



# NO BARGAIN

Comcast and  
the Future of  
Workers' Rights in  
Telecommunications



*“They made ‘bargain’  
a dirty word.”*

— ANONYMOUS  
COMCAST EMPLOYEE

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*No Bargain: Comcast and the Future of Workers' Rights in Telecommunications*, © June 2004

By Julie Martínez Ortega, Research Director, American Rights at Work

Preface by Thomas A. Kochan, George M. Bunker Professor of Management and Co-Director MIT Workplace Center, Massachusetts Institute of Technology

We would like to express our gratitude to the workers who shared their stories with us. Thanks to American Rights at Work staff Liz Cattaneo, Kimberly Freeman, Erin Johansson, Mary Beth Maxwell and interns Paul Musselwhite and Kristen Kuriga who contributed to the research, writing and editing of this report. Thanks to Earl Dotter for photographs on pages 5 and 17, researcher Logan Worsley, and the design team at GO! Creative.

## Preface

**Thomas A. Kochan**

*George M. Bunker Professor of Management and Co-Director  
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America used to look to the leading companies in its key industries to set the standard for wages, benefits, working conditions, and responsible management behavior. The expectation was that others would then feel competitive pressures to match or approach this standard. This was an important part of the dynamic that produced a social contract at work, in which loyalty was returned with security, and worker and family living standards improved in tandem with productivity, profits, and economic growth. The failure of Comcast to play this leadership role is one of the reasons I find its behavior so disappointing.

But I have two other reasons for worrying about what the behavior described in this report says, not just about Comcast, but about the disgraceful state of labor relations in America today. The second and third reasons are more personal.

I write this as I watch a baseball game on my Comcast cable while my laptop is linked to a Comcast broadband internet connection. I am a reluctant Comcast customer, having first purchased these services from AT&T. About a week after signing up, AT&T sold this business to Comcast. So I now am a bona fide Comcast “stakeholder.” I do

not like doing business with an employer that fails to meet its responsibilities to employees and the country, especially one I did not choose voluntarily and cannot now avoid without incurring significant costs and disruption.

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customers, and  
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their responsibilities.*

Third, one of my most vivid childhood memories was the night my father told me my favorite Aunt Cecilia was taken to a Milwaukee hospital with a stroke that would eventually disable her for the rest of her life. She was lucky to have been a long time operator for Wisconsin Bell and a member of the Communications Workers of America (CWA). Although too young to understand it at the time, I eventually came to appreciate the fact that my favorite aunt could retire several years earlier than normal with

sufficient benefit support and retirement income that allowed her extended family to care for her until she died with dignity many years later. This was her just reward for her 25 years of loyal and I’m sure good service to the company and her customers.

Fast forward to today. Suppose my aunt was employed for an equivalent number of years at Comcast when she had her stroke. She would not have had union representation. She would not have been covered by a defined benefit pension plan. And she would have had approximately two-thirds of her real earnings. Her health insurance would not have provided the bridge coverage needed until Social Security took over. Given these facts, the only way she would have been able to retire early and live the rest of her years in comfort and dignity would have been if our family or the state would have stepped in and provided her housing, health care, and nursing supports in her final years.

This is why as informed citizens, customers, and family members, we all have a stake in making Comcast and other leading companies meet their responsibilities.

This report presents some of the specific dimensions of employment rela-

tions on which Comcast fails to meet its responsibilities as a leading company. Only one in four locations where a union exists have been able to obtain a collective bargaining agreement. Apparently, the company prefers to move work to alternative locations rather than work with a union once organized. Wages of the growing cable sector are approximately one-third lower than the unionized telephone companies. Defined benefit pensions that provided years of retirement security to my aunt's generation have been eliminated, replaced with 401(k) programs that shift the risk and responsibility for retirement saving to employees who have less disposable income.

It would be bad enough if this was just an isolated example. Unfortunately, it is not. Independent and highly respected researchers such as Rosemary Batt and Harry Katz at Cornell University and Jeffrey Keefe at Rutgers University have documented how these downward trends in employment conditions have spread across the largely non-union cable TV and wireless segments in the telecommunications industry.

Or consider another company that should be setting a standard for others in its industry and the country, Wal-Mart. Wal-Mart is the biggest employer in America's service dominated economy today. Over the past several years, a series of articles in publications ranging from

*The New York Times* to *Business Week* to *The Wall Street Journal* have exposed Wal-Mart's practices of firing union supporters, failing to promote women, violating wage and overtime laws, and even locking its employees in its stores at night. Most recently, Wal-Mart announced plans to restructure its wage policies in ways that penalize longer term employees, thereby discouraging loyalty and long service.

General Motors (GM) was the Wal-Mart equivalent in the heyday of America's industrial economy. From 1945 to the mid-1970s, GM set the standard for gradually improving wages, benefits, and working conditions not just for other auto companies but for American industry in general. Why? Maybe GM management should be given some credit for internalizing its CEO's famous claim that "what's good for General Motors is good for America." But the reality is that the gradual improvements in wages and employment conditions at GM were negotiated bilaterally with the United Auto Workers (UAW). GM did not simply roll over and accept whatever the UAW demanded. Instead the company decided how to best cope with the UAW's pressure for incremental improvements in wages, benefits, and working conditions in ways that allowed the company to grow and provide fair returns to its shareholders. Later, when the company and the union, indeed the entire industry, had to adapt to a changed global economy,

the company and the union found ways to work together to make the adjustments through negotiations and some highly innovative and largely cooperative labor management relationships.

How might we get back to this positive dynamic? It is clear that the current system of labor relations is broken. If the largest companies in

***It is time for fundamental reforms of labor policy that reflect the realities of organizational decisionmaking today.***

American industry can ignore the intent of American labor law that employees have the right to choose whether or not they will be represented by a union and engage in collective bargaining, then imagine how far out of reach these same rights and benefits are to employees at less visible companies.

The data presented here presents an even more telling story. The employees of Comcast, like all other American workers, want and need access to forms of participation and representation in corporate decisionmaking beyond those provided under the National

Labor Relations Act. If, as is clearly the case, decisions governing employee relations strategy are made at Comcast corporate headquarters, why should employees have to fight location by location for the right to have an input in these policies? This makes no common sense and no longer serves any useful public policy purpose. If power is concentrated at the top of organizations, this is where employees need a voice. It is time for fundamental reforms of labor policy that reflect the realities of organizational decision-making today.

How might we do this? Maybe we can start by holding American companies to the same standards we are now beginning to apply to transnational companies such as Nike or others previously found to have violated fundamental human rights in the overseas plants they or their contractors operate. Nike and others came under severe pressure to adopt and enforce corporate codes of conduct that include the minimum standard that employees have the right to join a union and engage in collective bargaining. Why should we expect more of companies operating overseas than we do at home?

Sometimes raising simple questions makes the point better than sophisticated or complicated analysis. For me, these are the simple questions this report raises. It should do the same for anyone else who has a “stake” in Comcast, whether they are employees, shareholders, customers, or ordinary American citizens. Perhaps it is a time for all of us to take up this issue and transform what has been a quiet field of labor management relations into a national public debate.

## INTRODUCTION

# The Rise of Cable and Implications for Telecom Jobs

**T**he telecommunications (telecom) industry is at a crossroads. As cable businesses begin to offer services historically provided by telephone companies, workers are seeing their jobs and working conditions change—and not for the better. Cable corporate leaders and their shareholders are experiencing soaring profits as they successfully capitalize on technology-inspired opportunities. Their workers, however, experience expanding and ever-changing responsibilities and workloads without a matching growth in compensation, a continual reduction of benefits; and, most importantly, a decreasing ability to negotiate the terms and conditions of their changing working conditions through union participation.

Comcast, with customers in 35 states and the District of Columbia, is the nation's leading cable and broadband communications provider. The company holds the main share of eight of the top ten U.S. markets, and serves 70% of subscribers in the top 20.<sup>1</sup>

The demand for high-speed Internet access is booming, and cable companies like Comcast currently control an estimated 60% of that

market. What's more, cable companies are now preparing to offer telephone service over high-speed data networks, in direct competition with telephone companies. Comcast will roll out this Voice Over Internet Protocol (VOIP) technology in 50% of its systems by year's end and in 95% of its markets by the end of next year.

Analysts say Comcast is far larger than its competitors and poses the biggest long-term threat to communications carriers in the areas it serves. "Comcast will likely become one of the biggest phone companies over the next decade," said John Hodulik, analyst at financial firm UBS in an interview with *The New York Times*.<sup>2</sup>

Comcast is also a major employer, with 68,000 workers nationwide. Of those employees, 59,000 work in cable. Unlike telephone, which is a heavily unionized industry, cable jobs tend to be less secure. In cable, employee turnover and the use of temporary workers (who receive few of the benefits associated with full-time, permanent employment) are twice as high as the telephone industry average.<sup>3</sup>

Since the mid-20th century, the telecom industry has steadily

*Protecting the freedom of Comcast employees to form unions and negotiate the terms and conditions of their employment is critical for preserving good telecom jobs.*

grown as a provider of higher-paying, semi-skilled jobs offering long-term security. Yet the industry's history and reputation as a source of middle-class jobs—in part due to its recognition for workers' rights to form unions and negotiate contracts—is now endangered by the rise of cable companies and their questionable commitment to high labor relations standards. In light of rapid technological advancements that place new demands on the cable workforce, protecting the freedom of Comcast employees and other cable workers to form unions and negotiate the terms and conditions of their employment is critical for preserving good telecom jobs.



