

UNITE-HERE on the Attack

Pioneer of Corporate Campaigns Pushes Harder Than Ever

By Ivan Osorio

Summary: America's national hotel chains are bracing for union trouble. The UNITE-HERE labor union thinks it has found a way to force hotels to accept unionization. Its campaign—called "Hotel Workers Rising"—may disrupt the business and vacation plans of travelers this summer.

Does the UNITE-HERE labor union represent the future of organized labor? The targets of its corporate campaigns hope not.

"Corporate campaigns" are elaborate political and public relations campaigns that labor unions use to target a specific employer or group of employers. The union does not simply picket the employer. Its tactics are far more systematic and include feeding allegations of company wrongdoing to the news media and filing complaints with regulatory agencies. Adopting a strategy envisioned by the 1960s New Left, the unions also enlist allies, including religious and environmental groups, to carry their message to the general public, whose attention is thus deflected from the unions' direct self-interest in organizing new members or gain-



Several San Francisco hotels are the target of a "corporate campaign" by UNITE-HERE that could cause serious problems for travelers this summer.

ing bargaining leverage.

A union-sponsored corporate campaign may further pressure a company by contacting its shareholders to challenge management's competence and character and question the company's financial health. It may also leverage the union's investment power by introducing shareholder resolutions that advance union goals.

Corporate campaigns were pioneered by one of the predecessor unions that became UNITE-HERE and they continue to be an important part of UNITE-HERE's—and other unions'—strategy. UNITE campaigns have targeted Disney, GAP,

Guess?, K-Mart, Nike and Phillips Van Heusen, among others.

This year UNITE-HERE is launching nationwide campaigns against several major hotel chains and is continuing its ongoing campaign against the uniform manufacturer Cintas. And when it comes to campaigns, this union is thinking big. "Local autonomy has to give way to centralized, national leadership when you're going up against a centralized national corporation," says UNITE-HERE general president Bruce Raynor. It certainly has the experience. In his book *The Death of a Thousand Cuts: Corporate Campaigns and the Attack on the Corporation*,

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George Washington University professor Jarol Manheim observes, “UNITE [formerly the United Needletrades, Industrial and Textile Employees union] has deep roots in the history of the corporate campaign and a tradition of innovative thinking.”

UNITE-HERE is not the only union seeking new ways to expand and deepen private sector organizing. Its allies in the new breakaway Change to Win Federation—most especially the International Brotherhood of Teamsters and the Service Employees International Union (SEIU)—are also enthusiasts of the corporate campaign. While it is unlikely to rejuvenate the labor movement as its supporters want to believe, the corporate campaigns of UNITE-HERE and Change to Win can still inflict heavy damage on employers and the economy.

A Tactic's Origins

As private sector unionism continues to decline, unions have been forced to engage in mergers to keep their numbers up. In an earlier era, unions tended to merge with unions in the same or related industries. But today, unions in very different industries are combining to survive. UNITE-HERE brings boasts 450,000 active members and 400,000 retirees. It is the result of a series of mergers, the last in July 2004 of the Union of Needletrades, Industrial, and Textile Employees (UNITE) and the Hotel Employees and Restaurant Employees (HERE). UNITE is itself the

product of a 1995 merger between the International Ladies' Garment Workers' Union, founded in 1900, and the Amalgamated Clothing and Textile Workers Union (ACTWU)—itself the product of a 1976 merger of the Amalgamated Clothing Workers of America (ACWA), founded in 1914, and the Textile Workers Union of America, founded in 1939. The Laundry and Dry Cleaning International Union merged with UNITE in 2002.

These mergers are one outcome of a famous corporate campaign. Beginning in 1963, the Amalgamated Clothing Workers of America tried for more than a decade to organize the textile giant J.P. Stevens. It accomplished little. Then in 1976, ACWA merged with the Textile Workers Union, and the newly created ACTWU launched a corporate campaign against the company. After four years, J.P. Stevens allowed ACTWU to unionize 4,000 employees. The 1979 movie “Norma Rae” starring Sally Field is Hollywood's thinly-disguised tribute to this union campaign.

The strategy against J.P. Stevens was laid out by Ray Rogers, then an ACTWU staffer, who in 1981 founded Corporate Campaigns (www.corporatecampaign.org), a strategy consulting firm for unions and leftist activist groups. Of the J.P. Stevens campaign, Rogers's firm boasts on its website: “The Stevens Corporate Campaign exposed, attacked and broke up the network of power supporting the company and eventually forced the big money interests behind J. P. Stevens, led by Metropolitan Life Insurance Co., to give Stevens an ultimatum—settle or else.”

