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The Honorable Tom Price
US House of Representatives
100 Cannon House Office Building
Washington, DC 20515

Dear Congressman Price:

On behalf of the Retail Industry Leaders Association (RILA), I write to express our strong support for H.R. 2347, the *Representation Fairness Restoration Act*, and its companion. We applaud your leadership to address the efforts by the National Labor Relations Board (NLRB) to gerrymander workplaces with damaging micro-unions and strike back against the *Specialty Healthcare* case ruling.

By way of background, RILA is the trade association of the world's largest and most innovative retail companies. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$1.5 trillion in annual sales, millions of American jobs and more than 100,000 stores, manufacturing facilities and distribution centers domestically and abroad.

As you know, the *Specialty Healthcare* decision effectively re-defined what it means to create an appropriate bargaining unit. The most alarming aspect of the decision is that even though *Specialty Healthcare* involved a non-acute healthcare facility, the impact of the case is much broader. Since the decision reaches out across multiple industries, the NLRB has already taken the first steps to applying the *Specialty Healthcare* standard to the retail industry.

Since the decision, regional directors have applied the new standard in two retail cases; a Macy's department store in Massachusetts, at which the workers of the cosmetics and fragrance was deemed an appropriate bargaining unit; and a Bergdorf Goodman store in New York, where workers of the second and fifth floor women's designer and contemporary shoe departments also deemed an appropriate unit.

If these decisions are further certified by the Board, it will have devastating consequences to the future of the retail industry. It should be no surprise that when all workers in a retail establishment are in the same unit, covered by the same contract, there are mechanisms for cross-training, for covering absences between departments or in nearby stores—in other words, for employees to expand their horizons, earn extra money by picking up additional shifts—and for continuity of operations and enhanced customer service. Retailers encourage employees to learn about their business by working in multiple departments. They recognize the value to cross-train employees and employees also appreciate the variety in their day-to-day work activities. It is especially important in the current economy, when many are looking for additional shifts, which are more available when free movement between departments can take place.

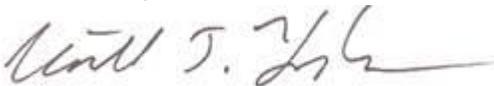
Among the executive ranks of RILA's members, and across the retail industry, are many who started their careers working on the floor of a retail store. Micro unions would have a greater chance of preventing employees from developing this knowledge base and advancing their careers. Not only does internal growth benefit the employee, but employers find that it provides for better employee retention and a healthier connection between senior management and the employees in their stores.

Another important emphasis is not just the impact this decision will have on the employer and the employee, but for the retail industry's customer. Retail prides itself on customer service and has built the industry by attending to its base. It is an added benefit for a customer to be able to ask almost any store employee for help, and can effectively obtain assistance throughout the store. If micro units were to exist, a customer would not receive the same type of support they receive in today's store environment.

Furthermore, at a time of universal discussion about the need to grow our economy, we look for expansion by our successful businesses, and opportunities to help companies that are struggling. *Specialty Healthcare* is a clear disincentive to both. At a minimum, healthy companies will wait to see what effects develop in their existing operations before investing in expansion—given the limited avenues of appeal for the *Specialty Healthcare* ruling this could take years. Struggling companies will not fare well with small groups of employees being organized, making them less likely to succeed. The end result will be fewer jobs.

Absent Congressional action, the implications of *Specialty Healthcare* could have devastating impacts on customers, employees and employers alike. As leaders in the workforce arena we offer our continued support to help maintain an appropriate balance between employer and employee rights under the National Labor Relations Act. We thank you for introducing this legislation and urge immediate passage of H.R. 2347, the *Representation Fairness Restoration Act*.

Sincerely,



Bill Hughes
Senior Vice President, Government Affairs

CC:

The Honorable John Kline, Chairman, Committee on Education and the Workforce
The Honorable George Miller, Ranking Member, Committee on Education and the Workforce