The company's punitive actions toward workers who attempt to form unions or negotiate contracts undermine the labor relations paradigm that has long existed in telecom. As Comcast grows and competes with traditional telecom providers to offer a wider array of services, it could significantly transform the nature of labor relations. By limiting the ability of workers to collectively bargain, corporations like Comcast are free to increase profitability by lowering labor costs. The end result could be the devolution of good telecom jobs into low-level, dead-end service industry work that is proliferating in our economy. At a time when many Americans are fearful and still experience the economic fallout of mass layoffs and the flight of middle-class jobs to overseas labor markets, can we afford to lose ground in a home-bound industry like telecom that historically has been a source of stable, family supporting jobs?

FORTUNE's July 21, 2003 article, "King Comcast," featuring CEO Brian Roberts confirms the company's leadership in the cable industry and broader community.

While Comcast has achieved phenomenal growth and success, it has resisted employee attempts to form or maintain their unions, and left many jobs less secure. This report documents Comcast's pattern of disrespecting labor rights at the companies it has acquired. It also documents the dramatic decline of union representation at Comcast since it acquired AT&T Broadband in 2002.

As the leader of the cable industry, and the monopoly provider in many communities, Comcast's actions towards workers who want unions are a matter of choice, not necessity. Comcast Chairman and CEO Brian Roberts and his father, Comcast founder Ralph Roberts,

took home a combined \$20.3 million with an additional \$34.2 million in exercised stock options in 2003. The company can afford to respect workers' rights to form unions, negotiate fair contracts, and make good, middle-class careers available to its workforce. As the market leader, it does not need to lower labor standards for the industry. Comcast can reverse the entire cable industry's greater reliance on contractors and temporary workers, provide workers with pensions, and reduce costly out-of-pocket healthcare insurance premiums. These semi-skilled jobs at Comcast are employment opportunities that Americans typically have used to build a solid future for their families.

**About this Report**

*No Bargain: Comcast and the Future of Workers' Rights in Telecom* is based on an exhaustive review of National Labor Relations Board records obtained via Freedom of Information Act requests, and government documentation of the wage and benefits trends in telecom and the broader service sector. We interviewed current and former Comcast technicians and customer sales and service representatives, as well as attorneys and union organizers who are or have

been closely involved in representing Comcast employees.

The names of some current and former Comcast employees interviewed in this report have been omitted, per their request, to protect them from potential employer reprisals. Many workers who were interviewed fear their comments could be used as justification to terminate their employment and discourage other workers from speaking out about their difficult work experiences at Comcast. All other names in the report are real and have been included with the expressed permission to do so.

In the process of preparing *No Bargain*, we spoke with an employee and mother of two who fears she will lose her home. Delayed contract negotiations between Comcast and her union have held her wages down for years, while inflation continues to rise. Another employee told us how his termination, which he believes was related to his pro-union activity, has arrested his ability to contribute tuition money for his daughter's college education. She is the first member of their family to attend college.

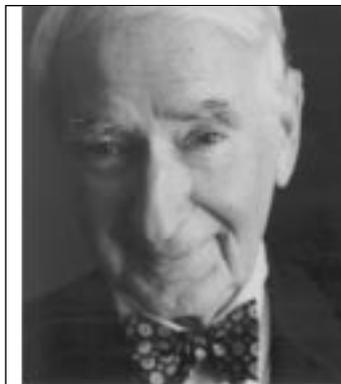
These cases and other similar stories relayed by Comcast workers across the country suggest a pattern of corporate behavior that undermines workers' ability to negotiate the terms and conditions of their employment. By delaying contract negotiations indefinitely and firing pro-union workers,

Comcast effectively sends a strong message throughout its workforce about the risks and consequences of forming a union. While Comcast offers just cause for each termination and personnel decision, our research suggests correlations between employee discipline, delayed union contract negotiations and the decline of union representation at Comcast. This trend warrants concern about the company's labor relations strategies.

With limited means to collectively bargain over the terms and conditions of employment, will telecom workers be forced to accept

longer hours, fewer benefits, and less job security in order to remain employed? How will their inability to engage in good faith negotiations with Comcast affect the preservation of these middle-class jobs?

There is good news. Patterns and trends can be reversed. As the industry leader that prides itself on a "pro-employee" ethos, Comcast has the ability to shift course and begin bargaining in good faith with its workers. Doing so will greatly strengthen and preserve the quality jobs and high labor standards in this important American industry.



Founder Ralph Roberts is featured in *Fortune* magazine's article on cable telecoms.

now presides over the nation's largest cable system, a formidable cross-country network that includes franchises in major markets such as Chicago, San Francisco, and huge swaths of the East Coast. With 21.3 million subscribers, Comcast is double the size of its closest rival, Time Warner Cable—of which it owns 21%. Comcast's pipes aren't just dominating TV, either: Through acquisitions and intensive marketing, the company has become the largest provider of high-speed Internet access, one of the few technologies still captivating consumers and capturing their cash. It controls cable modem service to four million homes, about 20% of the entire American broadband market. From \$21 billion in market cap five years ago, Comcast has grown into a \$70 billion behemoth.

And now the company has cleared the decks for even more deals. In early July, Comcast agreed to sell its 57% stake in home-

shopping channel QVC to John Malone's Liberty Media in a deal that values the cable e-commerce-hawking network at \$14.1 billion, at the high end of analysts' estimates. The deal calls for Comcast, which helped launch QVC in 1987, to receive \$8 billion through a combination of stock, notes, and cash, a tidy return on its \$385 million investment. (Malone, meanwhile, may be rethinking his bid for Vivendi's entertainment properties, for which the French hope to fetch at least \$17.5 billion.)

Meet America's newest media emperor. Unlike rivals who are hamstringed by debt, weak management, or—in many cases—both, Roberts has power, cash, customers, and a growing ability to exploit them all. The proceeds of the QVC deal can be used to reduce his company's \$27 billion in borrowings. He can sell his stake in Time Warner Cable when it goes public or try to swap his stock for additional cable systems. Even Washington is on his side: Regulators

are likely to lift rules that limit the amount of cable systems an operator can own. He can leverage his improving balance sheet to buy more cable, invest in new media properties, or perhaps launch his own entertainment networks. And he's firmly in charge: The

**While rivals are hurting, Roberts has power, cash, customers, and a growing ability to exploit them all.**

Roberts family has 33% voting control. More stunning, he's managed to bring Comcast to the top in just seven months.

Yes, for Roberts is the most unlikely of moguls. At 44, he is a cable-industry lifer. He shuns the spotlight, chooses his work carefully, and purposely avoids the victim thing. A techophile who stays in constant communication via his two-way pager, Roberts is happy to talk about deals but lights up when detailing the latest gadgets at a Japanese consumer electronics show. He's equally comfortable promoting net just Comcast but his entire industry. In 1997 he suggested that Bill Gates invest in cable—and received a \$1 billion Microsoft investment in return.

*Comcast founder Ralph Roberts is also featured in FORTUNE's article.*

CHAPTER 1

## The Significance of Unions in Establishing Middle-Class Telecom Jobs

The telecom service industry is in the midst of one of the most explosive periods of growth and change in its 100-year history. Thanks to new technology and deregulation-induced competition, consumers and businesses now have an extensive menu of products and services at their fingertips. It's possible to watch movies on a computer screen, read a newspaper online, and receive financial information from a bank—all with the click of a but-

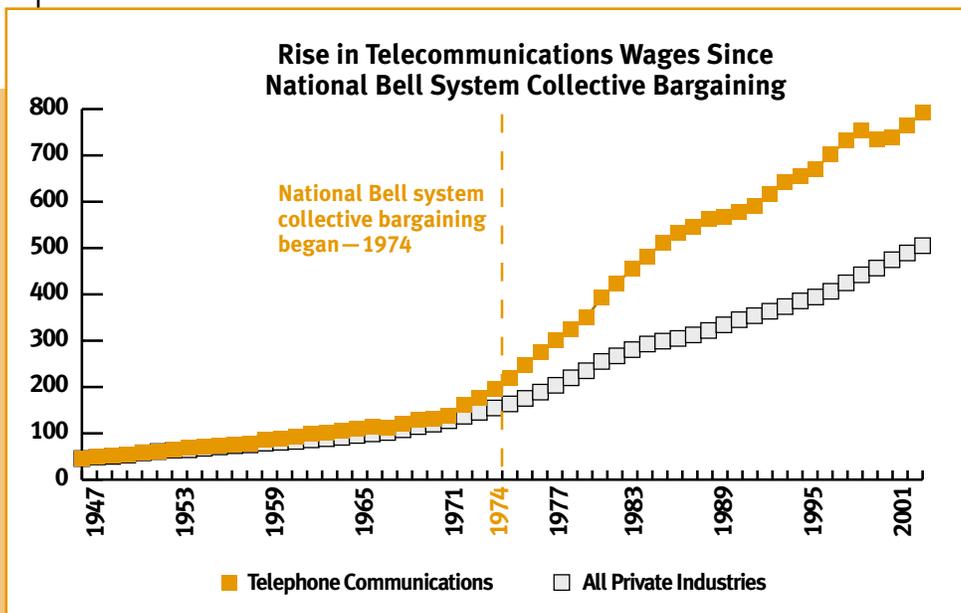
ton. Soon, traditional circuit-switch telephone service will have competition in the form of Voice Over Internet Protocol (VOIP), which could replace traditional phone line service with the ability to place calls through an Internet connection.

