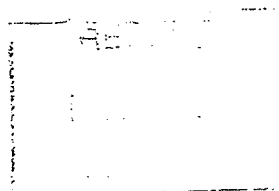


**WAL★MART**

**A  
Manager's  
Toolbox  
To  
Remaining  
Union Free**

**CONFIDENTIAL**



GOVERNMENT  
EXHIBIT  
GC10

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## INTRODUCTION

As a member of Wal-Mart's management team, you are our first line of defense against unionization. It is important you be ...

- constantly alert for efforts by a union to organize your associates, and
- constantly alert to any signs your associates are interested in a union.

This toolbox has been put together for you by your Labor Relations Team. Take time to familiarize yourself with the contents in this toolbox. It will provide you with valuable information on how to remain union free in the event union organizers choose your facility as their next target.

## WHEN UNION ACTIVITY OCCURS, CALL ...

### THE UNION HOTLINE 501-273-8300

Charlyn Jarrells (Corporate)	501-273-4456
Linda Tipton (Wal-Mart Stores)	501-277-1202
Matt Loveless (Supercenters)	501-277-1167
Jill Wesbecher (SAM'S Club)	501-277-7913
John Bell (Distribution/Transportation)	501-273-4252

**DO NOT GIVE THESE PHONE NUMBERS  
TO A UNION REPRESENTATIVE OR  
ANYONE OUTSIDE WAL-MARTI**

PHONE  
NUMBERS

# WAL-MART'S PHILOSOPHY on UNIONS - PD42

Wal-Mart is strongly opposed to third-party representation. We are not anti-union; we are pro-associate.

We believe in maintaining an environment of open communication among all associates, both hourly and management.

At Wal-Mart, we respect the individual rights of our associates and encourage everyone to express his/her ideas, suggestions, comments or concerns.

Because we believe in maintaining an environment of open communication through the use of the Open Door policy, we do not believe there is a need for third-party representation. It is our position every associate can speak for him/herself without having to pay his/her hard-earned money to a union in order to be listened to and have issues resolved.

## THE OPEN DOOR

Wal-Mart's Open Door policy is our greatest barrier to union influences trying to change our corporate culture and union-free status.

As a member of Wal-Mart's management team, your responsibility is to ensure that "... any associate, at any time, at any level, in any location, may communicate verbally or in writing with any member of management up to the president, in confidence, without fear of retaliation..."

When an associate uses the Open Door policy, management has a responsibility to listen and respond. If we do not take care of our associates' needs and concerns, our associates will find someone who will. And that someone may just be a union representative!

It is important our members of management are always interested in the needs and concerns of our associates. Make time for positive management/associate relations through the use of the Open Door policy.

Open communication is the key to stopping a union organizing attempt before it ever gets started.

## MORALE

Maintaining a high morale level in a facility is crucial to remaining union free. If a union organizer approaches an associate in a facility with low morale, the associate may believe the organizer's "sales pitch." Therefore, management must constantly monitor the morale level. There are several tools available to measure morale.

They are:

- 
- One-on-One Meetings
  - Grass Roots Surveys
  - Open Doors
  - Departmental Meetings
  - Safety
  - Exit Interviews
  - Attendance
  - Turnover Rate
  - Coachings
  - Evaluations
- 

Although this list is not all-inclusive, using these tools will help you identify areas of opportunities within the facility. The key is LISTENING to what your associates are telling you and responding to their concerns accordingly.

## REASONS WHY ASSOCIATES TURN TO UNIONS

- "Closed" Open Door
- Heavy-handed management
- Inconsistent policies
- Inconsistent direction
- Cursing, jokes in bad taste, gossiping
- Inconsistent dress code
- Lack of recognition for accomplishments (such as anniversaries)
- Late evaluations
- Being made to or asked to "work off the clock"
- Jobs filled with no prior notice of the available positions
- Derogatory remarks made by management
- Lack of respect for the individual
- Lack of training or understanding of job functions (result: feeling inadequate)
- Work schedules changed or not posted 3 weeks out
- Neglect of safety
- Favoritism
- Management not responding in a timely manner
- Unrealistic deadlines
- Understaffing
- Wage programs administered unfairly
- No sponsorship of new associates
- Sexual harassment complaints not investigated
- Wages not competitive
- Dirty restrooms or breakrooms
- Management neglecting the evening and third shifts

## HOW VULNERABLE ARE YOU? (A MORALE SURVEY)

Ask yourself the following questions to determine if your facility has low morale.

