoicing for both companies is done at Dalton; engineering for all plants is directed by the same personnel, located at Dalton; both companies have a common auditor; the designers of both companies work together; all patterns for both companies are made in Dixie Belle's pattern-making machine in Calhoun; one machine shop services all plants; there is some interchange of equipment; a single research chemist services all plants; a uniform labor relations policy for all plants is established by a single committee, and is administered by a single person, the personnel director, who is an employee of Belcraft, but who is responsible for the labor relations of both companies; the same company magazine is distributed to, and carries news of, the employees of both companies; all plants have identical training programs; there are a total of 68 job classifications, of which 48 are common to both companies; all employees have the same insurance benefits and are covered under a single insurance policy; seniority is transferrable to either company; the personnel director establishes uniform hiring standards for all plants; applicants for employment may be interviewed by one company for employment with the other; a uniform wage scale is in effect at all plants; there is a constant interchange of employees between the two companies; all payrolls and W-2 forms are prepared in, and all paychecks are issued from, the Dalton office; both companies use common office machinery; and surveys of operations, including time and motion studies, cover all plants without regard to corporate lines.

¹¹ See the Board's Rules and Regulations and Statements of Procedure, Series 8, as amended, Section 102.67 (c).

J. J. Hagerty, Inc. and Peter Batalias

Nassau and Suffolk Contractors' Association, Inc. and Garrett Nagle and Employer-Members of Nassau and Suffolk Contractors' Association, Inc., Listed in Appendix A, Parties in Interest

J. J. Hagerty, Inc. and Thomas Eichacker

John C. Peterson Construction Co. and William Herbert Wilkens

Nassau and Suffolk Contractors' Association Inc. and its Employer-Members Listed in Appendix "A"; Welfare Fund of Local 138, International Union of Operating Engineers, AFL-