This seemingly endless array of new technologies and services is blurring the lines separating telephone, cable, entertainment, and information services. The rapid changes in products, and the companies that provide them, call for a

review of how telecom companies treat their workforces.

Telecom has long been a source of good jobs in this country. Through collective bargaining, workers and their unions have been able to create middle-class jobs by negotiating decent wages, benefits and job security. The majority of workers in the industry formed unions in the 1950s. In 1974, national collective bargaining began in the Bell system, and wages in the industry rose well above the national average. A healthy balance between management and labor in the industry's leading firms ensured that telecom employees could garner family wages and flexible work conditions.

*Boston Globe* columnist Robert Kutner and other prominent social commentators contend that many of the benefits of working in industries like telecom did not come into being by chance, or as a result of the benevolence of good employers. He writes, "No inherent economic logic required semi-skilled factory workers to earn middle-class wages. What made the difference was strong unions and federal enforcement of the right to organize. Blue-collar service jobs could pay decently, too."<sup>4</sup>



Source: BLS (2004). B-15. Average hours and earning of production or nonsupervisory workers on private nonfarm payrolls by detailed industry. Bureau of Labor Statistics.



*Stephen White, former Comcast employee from metropolitan Washington, DC.*

In recent decades, workers across all sectors who choose to organize their workplaces face unprecedented resistance. Cornell University professor Kate Bronfenbrenner’s research reveals that 75% of employers hire consultants to help fight union organizing drives. In 92% of workplaces with union drives, workers are forced to attend mandatory “captive audience meetings,” in which managers discredit union participation and distribute anti-union literature. Efforts to dissuade workers from forming unions are not limited to the workplace. Seventy percent of employers mail anti-union letters to workers’ homes to discourage union support.<sup>5</sup>

In telecom, much of the industry was controlled by a monopoly when initial union contracts were negotiated. As a result, workers experienced the benefits of the bargaining agreement across the industry. Even after telecom was

deregulated two decades ago, high job standards and labor-management relationships remained an industry norm. Cable companies, which came into existence after this period in telecom history, do not share this legacy and have not, thus far, demonstrated a commitment to telecom labor standards.

While the growing influence of cable companies in telecom significantly contributes to changing labor standards in the industry, the lack of enforcement of U.S. labor law, coupled with the law’s inadequacy to contend with the shifting economic paradigm within telecom and other industries, also contributes to the problem workers face. The National Labor Relations Act states: “Employees shall have the right to self-organization, to

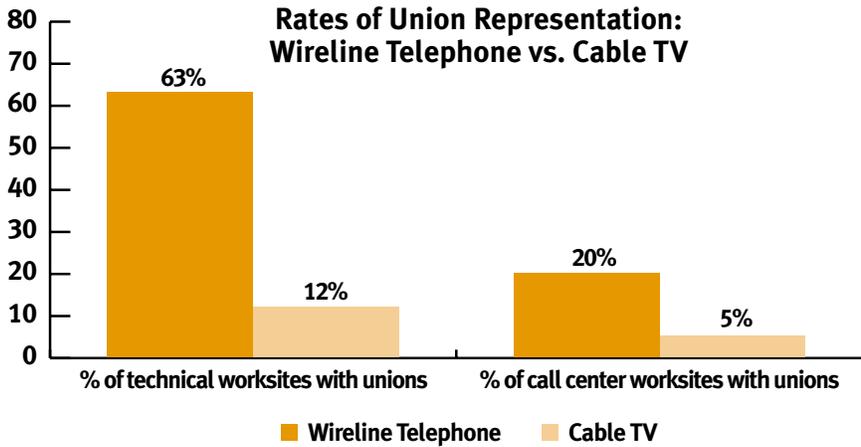
form, join or assist labor organizations, to bargain collectively through representatives of their choosing, and to engage in other mutual aid or protection.” Yet, Comcast employees’ ability to use the protections of this keystone legislation is hampered by a lack of enforcement of the law. In this report we find that the system and the law fail to guarantee the rights of cable workers.

### **The Impact of Unions in Telecom**

For more than 40 years, the service sector has been at the forefront of job creation. Between 1959 and 2003, the service sector’s proportion of total employment jumped from 64.1% to 83.2%, and the number of service-sector jobs increased from 34.2 million to 108 million.<sup>6</sup> Although the number of

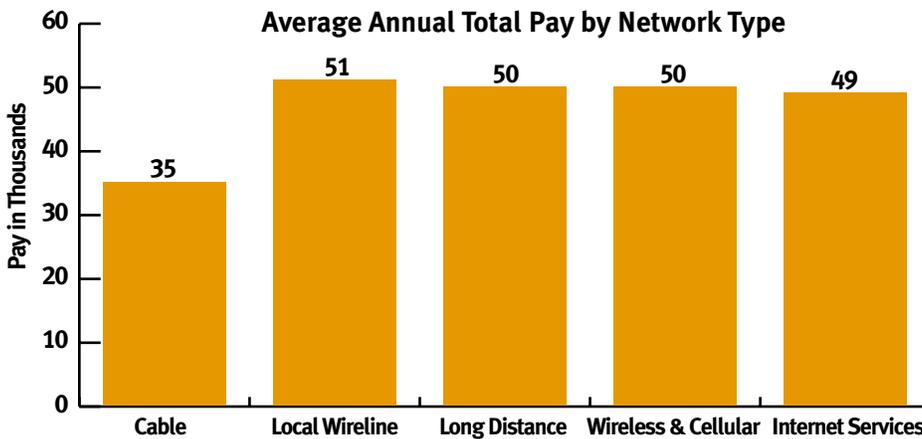


*Telecommunications historically has provided better opportunities to American workers than other service industries, due in part to its high unionization rates.*



Source: Batt, R., A. Colvin, H. Katz, and J. Keefe. "Telecommunications 2004: Strategy, HR Practices, & Performance." Ithaca, New York, Cornell-Rutgers Telecommunications Project.

\*The study is based on a survey of general managers of network operations and call centers in the telecommunications services industry. The survey was administered to a nationally random sample of 463 establishments drawn from the Dun & Bradstreet listing.



Source: Batt, R., A. Colvin, H. Katz, and J. Keefe. "Telecommunications 2000: Strategy, HR Practices & Performance." Ithaca, New York, Cornell-Rutgers Telecommunications Project: 30.

service-sector jobs is growing, many of these jobs offer depressed wages and little opportunity for workers to climb into the middle-class. As of 2000, the median service sector employee earned \$484 per week, as compared to \$636 in manufacturing.<sup>7</sup>

Telecom is one industry that transcends the standard "low-quality-service-sector-job" rule. At the center of the high-technology information arena, this industry historically has provided better opportunities to American workers than other service industries, due in part to its high unionization rates. Some 76% of telecom technician work sites have employee unions.<sup>8</sup> At union facilities, technicians earn 7%-10% more than their non-union counterparts.<sup>9</sup> After controlling for other factors that affect wages, there is a 15% union wage premium in telecom work sites.<sup>10</sup>

As Comcast and other cable companies with low unionization rates command larger market shares and expand their services to include those traditionally provided by companies with higher union participation, good jobs in telecom increasingly are placed at risk. With more than 26% of households and 27% of the revenue for cable and satellite television at present, and the possibility of acquiring companies that could potentially expand its market share, Comcast is poised to dwarf its telecom rivals.<sup>11</sup>

## Comparison of Comcast Cable Positions with Telephone Positions

### TELEPHONE POSITIONS

#### Installation and Maintenance Technician

- Install
- Test
- Maintain telephone circuitry and equipment for both residential and business customers on their premises
- High school diploma or equivalent

#### Cable Splicing Technician

- Repair, maintain, splice, and test subscriber line, carrier plant and/or line fiber optic plant
- Splice new cable and make splicing rearrangements on existing facilities in buried, underground, aerial and building work locations
- Construction work
- High school diploma or equivalent

#### Customer Data Technician

- Install, test, maintain and repair communications equipment and services, including analog, data, sub-rate and high speed digital, DSL, VDSL, ISDN, audio and video services
- Configure customer's computer hardware and software
- Work directly with customers
- High school diploma or equivalent

#### Central Office/Network Center Technician

- Maintain central office switching, transport, power, and frame equipment
- Survey and analyze alarms, test lines and trunks
- Install services and coordinate with other employees
- Schedule/perform software back-up and update procedures
- High school diploma or GED required

### COMCAST POSITIONS

#### Communications Technicians 1, 2, 3

- Full Installations
- Verification surveys
- Disconnects, reconnects and pre-wires for residential and business customers
- High school diploma or the recognized equivalent in work experience or self-study

#### Communications Technician 4

- Repair and/or replace damaged aerial/underground plant
- Splice aerial/underground coaxial cable and equipment to restore cable plant to system specifications
- Construction maintenance
- High school diploma or equivalent