### BE HONEST

- Are associates comfortable using the Open Door policy in the facility?
- Are associates supportive of all members of management?
- Is there one manager's name that continually comes up during an Open Door discussion?
- When an associate uses the Open Door, does management look into the concern and follow up with the associate as soon as possible?
- Are there daily meetings held with associates on all shifts?
- When associates discuss concerns in daily meetings, does management answer their concerns or follow up with an answer promptly?
- Have the issues identified on the grass roots survey been addressed/corrected?
- Are company policies consistently and fairly enforced with all associates?
- Are there coachings or terminations that associates have questioned?

## MORALE SURVEY (continued)

- Is the facility following guidelines for job announcements?
- Are jobs being filled by the most qualified associates?
- Have any associates been promoted from the hourly ranks?
- If so, has the promotion been well received by the other associates, both hourly and management?
- Does the facility provide proper and adequate training for the job? (CBL or First Step)
- Does the facility have a good safety record?
- Does the facility have high absenteeism?
- Is the turnover rate in the facility high?
- Do the exit interviews show a "common reason" for associates leaving the company?
- Does the facility pay comparable wages based on the competition in the marketplace?

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If your responses to the morale survey indicate the facility may have low morale, then you could be vulnerable to a union organizing attempt. Now is the time to fix them! Address your associates' issues! Don't wait for a union to volunteer to fix the morale problems for you.

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## THE FACTS on UNIONS

Unions are not a club, sorority, fraternity or social organization. They are a business, a big business, that needs to make money. However, unions do not make or sell products. Like any other company, they, too, must meet their expenses if they are to continue operating.

So where do they get their money? Out of the pockets of their members! A union's income is received in the form of dues, fees, fines and assessments.

Due to the decline in union membership in recent years, new members are more crucial than ever if unions are going to survive. Wal-Mart is an attractive target for unions because of the large number of associates we employ.

It is important associates understand the facts about unions. Organizers may promise associates more money, better benefits ... *anything*... to get them to sign union authorization cards. It is imperative our associates know what unions can and cannot do for them.

## UNIONS CANNOT:

- Guarantee higher wages
- Guarantee better benefits
- Guarantee employment
- Guarantee hours worked
- Prevent terminations
- Set job standards

## UNIONS CAN:

- Collect dues, fees, fines and assessments
- Negotiate
- Strike

## UNION AUTHORIZATION CARDS

A union will attempt to organize your facility in one of three ways:

1. A union organizer will approach your associates,
2. Dissatisfied associates will seek out a union organizer, or
3. A union organizer will seek employment in the facility and attempt to organize from within, also known as "salting." (See page 14.)

Regardless of which one of these three methods of organizing is used, the organizer's primary objective is to obtain associates' signatures on union authorization cards.

The law requires a union to obtain signatures on union authorization cards from a minimum of 30% of all associates in the facility before they can petition the National Labor Relations Board (NLRB) for an election.

If a union obtains more than 50% of associates' signatures on authorization cards, they may attempt to bypass an election and ask the NLRB to be recognized as the associates' bargaining agent because they have a majority of signatures.

In the event you find a union authorization card in your facility or hear associates are attending union meetings and signing authorization cards, it is imperative you contact the Union Hotline at 501-273-8300 immediately.

Wal-Mart must respond to this type of union activity immediately in an effort to stop card signing before the required 30% signatures have been obtained.

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## UNION AUTHORIZATION CARDS

Organizers will use a variety of tactics to get associates to sign union authorization cards. Associates will be told their signature on a union authorization card is only to:

- request an election
- request additional information

### THIS IS NOT TRUE!!!

By signing a union authorization card, the associate is actually signing a legal document that authorizes the union to represent the associate as his/her collective bargaining agent in all matters pertaining to his/her conditions of employment.

Let's look at a typical union authorization card.

United Food & Commercial Worker Local #7  
Affiliated with AFL-CIO-CLC  
**AUTHORIZATION FOR REPRESENTATION**

I hereby authorize the UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, Local 7, chartered by the UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO, to represent me as my collective bargaining agent against my employer concerning wages, hours and other conditions of my employment.