Today UNITE-HERE is no less aggressive. For instance, last April during its campaign to organize Milum Textile Services, a Phoenix-based linen service, UNITE-HERE alleged that the company mixed restaurant linen with linen from health care facilities, including sheets contaminated with blood and human waste. It also claimed that the company has not always kept soiled and clean linens adequately separated. That got the public's attention. A union organizer told *The East Valley Tribune* in Scottsdale, Arizona, that the union's allegations were based on interviews with 16 Milum employees—about 20 percent of the

company's workforce—but admitted that the union had not seen the facility firsthand.

The union campaign also had the effect of getting the attention of Milum's retail customers—who were being questioned by *their* customers. Sam Fox, owner of Fox Restaurant Concepts, a Milum client, told the *Tribune* that his company inspected its plant after UNITE-HERE representatives came to him with the allegations. “We take food safety and providing a clean, safe environment for our guests very seriously. So we went to look at the plant and satisfy ourselves that it just isn't true,” he said.

Milum countered all the union's claims. Owner Craig Milum said all linens are separated, that restaurant and medical linens require different washing formulas and use different production lines, and that the company's ventilation system blows air from the clean areas to the soiled areas, not the reverse. Further, he told the *Tribune* that any mixing of linens would be inefficient, since they would have to be separated again. “It would be counterproductive for us to do that,” he said.

Seeking Card Check

The ultimate objective of a UNITE-HERE corporate campaign such as the one against Milum is less about improving plant hygiene or safeguard worker health than about forcing the employer to allow it to organize its workers according to a procedure known as “card check neutrality”—which isn't neutral at all. Under “card-check,” which has been sanctioned by the National Labor Relations Board, an employer agrees that it will not campaign against union representation during a union organizing drive. Union communication with employees enjoys an advantage because the employer agrees to remain silent. Furthermore, “card check” circumvents a secret ballot election because it requires only that a majority of employees sign cards showing that they support union representation. Employees are often urged to sign cards publicly and in the presence of union organizers, which exposes them to high-pressure tactics that the secret ballot is intended to avoid.

AFL-CIO officials put the percentage

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of workers who are unionized by card check at 70 percent, compared to less than 5 percent two decades ago “Elections just don’t work,” AFL-CIO organizing director Stewart Acuff told *The New York Times*. “The process is too broken.”

Federal law allows employers to insist on a secret ballot election. But UNITE-HERE and other unions are supporting

federal legislation that would mandate the card-check procedure if a union requests it. As this article went to press, the inaptly named “Employee Free Choice Act” (H.R. 1696, S.842) had 215 co-sponsors in the House and 42 in the Senate.

At least for the time being, unions still must persuade employers to agree to card check organizing, which is the goal of

UNITE-HERE’s “Hotel Workers Rising” campaign. This year contracts at hotels in Boston, Chicago, Honolulu, Los Angeles and New York expire, and hotel workers in San Francisco have been working without a contract since 2004. UNITE-HERE is taking advantage of the timing and is pressuring employers by threatening a walk-out by 60,000 workers at 400 hotels. (See

Hotels Targeted by UNITE-HERE as of Mid-June 2006

Hotels On Strike or Lockout

Chicago

- Congress Plaza Hotel

New York

- Crowne Plaza LaGuardia
- Hampton Inn New York — JFK
- Holiday Inn JFK

Hotels Under Boycott

Atlanta

- Hotel Indigo Atlanta Midtown
- InterContinental Buckhead

Boston

- Hyatt Regency Boston Financial District
- Hyatt Regency, Cambridge

Chicago

- Four Seasons, Chicago
- Intercontinental Hotel

Hartford

- Downtown Hartford Marriott at Adriaens Landing

Honolulu

- Turtle Bay Resort

Los Angeles

- Glendale Hilton
- Hyatt Regency Long Beach

Miami

- Hotel Inter-Continental Miami
- Hyatt Regency Miami

Monterey

- Monterey Bay Travelodge (Fairgrounds)

San Francisco

- Argent Hotel
- Comfort Suites San Francisco Airport
- Crowne Plaza Union Square
- Fairmont San Francisco
- Four Seasons San Francisco
- Grand Hyatt
- Hilton San Francisco
- Holiday Inn Civic Center
- Holiday Inn Express (FW)
- Holiday Inn Fisherman’s Wharf
- Hyatt Regency San Francisco
- Mark Hopkins InterContinental
- Omni San Francisco Hotel
- Palace Hotel
- Park Hyatt at Embarcadero Ctr

