

PRESS RELEASE

JURY FINDS UNION COMMITTED SECONDARY BOYCOTT IN DOWNTOWN ATLANTA

A federal jury in Atlanta on February 10 returned a verdict in favor of Fidelity Interiors, LLC, an Atlanta area drywall subcontractor, in the amount of \$1.7 million, against the Southeastern Carpenters Regional Council (the Union), finding that the Carpenters Union conducted an illegal secondary boycott in its Atlanta “area standards” campaign. Beginning in late 2003, the union has sent Atlanta building owners, property managers, and general contractors, a “warning letter” indicating that if a non-area standard paying employer worked at their premises, there would be demonstrations and other forms of union activities directed at their locations. In many instances, where the “substandard” contractor or subcontractor was not removed by the owner, property manager, or general contractor, picketing occurred. In some instances, the picket signs did not clearly identify whom the primary labor dispute was with, and the chanting, noisemaking, and other such tactics were directed against the building owners, property managers, and even tenants.

In general, secondary boycott laws prohibit a union from threatening or coercing a neutral third party, to cause that neutral third party to reduce doing business with the employer that is the subject of the labor dispute, or to require the subject of the labor dispute to enter into a union agreement. While the union claimed it did not intend to involve neutral third parties in its labor dispute, the evidence revealed otherwise.

Further, and ironically, internal union reports revealed that the biggest threat to Atlanta area standards might have been the union itself. One union witness candidly testified to this at trial. That is, union contractors were allowed to contract with substandard subcontractors, while non-union entities were not. The union was, in essence, condemning in others the same practices it was condoning among its own union contractors, and the jury likely concluded the situation was totally unfair.

Fidelity Interiors was represented by Jim Wimberly and Kathleen Jennings of Wimberly, Lawson, Steckel, Schneider & Stine. Wimberly stated, “It is unfortunate that so many innocent third parties were harmed by the union. It is also ironic that the union condemned in others the very same conduct it condoned among its own contractors. I believe the jury simply would not accept this nonsense, and that the union will be forced in the future to confine the subject of its activities to those with whom it has a labor dispute, rather than innocent third parties.”

Ray Gunter, owner of Fidelity Interior, stated, “I am happy with the ruling, particularly in that as a result of the ruling, I believe that there will be more free and open competition for work in downtown Atlanta, benefiting everyone, rather than a privileged few. I believe the union was trying to establish some type of monopoly for union work downtown.”

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