



# *UE Fact Sheet*

# STEPAN LOCKOUT

## **Q. What is the basic situation at Stepan New Jersey?**

**A.** Thirty six employees who organized a union at the Stepan chemical plant in Fieldsboro, NJ, were locked out of their jobs by company officials on January 24. The company has also cut off health insurance for the workers and their families. Since the lockout began the company has been attempting to run the plant with replacement workers. The locked out workers have offered unconditionally to return to their jobs, but the company turned them away.

## **Q. Why did the Stepan Company lock its workers out?**

**A.** The workers believe the lockout is punishment for exercising their right to organize a union at Stepan and for taking steps to protest company heel-dragging in bargaining for a first union contract at the plant. The company says it locked workers out because it was tired of union “game-playing,” without explaining what “games” are being “played.” Company officials have not said what it would take to end the lockout.

## **Q. Is it safe to operate a chemical plant without the regular workers?**

**A.** Stepan has brought in non-union personnel from all over the US and from one of its plants in Brazil. We don't know if it's safe to operate under these conditions. We do know that shortly after the lockout began, people observing from outside the plant witnessed what may have been toxic emissions released into the atmosphere. New Jersey Department of Environmental Protection have been asked to investigate.

## **Q. Do Stepan's actions violate federal labor laws?**

**A.** An investigation is under way by the National Labor Relations Board (NLRB). The workers claim Stepan has committed massive labor law violations to thwart unionization. The alleged unfair labor practices start with bargaining in bad faith and include canceling a scheduled wage increase, failing to provide information necessary to represent employees who have been disciplined by management, and illegally locking out workers.

## **Q. What kind of penalties might Stepan face for breaking labor laws?**

**A.** The NLRB could order Stepan to end the lockout, put workers back on the job and begin bargaining in good faith to reach a first union agreement. The Labor Board could also require the company to pay back pay and benefits retroactive to the date the lockout started, an amount that could easily reach into six figures if the lockout continues through the winter. While the union believes it has an extremely strong case, securing a remedy through the NLRB can take months or even years

**Q. What else are Stepan workers doing to end the lockout?**

**A.** With help from their national union, delegations of Stepan workers are hitting the road for justice. They will picket at other Stepan plants and at Stepan corporate headquarters in Illinois and will meet with their members of Congress in Washington, D.C., among many other steps.

**Q. How did the campaign to have a union at Stepan begin?**

**A.** Stepan workers in Fieldsboro voted overwhelmingly in January 2005 to join the United Electrical Workers (UE) and UE Local 155. They elected a committee to handle workplace issues and bargain a first union contract with the company, but negotiations progressed slowly, especially when management insisted on benefit concessions and sought to extend a three-year wage freeze to a fourth year. When the company refused to even provide the basic information needed by the Union to process grievances in January of this year, workers in Fieldsboro stopped work for 24 hours to protest this unfair labor practice. When they reported for work 24 hours later, the company locked them out.

**Q. What is the Stepan Company?**

**A.** Stepan is a global chemical company with plants in four states and 10 countries around the world. It manufactures speciality and intermediate chemicals used in consumer products and industrial applications. The company is headquartered in Northfield, IL.

**Q. Is Stepan financially healthy?**

**A.** The company is healthy enough to provide generous rewards for its top officers. As Stepan prepared to lock workers out in Fieldsboro, it disclosed that due to an increase in the price of its stock, members of its board of directors had gained \$800,000 in deferred compensation during the fourth quarter of 2005. The company also reported in negotiations that it made about \$1 million in profit off the Fieldsboro operation alone last year. Despite this positive financial news, the company has demanded a fourth year of frozen wages for production workers in Fieldsboro, as well as a 50% cut in sick pay and the right to substantially increase what workers pay for health insurance.

**Q. Why is the Stepan struggle important to all American workers?**

**A.** Because the Stepan lockout represents a new brazenness by corporations willing to go to any length, legal or not, to stop US workers from freely exercising the right to organize a union. If Stepan can get away with this egregious violation of workers' rights, who will be next?

**Q. What can you do to help the locked out workers at Stepan?**

**A.** Here are three options for assisting the workers:

- 1) Send a donation to the "UE Local 155 Solidarity Fund" at 812 Fayette Street, Conshohocken, PA, 19428;
- 2) Call Stepan's corporate headquarters at 847-446-7500 or email [jhurlbutt@stepan.com](mailto:jhurlbutt@stepan.com) to demand that Stepan respect workers' rights and end the lockout; and
- 3) Ask Congress to strictly enforce labor and environmental laws to protect workers and communities from Stepan by phoning your congressman and senators via the US Capitol Switchboard at 202-224-3121 or emailing them via [www.house.gov](http://www.house.gov) or [www.senate.gov](http://www.senate.gov).