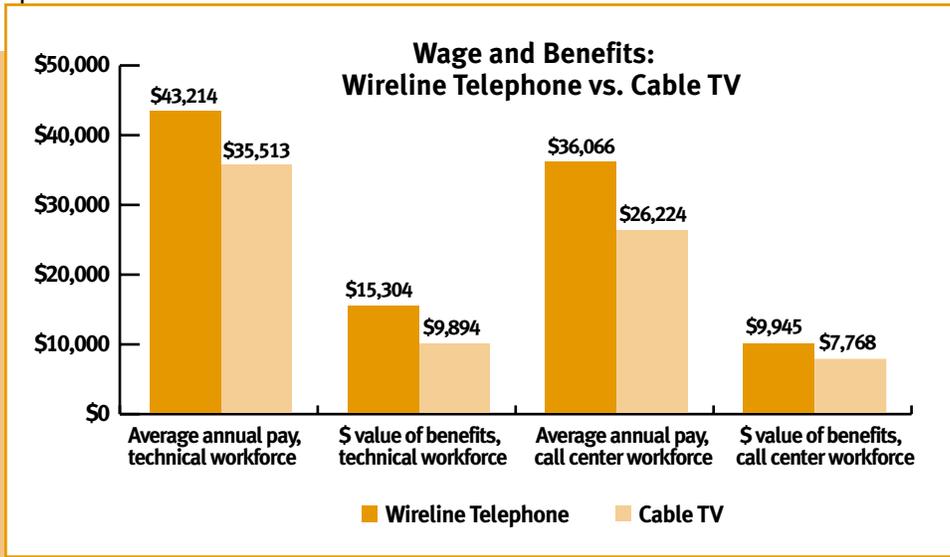
#### Service Technician

- Install, reconnect, add and/or change video products and services
- Troubleshoot and repair advanced CPE, including two-way video, residential and commercial customers
- Configure and install complexes and MDU Lockboxes
- Handle a variety of customer interactions
- High school diploma or equivalent

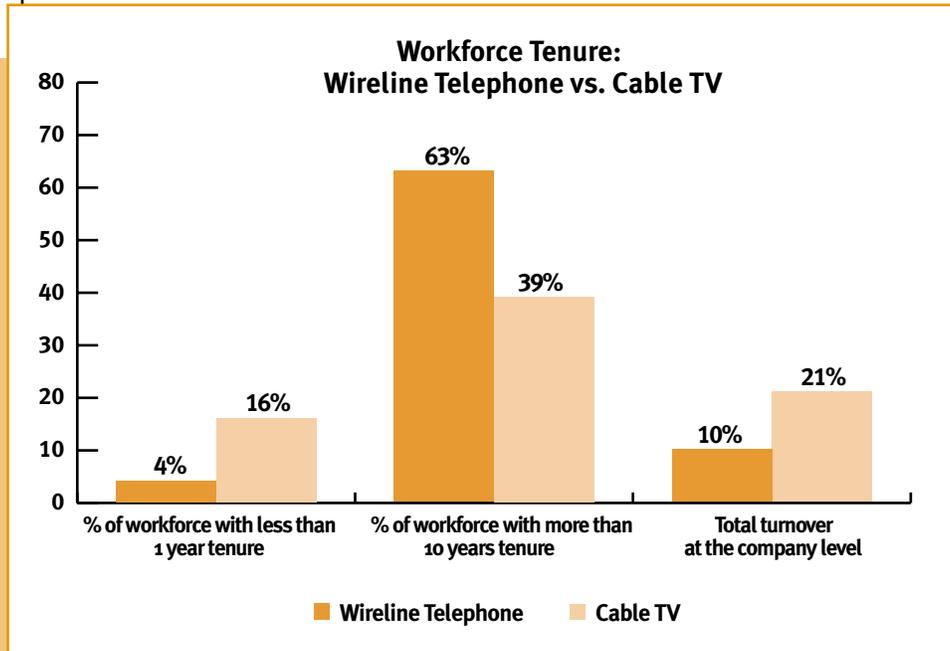
#### Head End Technician

- Maintain and configure network devices, hubs, switches and routers
- Conduct testing per headend/hub preventative maintenance programs
- Install, maintain and repair headend and hub electronic systems and components
- Interface effectively with division engineering staff and equipment vendors
- High school diploma or equivalent

**Examining the Wage and Job Security Disparity between Phone and Cable Jobs**



Source: Batt, R., A. Colvin, H. Katz, and J. Keefe. "Telecommunications 2004: Strategy, HR Practices, & Performance."



Source: Batt, R., A. Colvin, H. Katz, and J. Keefe. "Telecommunications 2004: Strategy, HR Practices, & Performance."

**Similarities Between Telephone and Cable Jobs: A Case for Extending Telecom Labor Standards to Cable**

While job titles may differ at cable and telephone companies, the functions workers perform essentially are the same. Moreover, as the distinction between telephone service and cable providers blurs and services such as VOIP grow in popularity, the difference becomes negligible. Both cable and telephone jobs require workers to handle customer concerns about plans, prices, and service quality. Both require central office technicians to handle the hub of information flows, and field representatives to build and maintain the physical infrastructure.

**Examining Wage and Job Security Disparity Between Phone and Cable Jobs**

*Wages.* According to the most recent monthly figures from the U.S. Bureau of Labor Statistics, full-time telephone workers earn \$48,110 a year on average. Cable workers performing similar duties earn \$34,756—more than \$13,000 less annually than their highly unionized counterparts.<sup>14</sup>

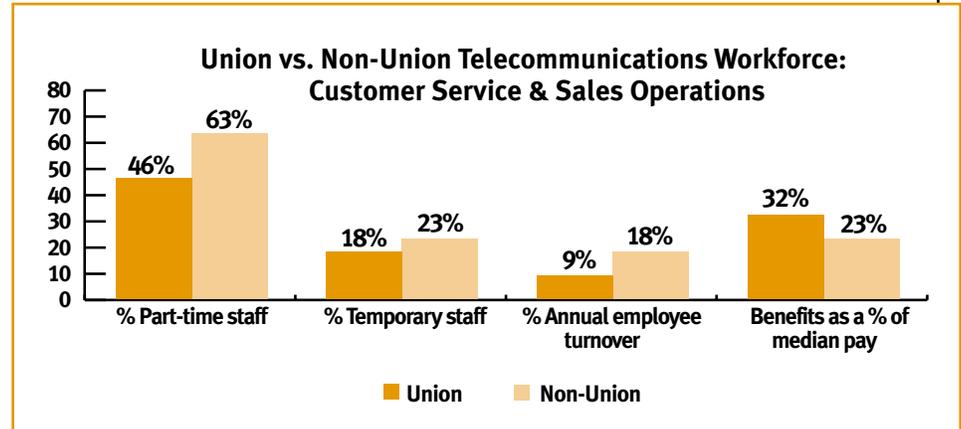
Data gathered by Cornell and Rutgers University researchers demonstrate that cable technicians earn approximately 30% less than workers in any other network establishment,<sup>15</sup> despite the fact that cable firms face relatively little competition in their local markets, since they average a 73% market share.<sup>16</sup>

At unionized SBC Communications, Inc., full-time veteran operators earn \$41,000 a year, while customer service representatives gross more than \$46,000, and technicians are paid \$56,000 to \$59,000, the *Los Angeles Times* reported, citing company and union sources.<sup>17</sup>

*Job Security.* Workers tend to stay in telephone jobs for longer periods of time than cable workers, perhaps because of the greater job security that telephone workers enjoy. Employee turnover in cable is more than twice as high (21%) as local telephone (also referred to as wireline) turnover rates (10%).<sup>18</sup> Additionally, temporary employees in cable are used at twice the telephone industry's average rate.<sup>19</sup> Telephone technicians tend to have more experience than their cable counterparts. Thirty-nine percent of cable technicians have more than ten years of experience, compared to 63% of local telephone technicians.<sup>20</sup>

## Comparing Union and Non-Union Telecom Jobs

Not all telephone companies have unions. In addition, there are a few cable companies with organized workforces. Yet, comparisons between union and non-union human resources in each field are helpful and convey the potential impact if declining union density continues and becomes the new telecom labor standard.



Source: Batt, R., A. Colvin, H. Katz, and J. Keefe. "Telecommunications 2000: Strategy, HR Practices & Performance." Ithaca, New York, Cornell-Rutgers Telecommunications Project: 30.

*Union vs. Non-Union Technicians.* Among telecom technicians, union workplaces are more likely to rely on internal promotions to fill vacancies (56% vs. 46%).<sup>21</sup> Unionized telecom workplaces also rely on far fewer temporary employees than non-union workplaces (5% vs. 13%).<sup>22</sup>

*Union vs. Non-Union Customer Service and Sales Operations.* Within customer service and sales, union telecom workplaces rely less on part-time (45.5% vs. 63.4%) and contingent staffing (18.2% vs. 23.2%) than do non-union workplaces.<sup>23</sup> Workers at union workplaces are paid higher median wages (\$30,198 vs. \$26,386), receive more generous benefits (measured in benefits as a percentage of median pay), and experience lower turnover rates as measured by quit rates (8.5% vs. 17.7%).<sup>24</sup> Customer service and

sales representatives at union worksites also have greater tenure (50% have ten years of experience, vs. 27.7%).<sup>25</sup>

Similarities between cable and telephone jobs suggest that little prevents cable corporations like Comcast from adopting fair labor standards long-held within telecom. In essence, voluntarily recognizing workers' rights to form unions and negotiate fair contracts, a right guaranteed by U.S. law, becomes a question of will, ethics and good corporate citizenship at a time when America's workforce needs it most.

## CHAPTER 2

## Working Conditions at Comcast: A Case for Collective Bargaining

Comcast’s ever-expanding services, driven largely by technological advancements, have a significant impact on the breadth, scope and volume of work performed by its employees. Comcast workers across the country report that they: (1) are required to perform more work within the same amount of time; (2) are evaluated according to unreasonable and unfair standards; and, (3) are frustrated by management’s unresponsiveness to their concerns about unsafe work conditions.

