

ACME MANUFACTURING CASE

III THE STRIKE

At midnight UAW pickets appeared at the two gates of Plant A. Gate One was for employees and Gate Two was the driveway leading to the shipping department. At 6:00AM production employees began showing up at Gate One. They found some 40 pickets blocking entrance to the plant. The pickets were noisy and threatening. A few employees attempted to cross the picket line but were turned back or voluntarily retreated to the plant parking lot across the street. By 7:00AM(shift starting time) it was clear that employees willing to work were not going to get into the plant. Several pickets were from the Cleveland and Detroit plants and were wearing UAW jackets and carried picket signs with slogans such as: **"ACME UNFAIR TO TENNESSEE WORKERS" "RAISE OUR PAY CUZ WE AIN'T GOING AWAY-WE ARE OUT HERE TO STAY" "ACME REFUSES TO NEGOTIATE BUT WE ARE HERE TO DELIBERATE" "UAW MEANS SOLIDARITY" "COMPANY ULP'S MUST STOP"**

Around 8:00AM ,when the salaried employees arrived at Gate One, they found it difficult to enter the plant premises. The union pickets did not differentiate between production and office employees. Supervisors crossed the picket line at risk. Plant management who parked inside the plant were surrounded by pickets and cars were rocked back and forth making it perilous to drive into the plant. Those that made it into the plant realized that it would be just as difficult to drive out later in the day. The situation was tense and growing worse. Salaried office and clerical also found it difficult to get into work and many returned home when they saw they had to walk through a picket line of jeering and boisterous strikers.

Two large trucks with assembly parts for customers attempted to drive out of the truck gate. One made it through; the other was stopped when the pickets realized what was happening and it did not leave the plant.

The plant manager who had made it into the plant called the local police requesting additional police protection. He called Cleveland reporting the mass picketing and was advised to get a hold of the local law firm to get an injunction to limit the picketing. The director of labor relations, who had been negotiating the contract, tried to contact the UAW international business agent to meet and establish rules for orderly conduct at the gates and to get an understanding that salaried employees and supervisors will have entry into the plant. He could not reach him.

The director of labor relations directed plant security to video tape the mass picketing and to remain in an advantageous place and continue video taping during the day as incidents occurred. Three supervisors reported their cars were dented by pickets hurling rocks at them as they entered Gate One. Clearly the situation was serious.

The plant manager and the director of labor relations met to plan a way to keep production going. A contingency plan needed to be developed. The few supervisors that had made it into the plant were not enough to start up production. Not expecting the strike, no arrangements had been made for strike replacements. The director of labor relations contacted Federal Mediation and

Conciliation Service and arranged for their service. He suggested the mediator contact the UAW since he had been unable to do so. The director of labor relations asked that a meeting with the union be set up as soon as possible to draw up ground rules for conduct during the strike and to see if there was a way to get the negotiations going again. The mediator agreed to try and get the parties together as soon as possible.

A letter was sent to all strikers advising them that the company would hire replacements for them if they did not return to work within 72 hours and that those guilty of violence or picket line misconduct would be fired.

The management team met to assess the situation. The questions to be considered were:

1. How do we get production going and how do we ship product?
2. How soon can we get an injunction so that the pickets are reduced to a reasonable number and we can get salaried and supervisory employees access to the plant?
3. Who are the replacements and how fast can we get them into the plant?
4. What do the video tapes reveal regarding violence on the picket lines
5. Can we count on police support to control picket line activity?
6. Given the positions of Acme and the union in the last meeting do we want to try and resume negotiations soon or ever?
7. What is our legal position regarding the strike? Do the union's charges of bad faith bargaining and filing of several unfair labor practice charges have substance and if so what does that mean?

The management team felt that there were no easy answers and that the strike could very well be a long one given the rock solid positions of each party. They felt that it would be worth exploring the union's comment in the Monday morning meeting that it was its desire to work out a contract and hoped negotiations could show movement. It was decided that the best approach at the moment was with the mediator.

Questions to consider:

1. If you were the management at Acme, what course of action would you take?
2. What is the role of Federal Mediation and Conciliation Service?
3. It is clear Acme did not have a contingency plan. What is a contingency plan?
4. Is this an economic strike? If it is can Acme hire permanent replacements? If it isn't what can Acme do?
5. Is there a chance Acme can turn the strike into a win? Explain.
6. Given the low union membership and low percentage of employees voting to strike, how can Acme play that to its advantage?
7. Was the letter to the strikers a good idea? Why?
8. What things would you have done differently under these same circumstances? Prior to the strike? After the strike?