San Francisco Hotels Under Strike Watch

- Argent Hotel
- Comfort Suites San Francisco Airport
- Crowne Plaza Union Square
- Fairmont San Francisco
- Four Seasons San Francisco
- Grand Hyatt
- Hilton San Francisco
- Holiday Inn Civic Center
- Holiday Inn Express (FW)
- Holiday Inn Fisherman’s Wharf
- Hyatt Regency San Francisco
- Mark Hopkins InterContinental
- Omni San Francisco Hotel
- Palace Hotel

(Source: UNITE-HERE, <http://www.hotellaboradvisor.info/hotelguidestrike.asp>)

www.unitehere.org/hotelguide for a list of hotels to be struck.) In early January 2005, the union threatened strikes at 14 Washington, D.C., hotels two weeks ahead of President Bush's second inauguration, again taking advantage of unique circumstances. An eleventh-hour agreement averted work stoppages in this instance—two days before the inauguration. (The union got a three-year contract which provided for raises of 50 cents an hour in the first year and of 40 cents in the second and third year, 100 percent employer-paid health insurance, a 63 percent increase in management's contribution to the pension fund, and an increase in potential retirement benefits.)

UNITE-HERE launched its hotels campaign on February 15 by holding a rally in San Francisco that featured former North Carolina senator John Edwards, the 2004 Democratic vice presidential candidate. Actor and far-left activist Danny Glover also participated. After the San Francisco event, Edwards and Glover made appearances in Los Angeles, Chicago and Boston. In April, Glover and UNITE-HERE president Bruce Raynor went to Hawaii, where hotel contracts also expire.

On April 26, UNITE-HERE released a paper, "Creating Luxury, Enduring Pain." It claims that hotel work endangers housekeepers' health. The study compiled mandatory injury records from 1999 to 2005 from 87 Hilton, Starwood, Hyatt, Marriott and Intercontinental hotels, which together employ about 40,000 workers. It claims that hotel housekeepers had a 10.4 percent injury rate, more than 85 percent higher than the 5.6 percent injury rate for non-housekeepers, and that housekeepers' share of hotel injury rates increased during between 2002 and 2005 to 30 percent, up from 26 percent from 1999 to 2001. UNITE-HERE blames the injuries on the industry's switch to heavier mattresses, triple sheeting, and more pillows. At a news teleconference, UNITE-HERE health and safety director Eric Frumin also accused hotels of cutting staff and increasing workloads without providing ergonomic training.

The American Hotel & Lodging Association responded quickly with a statement from its president, Joseph McInerney. He

said that lodging injury rates are lower than those in comparable service industries, and that hotels have been working to reduce worker injuries. Hotels, he said, have been "hiring ergonomic experts to evaluate room attendant techniques, implementing comprehensive training programs designed to minimize injuries and investing millions of dollars in automated room car systems." He added, "The hotels also work at training their housekeeping staff when they inaugurate a bedding program to make sure they have informed them of the nature of the work." McInerney pre-

breaks to sign a "labor peace agreement" or risk losing those breaks. The "peace agreement" authorizes the card-check procedure. In late May, the Hartford Marriott's owner, Len Wolman, refused to sign an agreement and the city sought court sanction to take away his tax breaks. Also in late May, the United Church of Christ threatened to take its 2007 national convention—which would bring about \$10 million into the city, according to *The Hartford Courant*—to a venue outside of Connecticut.

But Wolman has been hanging tough.

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sented Bureau of Labor Statistics figures showing the rate of injuries among hotel workers at 5.9 percent, lower than those for other service industries, including hospitals (8.3 percent), wineries (8.1 percent), warehouse clubs at (7.4 percent), department stores (7 percent) and grocery stores (6.5 percent).

As in the Bush inauguration strike threat, many of the hotels being targeted by UNITE-HERE this summer are already unionized, and the union's aim is not to air any actual worker complaints, but, through a series of labor actions, to pressure the major hotel chains to allow union organizers unimpeded access to unorganized workers throughout the industry.

In Hartford, Connecticut, UNITE-HERE has pressured potential hotel clients to take their business elsewhere. The union, which is trying to organize 220 full-time workers at the Hartford Marriott Downtown and 140 part-time workers at the Connecticut Convention Center, has valuable local allies, including politicians and religious leaders, who have been doing the union's work for it. A section of Hartford's "living wage" ordinance requires employers who receive city tax

He asked the National Labor Relations Board to permit a secret-ballot election and then appealed a ruling by the NLRB's regional director, who denied his request. And Wolman has an important ally of his own: *The Hartford Courant*, the city's leading paper, in a May 26 editorial called on the NLRB to reconsider the secret ballot request and urged the city to repeal the "labor peace" section of its "living wage" ordinance.