*“In the last three years, they’ve added a lot of new services—digital cable and high speed Internet, for example. They were not giving us any more time in the day to do the extra work that was required to maintain these things.”*

—STEPHEN WHITE,  
FORMER COMCAST WORKER FROM  
METROPOLITAN WASHINGTON, DC

### Workers Want Predictable Work Schedules

Many American workers experience growing pressure to produce more in less time. Similarly, Comcast employees often attribute hectic work lives to “mandatory overtime” and unreasonable workloads. Managers frequently instruct employees to continue working beyond their scheduled shifts, often without prior notice—a practice many Comcast workers with families find especially disruptive. “The workload has changed,” said one employee speaking on differences before and after his former company was acquired by Comcast. “We have too much overtime, and it’s mandatory. You can’t go home until the work gets done. When people call in sick, we have to pick up their routes. That’s on top of our 11 to 12 assigned jobs a day. There is no leeway for us getting off [work] on time. We get no support in management. They don’t care.”<sup>26</sup>

Many workers think that the performance expectations are unreasonable. “There’s a completion rate you have to do,” said the same worker. “You have eight hours to get the work done, but they give you 14 hours worth of work. There are procedures you must follow, but you don’t have

time to [perform them or perform them well].”<sup>27</sup>

Stephen White, a former Comcast employee from the metropolitan Washington, DC region, recounted similar changes at his shop when Comcast took over. “In the last three years, they’ve added a lot of new services—digital cable and high speed Internet, for example. We were responsible for installing and maintaining these services, too. They were not giving us any more time in the day to do the extra work that was required to maintain these things.”<sup>28</sup>

Children and families pay the highest cost for unpredictable work schedules that often end late at night. “We care about the customers, but we have to go home and take care of our families,” said one service technician. “When I get home, my kids are in bed. I get up early and go to work. I’d like to go home once or twice a week on time.”<sup>29</sup>

### Workers Want Reasonable Requirements and Evaluations

Comcast has instituted new evaluation criteria, most likely as it acquired companies and rolled out new services, which the workers we spoke with feel is unfair. Most

workplaces rely on performance standards to ensure quality work and/or customer satisfaction. However, the workers interviewed view Comcast's performance rating system as arbitrary and devoid of a method to address errors in score calculations. These workers believe that no adequate process exists to contest performance ratings when they disagree with their assessment.

Stephen White, who allegedly was terminated on the basis of his performance scores, shared, "Comcast instituted this monthly scorecard. If you didn't reach a minimum score each month, you were disciplined. [I often felt that] the scores they had were totally wrong."<sup>30</sup> Others said that the company seems to take little account of an employee's workload in determining scores. Service technician Gary Kane from Port Huron, MI, said, "I've been written up probably about nine to ten times based on quality assurance. They want us to do 13 jobs a day, but [I feel that] they don't look at what each job consists of."<sup>31</sup>

Some workers report that they were penalized when customers refused to sign paperwork. "We have to get customers to sign the work order," Gary Kane explained. "If we don't, we get written up. I've been docked days without pay for a customer not signing a work order. It was not like that before Comcast. There's a lot of small print that customers have to read about the cost of cable and the



*According to CWA, member Tyrone Smith was suspended by Comcast for "substandard work." Said Smith, "the arbitrator found that basically everything they had on me was trumped up. It took a year and a half to resolve."*

responsibility of returning equipment. Plus, there is a privacy information act statement [that some customers find problematic]. If they don't agree, they don't have to sign it."<sup>32</sup>

### **Workers Want a Voice on Safety Issues**

Like workers in many industries, Comcast employees are concerned about safety on the job. A former Comcast warehouse worker from San Jose, CA, said his worksite was "very dangerous," noting that several people were hurt on the job. "I complained and nothing was ever done," he said. "There were cramped quarters. We had to load up different racks without room to bend. You bend in awkward ways

and have no way to pick up items properly or safely. There's clutter and it's not a good, safe working environment. You really had to be careful." He added that he felt supervisors sent a message that workers were dispensable; and, that if a worker took disability leave, his job would not be waiting for him upon recovery.<sup>33</sup>

Our researchers spoke with a worker who had been on legitimate disability supported by a doctor's documentation of his injuries. He was fired by Comcast after his disability lasted longer than six months, despite many years of service on the job. Prior to his injury, he had received service awards from Comcast for his work.<sup>34</sup>

**Excerpt of Collective Bargaining Agreement Between Verizon New York, Inc. and Telesector Resources Group, Inc. and Empire City Subway Company (Limited) and Communications Workers of America, AFL-CIO, District One**

*40.01 Safety is a concern to the Company and the Union. The Company and the Union mutually recognize the need for a work environment in which safe operations can be achieved in accomplishing all phases of work, and the need to promote better understanding and acceptance of the principles of safety on the part of all employees to provide for their own safety and that of their fellow employees, customers, and the general public. The Company agrees to maintain a safe and healthful workplace for all employees.*

*40.02 To achieve the above principles, the Company and Union agree to establish an advisory committee on safety principles at the Company headquarters level...*

*40.03 In connection with any safety activities, the Company agrees to reimburse only for the time spent by active employees during the employee's schedule tour of attendance at such committee meetings and for traveling to and from such committee meetings at his regular straight time rate of pay.*

Employees in the field contend with safety hazards on a daily basis. Stephen White said he often worked during thunderstorms with lightning. He also recalled other non-weather related dangers in the field. "Whenever you're required to dig up cable, you never know what you're going to find. You just never know when you stick your shovel in the ground what you're going to get."<sup>35</sup>

Another anonymous worker added, "You are always trying to cut corners. People have gotten minor injuries for their lack of safety—

driving in a hurry, carrying a ladder. I can't afford to get hurt."<sup>36</sup>

Another worker reported on the safety hazards associated with forced overtime, "Some people are working terrible hours in the dark," he said. "It's hard to be safe when you're working 12-hour shifts."<sup>37</sup>

For many workers, unions represent a way to have a strong, collective voice when speaking out individually seems too risky. According to the World Bank, "Individual workers may find it too costly to obtain information on health and

safety risks on their own, and they usually want to avoid antagonizing their employers by insisting that standards be respected. The benefits from compliance with standards are not limited to any individual but are enjoyed by all workers. A union can spread the cost of obtaining information on health and safety issues among all workers, bargain with employers on the level of standards to be observed, and monitor their enforcement without putting any individual worker at risk of losing his or her job. Studies in industrial countries indicate that the role of labor unions in ensuring compliance with health and safety standards is often an important one."<sup>38</sup>

Unions help to enforce health and safety standards in a number of important ways that could benefit Comcast workers. Union contracts often contain provisions that lay out policies and procedures to ensure a safe workplace (see inset). Unions also are well positioned to gather information about dangerous conditions more effectively than individual workers, and have the means to expose potential violations to enforcement agencies. Since unions generally support health and safety programs and provide on-the-job risk assessment training, union workers are more likely to recognize risks in their workplaces, according to a study by Boston University Professor David Weil on unions and Occupational Safety and Health Administration (OSHA) standards enforcement.<sup>39</sup>

Unions also give workers a collective voice, thereby increasing the chances of getting management's attention; and, decreasing the risk that an individual employee will be labeled a troublemaker by management.<sup>40</sup> Union representation at Comcast could provide workers with protection against unfair dismissals for workers who exercise their legal rights under OSHA.

Moreover, the thoroughness of an OSHA inspection increases in union workplaces. While the OSHA law gives every worker the right to accompany an inspector during a workplace tour, union workers are far more likely to take

advantage of this opportunity to draw attention to issues that may be overlooked.<sup>41</sup>

Union contract negotiations often are a venue where management and employees equally contribute to agreements on scheduling, overtime, performance evaluation, and safety policies. Universal procedures and a more uniform application of them are frequently the result of collective bargaining agreements. Workers who want unions often see their ability to negotiate such terms as essential for protecting their health, their livelihoods, and the wellbeing of their families.

***“You are always trying to cut corners. People have gotten minor injuries for their lack of safety—driving in a hurry, carrying a ladder. I can’t afford to get hurt.”***

**— ANONYMOUS COMCAST EMPLOYEE**

## CHAPTER 3

## Taking Plays from the Unionbusting Handbook: How Comcast Could Change Labor Relations in Telecom

Comcast complements its public image of business acumen and lauded industry dominance with a professed “pro-employee” commitment. “We are not pro-union. We are not anti-union. We are pro-Comcast employee,” said Comcast Executive

deterring union organizing at its facilities across the country; (2) failing to negotiate contracts at facilities with union bargaining units; and, (3) generally creating an anti-union climate that significantly contributes to the rapid decertification of unions in its facilities. As a result, between 2001 and the early 2004, nearly 2,000 union-represented jobs were lost at Comcast.<sup>43</sup>

lead union organizing efforts through unfair disciplinary actions, termination, and even promotion; and, dissolving existing unions by moving work and dispersing pro-union workers among non-union facilities. These strategies strongly resemble those recommended by unionbusting consultants, who are contracted by 75% of employers facing union organizing drives.<sup>44</sup>

*“We are not pro-union. We are not anti-union. We are pro-Comcast employee.”*

— COMCAST EXECUTIVE  
VICE PRESIDENT DAVID L. COHEN

Vice President David L. Cohen.<sup>42</sup> Some Comcast employees—especially those who desire to exercise their rights to belong to a union and engage in collective bargaining—recognize the existence of a gap between the company’s words and its actions.