(Print Name) \_\_\_\_\_ (Date) \_\_\_\_\_

(Signature) \_\_\_\_\_ (Home Phone) \_\_\_\_\_

(Home Address) \_\_\_\_\_ (City) (State) (Zip) \_\_\_\_\_

(Hire Date) \_\_\_\_\_ (Type Work Performed) \_\_\_\_\_ (Department) \_\_\_\_\_

DAY \_\_\_\_\_ Night \_\_\_\_\_ Full \_\_\_\_\_ Part \_\_\_\_\_  
Shift \_\_\_\_\_ Time \_\_\_\_\_ Term \_\_\_\_\_

(Hourly Rate) (Day Off) \_\_\_\_\_

Would you like to participate in an organizing committee? Yes \_\_\_\_\_ No \_\_\_\_\_

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Note the card says nothing about an election or obtaining additional information about the union. Point this out to your associates.

AUTHORIZATION CARDS

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## UNION DEMAND for RECOGNITION

Once a union organizer has obtained the required signatures, a demand for recognition or a demand for an election will usually follow. It could come in the form of a letter, a telegram, a personal visit from the union organizer, a telephone call, or some other type of communication. How you respond to the union's request for recognition could determine whether you will or will not have a union in your facility.

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Remember, as a member of Wal-Mart's management team, the company will be held responsible for your actions and statements.

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## HOW to RESPOND to UNION DEMAND for RECOGNITION

- Never look at signed authorization cards.
- Never agree to discuss representation of our associates with a union representative.
- If contacted by a union representative, inform him/her you are not authorized to look at authorization cards or discuss representation. Direct him/her to call Corporate Labor Relations at 501-273-4456.

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Remember, do not give the Union Hotline number  
**501-273-8300**  
to anyone outside the company.

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Immediately after any conversation with a union rep, you call the Union Hotline at 501-273-8300. Never give the Union Hotline number to a union representative or anyone outside Wal-Mart.

DEMAND  
FOR RECOGNITION

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## The Supreme Court ruled a union practice called "salting" is legal.

This practice involves sending a paid union organizer (known as a "salt") to a non-union company to apply for a job with the specific intent of organizing the employees of the company from within the facility.

The Court said it would be illegal for a company to refuse to hire an applicant because the applicant's sole intent is to organize employees. The Court also said it would be illegal for a company to terminate an existing employee because he/she was attempting to organize the employees from "inside" the facility.

"Salting" is advantageous for the union because the organizer can actually organize the associates from "inside" the facility. He/she can obtain firsthand knowledge about Wal-Mart and the associates that a union organizer on the outside would never have access to.

For example, a salt would have access to all locations within the facility; a salt would have access to all policies and other confidential company information available to associates on CBL or First Step and shared in daily meetings; a salt would have access to information found on reports posted throughout the facility concerning our company's goals and strategic objectives; a salt would have access to our technology, such as telxons; and a salt would have access to associates' work schedules which can be easily removed from the facility and given to outside organizers so they can begin visiting associates at their homes to discuss joining a union.

But most importantly, a salt has access to our associates! By being inside the facility, a salt can ...

- easily identify those associates vulnerable to union organizing tactics, and
- easily identify associates he/she wants to recruit as "internal organizers" to help obtain signatures from co-workers in an attempt to organize the facility.

## HOW "SALTS" CREATE PROBLEMS for WAL-MART

Once inside the facility, a salt's primary objective is to convince associates of the "benefits" of unionization and ultimately obtain their signatures on union authorization cards. Salts can be harmful to Wal-Mart, not only because of their organizing activities, but also because they typically feel they are "above" company policies. It would not be uncommon for salts to engage in destructive behavior to provoke management into a coaching and/or termination so they can file an unfair labor practice (ULP) charge against the facility.

Although a salt is still subject to the policies of the company, as are all associates, the National Labor Relations Act (NLRA) protects the salt's organizing activities. Depending on the severity of the ULP charge, the National Labor Relations Board (NLRB) could require Wal-Mart to recognize and bargain with a union without an election as a consequence of unfair labor practices.

## HOW WAL-MART CAN COMBAT "SALTS"

1. Pre-screen as many applicants as possible to ensure you are hiring the most qualified person for any opening you have available.

\*\*\* The National Labor Relations Act (NLRA) prohibits an employer from refusing to hire an applicant because of his/her union affiliation. However, the law does not prevent us from selecting the most positive, dedicated, enthusiastic applicant available. We are under no obligation to hire an applicant who is defiant or negative. Keep looking until you find the best applicant to join our Wal-Mart family.

