ROBERTA SCHUHALTER KARP SENIOR VICE PRESIDENT CORPORATE AFFAIRS & GENERAL COUNSEL ONE CLAIBORNE AVENUE NORTH BERGEN NJ 07047 T 201 295 7830 F 201 295 7803 LIZ CLAIBORNE INC. 1441 BROADWAY NEW YORK NY 10018 T 212 626 3231 F 212 626 5746 robbie_karp@liz.com

April 25, 2006

Mr. Lester A. Heltzer Executive Secretary National Labor Relations Board 1099 14th Street NW Washington, DC 20570 Liz claiborne inc

Re: Amicus Letter Regarding Dana Corporation and the Issue of Pre-Recognitional Bargaining

Dear Mr. Heltzer:

I am responding to the Board's NOTICE AND INVITATION TO FILE BRIEFS dated March 30, 2006. I write on behalf of Liz Claiborne, Inc. ("Liz"), one of largest apparel and accessories companies in the United States, employing approximately 1,500 employees in bargaining units represented by UNITE-HERE ("UNITE"). I am writing to support a process wherein an employer can negotiate over mandatory terms and conditions of employment in newly acquired facilities prior to the union's obtaining majority status. This process should be limited to a situation in which the employer and the union enjoy a longstanding collective bargaining relationship, a collective bargaining agreement with an after-acquired facilities clause and an agreement that the negotiated terms and conditions of employment would not be effective until majority status was reached and the agreement was ratified by the rank and file membership.

Liz and UNITE have had a longstanding collective bargaining relationship. The employees at its distribution centers are covered by collective bargaining agreements with various UNITE locals across the United States. The Board's precedents clearly are not practical in the event Liz and UNITE wish to agree to continue their collective bargaining relationship as the company expands. Majestic Weaving Co., 147 NLRB 859. The theory behind Majestic Weaving and similar rulings concerns itself with either unlawful pre-hire agreements or unlawful pre-recognitions. This theory ignores the practicalities of a growing business. No where in any business relationship other than collective bargaining are contracting parties prohibited from knowing the eventual cost of the contract it is about to enter into. Thus, when an employer and a union agree to an after-acquired facilities clause and a neutrality/card check agreement, they cannot under Majestic Weaving ascertain the contract terms for any new facility. This eliminates geographical considerations such as, for example in statutory accretion cases a requirement that very mature contracts be applied to start up operations.

Recognizing the Board's reluctance to foist mandatory terms and conditions on employees not yet hired or where only a minority of employees have signed authorization cards, I believe there is an equitable process available. This process should require: a longstanding collective bargaining relationship; an agreement with an after-acquired facilities clause; a provision that in any newly acquired facility the terms and conditions of a pre-negotiated agreement shall not be

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applicable until majority status is obtained and the terms and conditions are thereafter ratified by the rank and file membership of the union.

If the pre-requisites are mandated in the process that I suggest, employee rights are not abrogated because the mandatory terms and conditions of employment cannot be applied until a majority of employees signify their desire to be represented by the union and more importantly, ratify the contract reached between their employer and the union they have designated as their bargaining representative. I respectfully request that the Board recognize the practicalities of a business relationship when fashioning the law in the <u>Dana Corporation</u> case.

Very truly yours,

Roberta Schuhalter Karp

Senior Vice President Corporate Affairs &

General Counsel