"Uniform Justice"

Living wage ordinances have been useful to UNITE-HERE in another high-profile campaign targeting the uniform manufacturer Cintas. The union launched this campaign, "Uniform Justice," in February 2003, and in June of that year announced a partnership with the Teamsters to unionize 17,000 Cintas employees.

As in its hotels campaign, UNITE-HERE issued a paper attacking the company. This paper, "The Dirty Truth Behind the Uniforms," claimed that Cintas had agreed to pay a \$10 million settlement in a class action suit by workers denied overtime pay.

As in all corporate campaigns, UNITE-HERE has enlisted the help of non-union

allies, including public officials. In September 2005, the city of Santa Monica, California, announced it would require Cintas to pay the city's "living wage" of \$11.50 an hour—the ordinance's enactment had been backed by UNITE-HERE—if it wanted to continue doing business with the city.

That same month, a California Superior Court Judge ruled that Cintas owed 219 workers \$805,243 in back pay, plus \$300,000 in interest, under the City of Hayward's living wage ordinance. "The company was informed that they had to comply" with the ordinance, said Eileen Goldsmith, an attorney for the plaintiffs. "It never did anything to find out what its responsibilities were. They ignored it completely, except to send back forms to the city saying, 'Oh yes, we're going to comply.'" But a Cintas spokeswoman said that the company "did not willfully fail to pay its employees" and that the violations "were technical in nature."

Also in September, Illinois Attorney General Lisa Madigan announced a lawsuit against Sewing Systems, a Cintas subcontractor, for alleged violations of the state's minimum wage law. Illinois' minimum wage increased from \$5.15 an hour to \$5.50 an hour in 2004, then to \$6.50 per hour in 2005.

The Real Goal

Many people assume that a union campaign aims to secure higher wages for workers who are members of the union. But the real purpose of UNITE-HERE corporate campaigns is to force employers to allow the union to rope more workers into it. For private sector unions, survival depends on increasing membership—and to that end, UNITE-HERE and other aggressive unions left the AFL-CIO just a year ago.

On July 25, 2005, UNITE-HERE announced that its delegates had voted unanimously to boycott the AFL-CIO convention. Two months later, UNITE-HERE disaffiliated from the AFL-CIO and joined the new Change to Win coalition, a new labor federation that includes SEIU, the Teamsters, Laborers International Union of North America, United Brotherhood of Carpenters and Joiners, United Farm Work-

ers and United Food and Commercial Workers.

Change to Win claims that the AFL-CIO, under the direction of John Sweeney, has squandered opportunities to organize workplaces and expand membership because it prefers to engage in electoral political activity, nearly all on behalf of Democratic candidates. The claim sounds innocuous enough: Unions' mission should be to represent their members and attract new ones, not canvass for politicians. But the tactics of UNITE-HERE, SEIU and the Teamsters are not intended to attract workers so much as to beat employers into submission.

Moreover, the split with the AFL-CIO seems to be more the result of frustration with Sweeney's inability to follow through on his pledge to coordinate successful corporate campaigns. In his 1995 inaugural address, Sweeney proclaimed, "We will use old-fashioned mass demonstrations, as well as sophisticated corporate campaigns, to make worker rights the civil rights issue of the 1990s." If there is any real difference between the AFL-CIO and the breakaway unions, it is not over involvement in politics, but in Change to Win's determined pursuit of corporate campaigns.

Make no mistake: The Change to Win unions remain committed to political activity. During the 2004 election cycle, SEIU gave out \$2,284,875 in campaign contributions, with 87 percent going to Democrats, according to the Center for Responsive Politics. The Teamsters gave \$2,147,127 in 2004, with 88 percent going to Democrats. For the 2006 midterm election cycle, SEIU has contributed \$543,748 in contributions (as of April 24), with 93 percent going to Democrats, while the Teamsters have given out \$1,325,991, with 89 percent going to Democrats. For 2006, the Center for Responsive Politics lists the Teamsters' political action committee as seventh largest and SEIU's 527 organization as the number-one "independent expenditure" entity of that sort. Both unions also make the Center's "Blue Chip" list of top 10 donors since 1989 (Teamsters: \$23,209,533; SEIU: \$23,522,473).