Our investigation suggests that Comcast has much ground to cover in order to fully live up to its commitment. This chapter chronicles Comcast’s practice of: (1)

As the cable industry leader, Comcast’s anti-union activity significantly shapes industry labor relations norms. The company’s growing dominance in the broader telecom sector can potentially shift the labor relations paradigm in a critical economic sector known for its high labor standards.

### Comcast’s Efforts to Halt Union Organizing Drives

At a number of facilities where workers are engaged in union organizing drives or have unions, Comcast management has engaged in questionable activities, which signify that unions will not be tolerated. Tactics used at work sites across the country include: holding mandatory anti-union assemblies called “captive audience” meetings; allegedly removing workers who

In Sacramento, CA, for example, a Comcast lawyer dressed in clothing resembling that worn by service technicians voiced anti-union sentiments in a captive audience meeting.<sup>45</sup> After a worker vocalized his suspicions, the attorney revealed his true identity.<sup>46</sup>

A few months before being terminated for “poor performance,” vocal union supporter Stephen White of the metropolitan Washington, DC, area was offered a management job. “They tried to offer me a position right when we brought the petition [for a union recognition election]. They tried to get me to put in for a supervisor position. And when I refused, they started a paper trail to get rid of me.”<sup>47</sup> Because managers are ineligible for union representation, promoting union supporters into

management positions effectively lowers the number of eligible election voters and bars strong pro-union leaders from participating in union activity.

In the greater Chicago area, Comcast managers moved 195 jobs from a union-represented facility to non-union locations throughout the region. In Dallas, Comcast management similarly moved 100 jobs.<sup>48</sup> A total of 125 jobs were moved in Detroit.<sup>49</sup> “It’s like this,” one Detroit worker recounted. “We had a strong group of people. Three years ago we had about 125 union people. Comcast has done things to destroy [the union] by depopulating. Today there are only 49 people.”<sup>50</sup>

In just two years, Comcast has succeeded in decreasing the number of union-represented workers at the facilities acquired through the purchase of AT&T Broadband. The Dallas workers filed charges against the company for refusing to bargain over the loss of these jobs as well as the impact of job movement on workers. The NLRB issued a complaint against the company, agreeing that Comcast should have bargained over the effects of this move.<sup>51</sup>

In this section, we offer an in-depth examination of Comcast’s anti-union practices against its employees in three different cities.

*Retaliation in Dallas.*<sup>52</sup> Cloma Leach, a customer service representative in Dallas, learned firsthand



*According to CWA, an arbitrator ruled that Comcast’s charges against Reggie Frezzell of South Hills, PA, were without merit. Frezzell was awarded back pay and seniority for the year he was out of work, and \$5,000 to cover lost benefits.*

about what happens to Comcast workers who support unions. When her job was relocated from an organized Comcast worksite to a non-union facility across town, she decided to help form a union in the new location. An active and outspoken union member at her former worksite, Comcast began to monitor her activity via audio and video without her consent. The company fired Cloma and used the surveillance video to justify its action. Cloma believed her termination was for union activity and not for the charges levied against her. The NLRB agreed with Cloma and issued a complaint against Comcast for violating her right to

organize and notified the parties of a hearing. Before the case could be heard, Comcast chose to reach a settlement with Cloma.<sup>53</sup>

Comcast’s efforts to defeat the union organizing campaign were not limited to Cloma’s dismissal. When the union attempted to distribute written information to workers as they entered and left the worksite, a Comcast manager physically placed himself between union representatives and workers arriving at the plant, thereby preventing them from receiving the information. These actions, as well as incidents of illegally monitoring union supporters, resulted

in an NLRB complaint against Comcast. The company resisted, settling the issue and the union is currently awaiting a hearing to address this matter. The damage, however, was done. Through this resistance, the company successfully communicated to its workforce the lengths to which management was willing to go to defeat the union organizing drive.<sup>54</sup>

**“Three years ago we had about 125 union people. Comcast has done things to destroy [the union] by depopulating. Today there are only 49 people.”**

— ANONYMOUS COMCAST EMPLOYEE,  
DETROIT

In addition to termination and interference, workers feel Comcast retaliates against union supporters in other ways. Will Rogers, another Dallas-area Comcast employee, was one of two shop stewards at his worksite. Out of 25 employees, Will and the other steward were the only individuals disciplined within a one-year period. According to the union organizers, the union filed ULP charges against Comcast for singling them out for minor infractions and successfully forced Com-

cast to remove disciplinary actions from their files.<sup>55</sup> One worker, a union steward, was disciplined for violating the company dress code by wearing a t-shirt while conducting union business at the worksite on his day off.<sup>56</sup>

*Silenced in Montgomery County, MD.* In fall 2003, outspoken union supporter Stephen White began attending Montgomery County Council public meetings to inform Council members of the difficulties that he and his fellow workers faced in their attempts to gain union recognition at Comcast. The 17-year cable industry veteran, who worked for Comcast for five years, was fired by Comcast four months after he began speaking at the Council meetings. Representatives of the union Stephen hoped to join helped him file charges with NLRB Region 5 in March of this year. From February to April, 2004 NLRB Region 5 received six ULP charges against Comcast for terminating five employees and discriminating against one for their union activity.<sup>57</sup>

Comcast management asserts that they fired Stephen because of poor job performance. However, he says his transgressions consisted of using sick leave in accordance with company policy when needing to qualify for short-term disability, and failing to meet monthly evaluation scores that he asserts were inaccurately measured. Without Stephen’s leadership, the union effort there has faltered. According to Stephen,

the remaining workers fear being fired on spurious charges if they speak up in a similar manner. Losing his job has had a devastating effect on his family. “I have two daughters I’m helping put through college. And I was actually supposed to send them some tuition money. I had to call and tell them that I couldn’t do it right now and that everything’s on hold.”<sup>58</sup>

The negative repercussions of this de facto Comcast “gag order” extend far beyond Stephen’s former workplace. Workers across the country have felt the chilling effect of Comcast’s actions. As a result, a number of Stephen’s former co-workers who were scheduled to speak at a press conference on problems at Comcast did not show up.<sup>59</sup> In preparing this report, we encountered numerous Comcast employees with strong feelings about the company’s treatment of union members and supporters, who insisted on remaining anonymous out of fear that they would lose their jobs, and therefore, endanger the welfare of their families.

*Discrimination in Chicago.* John Mascaro, a Chicago Comcast worker who led the union organizing effort in his workplace, was terminated and lost his home as a result. John was an active member of his community, serving as a volunteer firefighter as well as an outspoken steward at the Comcast facility in Downers Grove, IL. When an injury required him to take disability leave, John says the

company refused to allow him to take the full amount of time necessary to heal properly and fired him. Prior to his termination, Comcast managers viewed John as such an exemplary employee that they cast him in a commercial. Without John's income, the Mascaro family was unable to make mortgage payments and lost their home.

John believes that his visible support for the union was a factor in the company's decision to terminate his employment. His belief is bolstered by knowledge that Comcast did not fire another employee from his region who took disability leave for a similar length of time. She did not support the union. The union filed ULP charges and contested John's termination. Comcast subsequently agreed to compensate him for his lost wages.

### Delays and Decertification: Purging Unions from Comcast Facilities

Comcast's anti-union activity is not limited to stopping unions from representing its existing workforce. As Comcast acquires cable companies across the country, it must contend with unions already in existence at the facilities formerly owned by its competitors. Utilizing the common unionbusting tactic of delaying contract negotiations, which often contributes to the decertification of existing unions, has had a startling impact on the disappearance of unions within Comcast's national network of facilities.

These distinct activities often work hand-in-hand. When a company indefinitely and illegally avoids sincere bargaining with a union, it makes workers feel hopeless about winning a contract; or worse, that unions are an impediment to pay raises and benefit increases. After winning a union recognition election, gaining a contract is the next step. Many companies successfully delay contract negotiations for a year, the required waiting time before a decertification petition can be filed. Without the protection of collective bargaining agreements, the central reason why workers form unions, workers may become so disillusioned with the union that they seek to vote it out, a process called "decertifica-

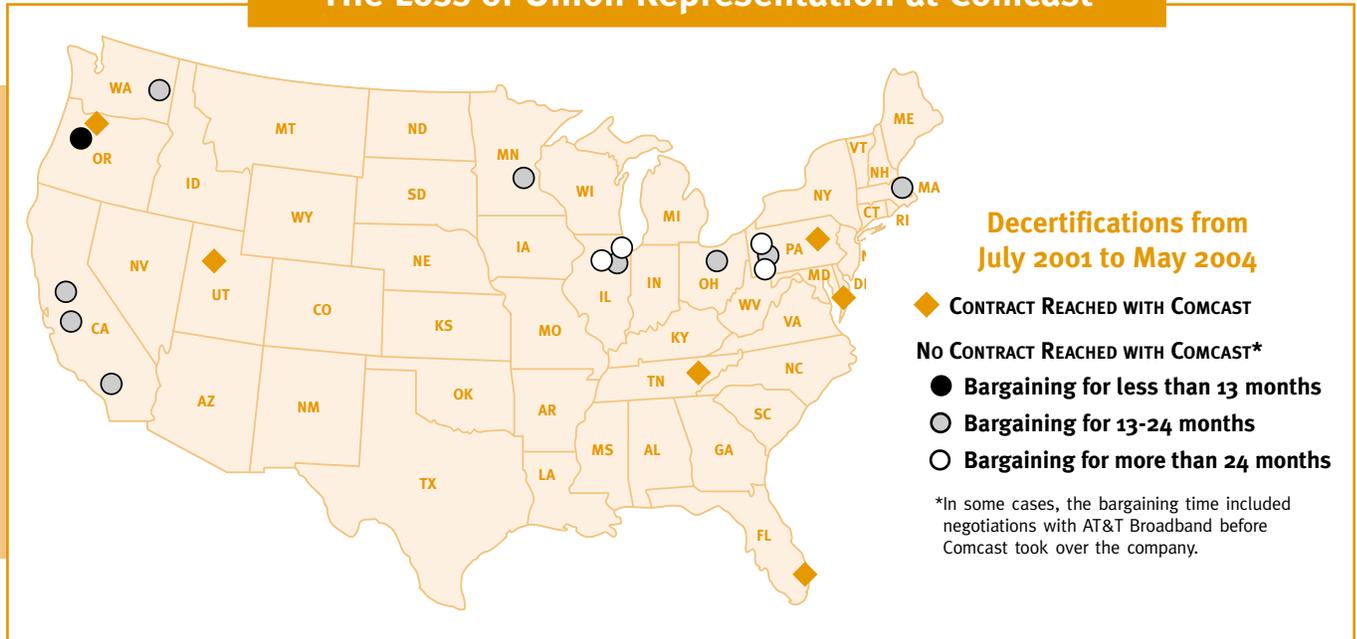
tion." While it is illegal for employers to actively recruit or encourage its employees to decertify unions, many companies break the law or come close to the legal line instead of maintaining a neutral posture. The fact that 16 of the 22 Comcast worksites that decertified unions between July 2001 and May 2004 never reached a first contract with the company suggests a strong correlation between delay and decertification.<sup>60</sup> In this section, we examine the details behind stalled contract negotiations and the high and rapid rate of decertification at Comcast.

*Delay in Bargaining.* Despite its legal obligation to bargain in good



*Stephen White (right) of metropolitan Washington, DC, believes he was terminated for supporting the union drive and speaking publicly about his difficult experiences at Comcast.*

The Loss of Union Representation at Comcast



faith with its unions, Comcast has a dismal record of reaching collective bargaining agreements with its workers, many of which organized unions prior to Comcast’s acquisition of their former employers. Our researchers reviewed 150 ULP charges filed against Comcast from 1990-2004. Almost two-thirds of these ULPs alleged that the company refused to bargain collectively with the representatives of the employees.

As part of its contract with the Communications Workers of America (CWA), AT&T Broadband agreed not to interfere in workers choices about organizing a union.<sup>61</sup> Workers at several facilities organized themselves into unions. Many collective bargaining units had not yet reached their first contracts when AT&T Broadband announced

its acquisition by Comcast. Additionally, many former AT&T and TCI (another cable system acquired by AT&T Broadband) employees who had contracts prior to Comcast’s purchase of their respective cable systems have had difficulty reaching new contracts with Comcast as their prior collective bargaining agreements expire.

During the transfer of franchise licenses in municipalities nationwide, Comcast promised union members and local franchise boards that it would respect the agreements made between AT&T Broadband and the union members. Comcast leaders pledged to continue the fair labor management practices established between the parties.<sup>62</sup> By law, Comcast was minimally required to recognize the unions. In light of Comcast’s assur-

ances of compliance, union members did not oppose Comcast’s petition to acquire their cable companies. However, once Comcast took over operations, it began a process of delaying contract negotiations, often only reaching agreement on insignificant matters. “The tentative agreements are on minor things such as tools,” said one worker involved in negotiations with Comcast.<sup>63</sup> “They decided to change the language in the contract from ‘representatives’ to ‘employees.’ Really small things like the table of contents—petty stuff. I don’t understand why this is taking so long. I can only assume it’s a stall tactic to keep us from getting a contract.”

Another worker who wishes to remain anonymous discussed the impact of delay on morale. “The waiting discouraged the workers. It

was making those of us who were pro-union look bad.”<sup>64</sup>

Although the failure or refusal to bargain in good faith is prohibited by the National Labor Relations Act (NLRA), it is very difficult to enforce the law as it is currently interpreted.<sup>65</sup> The NLRA is based on the premise that if both labor and management come to the table in good faith, the negotiation process will function effectively. The law assumes a balance of power between management and workers maintained by the existence of equally potent “economic weapons” sufficient to encourage the other to bargain fairly.

Even where a party files ULP charges with the NLRB asserting failure to bargain with representatives of the employees, the only remedy available to the NLRB is issuing an order to bargain in good faith. Additionally, no enforcement mechanism exists to ensure compliance by the offender. The legal process fails to mandate sincere bargaining or impose penalties for violations. When unions are decertified because of delay, workers lose and companies like Comcast and the NLRB escape the appropriate blame.

*The Consequences of Delay: A Chicago Worker’s Story.* A worker and her colleagues at a suburban Chicago Comcast facility have been stuck in delayed contract negotiations since 1999. When Comcast acquired AT&T Broadband in late

2002, she believed that the company would live up to its promises to negotiate a new bargaining agreement with her union. “We had high hopes that day,” she said. “In February 2003, they closed the offices and brought all of the workers downtown to the Arie Crown Theater for [a big, company-sponsored concert]. Ralph Roberts, Brian Roberts, Steve Burke and all the VPs greeted us from the stage.” According to this employee, Comcast executives solicited trust from their new employees and promised to take good care of their workers.<sup>66</sup>

A mother of three young children, this worker recently became the breadwinner in her family after her husband lost his job due to a serious, chronic health condition. While she did receive a small, one-time pay increase during the five-year delay, her stagnant wages have not kept up with the escalating cost of basic living expenses. Everyday, she worries about losing her home as she struggles more and more to make ends meet.

*Suspicious of Comcast Complicity in Decertification Elections.* It is illegal for a company to encourage workers to file for a decertification election. Any attempt to remove the union from its role as the workers’ representative must be performed by the workers themselves, according to the NLRB. Despite this clear prohibition on employers, Curt Henninger, Comcast’s Senior Vice President and General Man-

ager for Oregon asserted, “I will tell you we’re going to wage war to decertify the CWA.”<sup>67</sup>

A review of the conditions at Comcast facilities where unions were decertified reveals a pattern of anti-union behavior that could only serve to undermine the union. Comcast workers interviewed for this report experienced discrimination in pay, performance evaluation,

**“I will tell you we’re going to wage war to decertify the CWA.”**

**— CURT HENNINGER,  
COMCAST’S SENIOR VICE PRESIDENT  
AND GENERAL MANAGER  
FOR OREGON**

and working conditions. When Comcast employees exercised their right to organize a union, they felt targeted by management and believed that they experienced harsher penalties for minor infractions than did co-workers who were not union supporters.<sup>68</sup> This form of discrimination effectively purged union leaders from the union’s ranks. Additionally, they became symbols of what might happen to workers who chose to openly support the union.

Some workers interviewed for this report believe that Comcast

## THE STORY OF BARGAINING DELAY...

The story of bargaining at a St. Paul, MN, Comcast facility is an example of how the company's delaying tactics resulted in workers voting to decertify their union.

On May 10, 2002, employees at the site (owned at the time by AT&T Broadband) voted in favor of union representation. Soon after the vote, CWA was certified as the exclusive bargaining representative.

AT&T Broadband did not begin bargaining until mid-September, and only after the workers filed Unfair Labor Practice (ULP) charges with the NLRB. Company negotiators made no proposals at the September sessions, cancelled the only session scheduled for October, and informed the union that they were unavailable throughout the entire month of November. They also expressed reluctance to continue bargaining because Comcast would soon be purchasing the company.

The Comcast buy-out purchase was completed on November 17, 2002. At the workers' request, the parties agreed to meet for bargaining on December 18 and 19. At these meetings, the company refused to sign tentative agreements reached in the September meetings, and also declined to make any counterproposals. On December 19, the Comcast representatives had no proposals and disclaimed any authority to bargain on behalf of the company, thereby ending the meeting.

In early January 2003, the union attempted to schedule another session but was told by Comcast's representatives that the company had not yet selected a lead bargainer and was therefore unwilling to schedule any bargaining sessions. In mid-February, after weeks of attempting to schedule another meeting, the union threatened to file another ULP. Finally, Comcast appointed a lead bargainer, but refused to meet prior to March 19.

At the March 19 meeting, Comcast negotiators asked questions about the union's outstanding proposals, presenting only one counterproposal and two initial proposals, all concerning non-financial matters. Comcast representatives also informed the union that it would not recognize any of the tentative agreements reached with AT&T Broadband, saying they all would have to be resubmitted as written bargaining proposals. The next day, Comcast representatives ended the bargaining session early and said they could not schedule any further meetings because they did not have their calendars.

On March 27, the union mailed a written proposal to Comcast, as requested, resubmitting all the matters covered under the earlier, tentative agreement with AT&T Broadband. Additionally, the document responded to all of Comcast's proposals.

The union continually tried to schedule another session. In mid-April, Comcast agreed to meet on May 5 and 6. At those sessions, the parties met, but again, did not discuss financial matters, except for health care. Comcast ended the meeting early on May 6 and stated that it would not be able to meet again until June 16—several weeks after the one-year bar on decertification elections. Comcast representatives subsequently cancelled the June 16 meeting and stated that they would be unavailable until after June 30. By that time, employees in the unit had filed a decertification petition.

Ultimately, no agreement was ever reached and the workers eventually decertified the union out of frustration with the process.<sup>69</sup>

created conditions that significantly contributed to decertification, even though the company did not file the petitions itself.