As it was boycotting the AFL-CIO convention, UNITE-HERE was pledging to

devote 50 percent of its resources to organizing, but also to "maintain our aggressive political action initiatives as part of our growth program." According to the Center for Responsive Politics, as of May 17, the UNITE-HERE TIP Campaign Committee had made \$267,443 in campaign contributions for the 2006 election cycle. UNITE-HERE has endorsed New York Attorney General Eliot Spitzer in that state's upcoming governor's race.

Thinking Big

As its current organizing drives show, UNITE-HERE is serious about reversing organized labor's decline in private sector representation. The union has a history of developing new organizing tactics.

Now, as a key constituent of the Change to Win coalition, UNITE-HERE and its allies are pushing the envelope further. "Thinking big—big unions, big campaigns, big ideas—seems to be the hallmark of the Change to Win unions," writes William Johnson in *The Nation*, the renowned leftist magazine. By opening up a nationwide corporate campaign against hotel chains this summer, UNITE-HERE hopes to spark the revival of private sector unionism.

It may be a stressful season for travelers—and a sign of greater trouble to come.

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Please remember Capital Research Center in your will.

Labor Notes

AFL-CIO Invests in New Orleans Housing

The AFL-CIO has announced plans to invest \$1 billion to develop 10,000 homes and a downtown hotel in hurricane-ravaged New Orleans. The move sheds light on the federation's 40-year-old Housing Investment Trust, an effort to invest worker pensions in the lucrative housing market while demanding union contracts for "affordable" housing construction. The AFL-CIO risks charges of hypocrisy, as it comes to the aid of New Orleans after successfully pressuring President George W. Bush to effectively require union wages for federally-funded reconstruction on the Gulf Coast, thereby increasing expenses and allowing less to be accomplished. Sweeney is enjoying the role of hero, though: "So little has been done," he lamented to *USA Today*. "It feels like this is the city that America forgot, and I hope our investment will jump-start other investments."

FEC Rejects Tight Regulation of 527 Groups

The Federal Election Commission has decided not to change the loose rules governing Section 527 groups like American Coming Together and the Media Fund, which will allow donor funds to be used in the 2006 and 2008 federal elections much as they were in 2004. However, the *Washington Post* suggests 527 activity may be less active this year because financier George Soros has backed out of funding Democrat-leaning 527s. But the *Post* fails to note that labor unions were heavy 527 contributors that are likely to remain active.

UAW's Gettelfinger Surrenders—With Pledge Not to Surrender

Last month, United Auto Workers (UAW) president Ron Gettelfinger told delegates at his union's national convention in Las Vegas that General Motors Corp. and Ford Motor Co. needed to cut 60,000 union jobs. "Like it or not, these challenges aren't the kind that can be ridden out," Gettelfinger said, pledging cooperation with the auto industry to help solve its financial problems. But the UAW president complained about auto parts supplier Delphi's efforts to nullify union contracts in bankruptcy court, and he blamed President Bush for undermining trade, health care and workers' rights. "We're not going to surrender," Gettelfinger pledged. "The skeptics who say this is the twilight of the UAW, that we're toast, that our epitaph has already been written, don't know who we are and where we come from." But where are you going, Ron?

Presidential Hopeful John Edwards Leans on Unions

The *Washington Post* reports that former Sen. John Edwards has replaced traditional fundraising during the past 17 months with a strong pitch to earn the support of labor unions. "He has done more than any elected official or public persona to support our union efforts to organize," said Chris Chafe, chief of staff at UNITE-HERE, to the *Post*. The fundraising hiatus doesn't seem to be hurting the former 2004 Democratic vice-presidential nominee much: he knows that union funding and grassroots support is worth a substantial amount to his campaign, and a *Des Moines Register* poll last month shows Edwards the surprising front-runner in Iowa for the 2008 Democratic presidential nomination.

NLPC Issues Reports on Labor Law, Unions and Immigration

The National Legal and Policy Center has released an intriguing monograph called *Union Corruption and the Law: Toward a Unified Framework for Reform* by Phillip Wilson, vice president and general counsel of the Oklahoma-based Labor Relations Institute, Inc. He argues that labor law is unwieldy and must be simplified, putting as much power as possible in the hands of rank-and-file union dissenters. By summarizing four legal cases, Wilson shows that even "obvious" wrongdoing is capable of triggering a host of counterclaims, often allowing defendants to squirm their way to freedom. Union leaders are rarely held responsible for illegal actions by union employees and members. Plaintiff's expenses are often prohibitively time-consuming and expensive. NLPC has also issued a report by Carl Horowitz on *Why Unions Promote Mass Immigration: Behind Organized Labor's Interest-Group Alliances*, expanding upon his March 2006 article in *Labor Watch*.