Interview subjects from different Comcast facilities across the country commonly spoke of workers who opposed unions receiving perks and pay increases, improved working conditions and leniency. In Dallas, for example, workers witnessed a co-worker engaging in decertification election-related activity during business hours instead of performing his assigned tasks as a technician. The workers did not witness his co-worker receiving discipline for dereliction of duty.<sup>70</sup> Conversely, visible union supporters frequently were monitored by management and believed that they received poor performance evaluations and were denied pay



*According to CWA, Bill Gilchrist of Local 13000 in PA, far left, won his arbitration case and joined his co-workers back on the job.*

increases comparable to their anti-union counterparts. These discriminatory practices expressed by the Comcast workers interviewed

for this report resemble tactics commonly used by companies that wish to dismantle unions at their facilities.<sup>72</sup>

## Rules on Filing Decertification Election Petitions

*The NLRB established specific rules on filing petitions for elections to decertify existing unions. Decertification elections require signature cards endorsed by at least 30% of union-represented employees in the bargaining unit.*

*Generally, under “contract-bar” rules, when a majority of workers vote for union representation and the election is certified by the NLRB, that certification usually is binding for one year. A petition for another election in the same unit will be dismissed if filed to the NLRB during that one-year period.<sup>71</sup> Additionally, a valid contract for a fixed period of three years or less will bar a decertification election for the period covered by the contract. However, a petition for decertification filed more than 60 days, but not more than 90 days, before the end of the contract will be accepted and may bring about a decertification election.*

In Pittsburgh, NLRB Region 6 issued complaints against Comcast for illegal behavior that allegedly occurred the month before decertification elections at several work-sites. According to the consolidated complaint, Comcast told its employees at three locations that “they would not receive more wages and benefits than non-represented employees.” In addition, managers informed employees, “that it would be futile for them to select the union as their bargaining representative.” Comcast purportedly “promised its employees increased benefits and improved terms and conditions of employment

*...Comcast told its employees at three Pittsburgh locations that “they would not receive more wages and benefits than non-represented employees.”*

if they rejected the union as their collective bargaining representative.” Quite possibly, the merit of these complaints compelled Comcast to reach a settlement with CWA to hold a re-run decertification election for two of the three locations.<sup>73</sup>

In Salt Lake City, Comcast gave a market increase in pay to all employees except those who were in union-represented bargaining units. The union filed ULP charges and prevailed. The company appealed the findings, but eventually dropped the matter after the workers voted to decertify the union as its bargaining representative.<sup>74</sup>

Wages are always high on workers’ lists of things that they want a union to improve. Comcast has effectively appropriated the power

of unions to improve wages by denying union shops wage increases until unions are decertified. According to one worker, “I’m paid just under \$14 an hour. And that’s after a considerable raise of 38% when we decertified the union.” The worker said the company implied that they would gain better pay if they decertified the union.

Through delay and discrimination against workers in the manner described above, Comcast effectively contributes to the decline of unionization and the inherent benefits described in Chapter Two of this report. Speaking of Comcast’s strategy, one worker recalled a constant management refrain. “You decided to be union. You’re going to have to bargain for that.’ They made ‘bargain’ a dirty word.”<sup>75</sup>

## CHAPTER 4

## Making Social Choices about Fair Labor Practices

**T**echnological advances and their social and economic benefits are not without consequences that require consideration and thoughtful decisionmaking. At other times in our country's history, innovation has required national and local debate on economic policy. Current changes in the telecom industry—namely, the technology-fueled expansion of cable services including those once exclusively provided by telephone companies, and the phenomenal growth and dominance of Comcast—call corporate leaders, legislators, workers, consumers and all other concerned citizens to engage in vigorous public discourse.

### Securing Fair Labor Standards and Strengthening the Law

We have choices to make about the labor standards we wish to preserve or change, particularly in U.S.-bound industries like telecom that historically have been critical in creating and sustaining good, middle class, semi-skilled jobs.

Our research on the difference between highly unionized telephone companies and cable businesses with lower union density suggests that the ability of telecom workers to form unions and bargain for contracts plays a crucial

role in creating and sustaining good jobs.

This fact holds true outside of telecom. In Las Vegas, for example, over 90% of the hotel workers on the strip belong to unions.<sup>76</sup> Las Vegas hotel workers who are members of the Hotel Employees and Restaurant Employees International Union (HERE) earn 50% more than their counterparts in nearby Reno, NV.<sup>77</sup> The high rate of union membership within the Las Vegas hospitality sector means that corporations that maintain high labor standards are not competitively penalized for doing so.

Companies across a range of industries are in a race to cut costs and fatten their bottom lines. A *Business Week* article on the “Wal-Martization” of America noted that good jobs enabling workers to move up the economic ladder are disappearing as result of the corporate strategy “to control labor costs by hiring temps and part-timers, fighting unions, dismantling internal career ladders, and outsourcing to lower-paying contractors at home and abroad.”

Because labor standards have been universally applied within the telephone sector of the telecom industry, lowering these standards as a

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cost cutting measure has not been a strategy for gaining a competitive edge among telephone companies. But now, the technological advancements in cable have unfairly pitted highly-regulated telephone businesses with a strong history of stable, middle-class jobs against cable giants like Comcast. As Wal-Mart has done in the grocery sector, Comcast is reshaping the social contract between labor and management in a manner that will likely force competitors to emulate its practices in order to compete.

Unfortunately, our research suggests that Comcast workers, in

increasing numbers, are losing footing under Comcast's labor relations model. Comcast workers who wish to maintain or form a union feel discouraged from doing so by the company. Coupled with weak U.S. labor laws that are unequipped to address new trends or adequately penalize corporate offenders, workers who want a union voice at Comcast face tremendous obstacles, often at great personal risk and loss. We must strengthen our U.S. labor laws to include real penalties for violating workers' rights. Requiring offenders to post notices that they will not engage in certain practices is insufficient to curb anti-union behavior. The law also must put adequate pressure on employers to bargain first contracts. Are we prepared, as a nation, to overlook this emerging trend and allow the devolution of jobs in a vital, growing sector of our economy?

### Setting Standards for Corporate Citizenship

Our research of the telecom industry indicates that we must collectively set expectations of corporate citizenship, and buttress our economic and political values with the adjustment and enforcement of U.S. laws that disallow the infringement of workers' rights and working conditions for the sake of competitive edge and profitability.

At present, Comcast seems to be "gaming the system" by not playing by the long-established rule in telecom to not interfere with workers'



ability to negotiate the terms of their employment through unions. Comcast's stance toward unions, and the tactics that flow from it, greatly contributes to the high rate of union decertification at the company's facilities nationwide. In general, these tactics are not illegal. Most often, the company remains in compliance with the most basic technicalities of the law. But as a company with a self-proclaimed interest in being a good employer, is this low standard acceptable?

As a nation, we must consider if such behavior constitutes good corporate citizenship. As Comcast assumes a larger percentage of the market share, more workers and the communities in which they live will suffer the consequences chronicled by the Comcast workers profiled in this report. Can we afford to have Comcast's labor relations model replicated by

other companies within and outside of this industry?

While companies like Comcast would lead us to believe that working with unions is unnecessary and costly, we must ask ourselves if we as a country can afford to risk the erosion of U.S.-based, family-supporting jobs. Without collective bargaining, the future for workers grows much bleaker. As the Comcast examples show, working conditions and job stability often decline when there is no union to hold management accountable or to speak up for workers when they are treated unfairly.

Local regulatory agencies and elected officials who commonly negotiate the terms of business relationships in their municipalities must begin to take into consideration how lower labor standards impact their citizenry and local economies.

We have other options than the Comcast's labor relations practices. In addition to the aforementioned Las Vegas case, there are other examples of responsible corporate behavior in contract negotiation that can be referenced. The recent agreement between SBC Communications, Inc. and the Communications Workers of America (CWA) is an instance where a company and a union worked together to negotiate a contract. The recent agreement between SBC and CWA includes provisions to expand the contract to cover both traditional land-line jobs and those in growing areas like VOIP and Internet. A CWA spokeswoman told the *Los Angeles Times* that the agreement is important because it includes new communications technologies in the definition of traditional telephone work. According to Cornell University Professor Lance Compa, "This settlement shows that unions are still here, that they still have a voice and still have a future in certain industrial sectors."<sup>78</sup>

At the height of tense negotiations that included a four-day walkout before SBC and CWA reached the agreement, management and the

union kept the lines of communication open. In previous years, the two sides had reached agreement with more than a month to spare, and the union has worked with the company to reduce pricing regulations.<sup>79</sup>

For some 50 years, relationships like this have helped establish economically stable communities around the country. Will the rise of Comcast, with its de facto "no tolerance for unions" policy, change the nature of collective bargaining for its new competitors as some believe that Wal-Mart has done in the grocery sector?

Secure, good paying jobs are a cornerstone of the coveted American middle-class lifestyle. Good jobs are essential for positive societal conditions such as homeownership, access to healthcare, and, adequate resources for care when we become elderly, infirmed or disabled. A decent living enables workers and their families to advance economically over generations through the acquisition of wealth and education. Finally, workers with secure jobs support local economies and provide sound tax bases for schools

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and other public services. As Comcast and others within the cable industry continue to change the telecom industry, will they be held accountable?

We conclude our report with an appeal. We call on Comcast executives to live up to their promises and public praise. Respect the right of workers to form unions. Begin to diligently bargain with your represented workers. It is the right thing to do, an economically feasible thing to do, and, most importantly, an inherently American and democratic thing to do.

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