2. Utilize "consensus" interviewing. Several members of management should interview applicants in which we have a strong interest. Then compare notes and recommendations for hiring.

3. A Wal-Mart application says ... "List entire employment history, starting with present employer. For any unemployed or self-employed periods, show dates and locations. (Attach additional sheets when necessary)."

\*\*\* There are only three spaces on the application to list existing or former employers. Ask applicants if they have completed their entire employment history. If they have not, ask them to attach additional sheets.

\*\*\* Ensure applications show entire work history with no gaps in employment. If you notice gaps, question them. Then ask applicants to fill in those gaps.

4. Check references thoroughly. This is a must!

## COMMONLY ASKED QUESTIONS & ANSWERS ABOUT "SALTS"

- Q - Can we ask job applicants about their union affiliation?
- A - No. It is illegal to ask applicants their position on unions or whether they have ever been in a union.
- Q - What should I do if an applicant volunteers information he/she is a union member?
- A - Explain to the applicant his/her union affiliation makes no difference in our hiring procedures. Then just continue to follow your usual hiring practices.

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**NOTE:** Because an applicant is a former or current union member does not mean he/she will not be a good associate. Many of our associates are former union members who did not like working in a union environment and sought employment in a non-union company such as Wal-Mart.

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- Q - Must we hire a pro-union or paid union organizer?
- A - No. The law simply says you cannot discriminate against an applicant because of his/her union affiliation. Hire the best candidate for the position.

## MORE QUESTIONS & ANSWERS on "SALTS"

- Q - Can we disqualify an applicant who falsifies his/her application?
- A - Yes. Regardless of union affiliation, falsifying an application at Wal-Mart will result in termination or being disqualified from obtaining employment with Wal-Mart.
- Q - Can we terminate a salt who works in our facility?
- A - Salts, like all other associates, must meet our expectations and are subject to performance coachings, up to and including termination. We CANNOT terminate an associate because we believe or have confirmed they are a salt.
- Q - If we hire an applicant who is unproductive and also happens to be a salt, can we terminate him/her?
- A - Yes, as long as the reason for termination is based on job performance and not his/her union affiliation. Be sure you have documentation to support the termination.

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If you suspect there is a "salt" in your facility, contact the Union Hotline at 501-273-8300.

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## EARLY WARNING SIGNS of UNION ORGANIZING

Most union organizing will begin as "covert" (undercover) activity. By keeping all union activity covert, the organizer is hoping management will not be alerted to his/her organizing efforts.

The Labor Team has identified two categories of early warning signs. If you suspect any of these early warning signs of union activity are occurring at your facility, call the Union Hotline at 501-273-8300 immediately.

### EARLY WARNING SIGNS - CATEGORY 1

- An increase in associate phone calls in and out of the facility.
- Increased curiosity in benefits and policies.
- Associates receiving unusual attention from other associates.
- Abnormal amount of absenteeism.
- Excessive turnover.
- Slowdown in work productivity.
- An increase in errors in associates' work.
- Exit interviews indicating associates are in conflict.
- Surge of complaints by associates against management.
- Associates confront management.
- Associates "bait" management into discipline or termination.
- Abuse of restroom visits.
- Argumentative questions are asked in departmental/facility meetings.

### EARLY WARNING SIGNS - CATEGORY 2

- Confidential information being misplaced or removed from files
- "Strangers" spending an unusual amount of time in the associates' parking areas at the beginning or end of shifts
- Associates spending an abnormal amount of time in the parking lot before and after work
- Frequent meetings at associates' homes
- Associates coming back to the facility to talk to associates on other shifts
- Open talk about unions among associates
- Reports from associates of the union visiting their homes, calling them, or sending them literature in the mail
- Union literature found around the facility
- Associates using union terms such as arbitration, grievance, and seniority
- Interest in obtaining names and addresses from schedules or associate listings
- Associates leaving work areas on a frequent basis to talk to other associates
- Associates who are never seen together start talking or associating with each other and begin forming strange alliances

## HOW TO RESPOND to UNION ACTIVITY

The Labor Relations Team has developed action plans for all types of union activity. In the event you encounter any of the following activities, or any other type of union activity, contact the Union Hotline at 501-273-8300 as soon as possible. The Labor Team will work with you to develop strategies to combat these and all other types of union activities.

### UNION ACTIVITY CATEGORIES

**Category 1:** Activity designed to distract our customers and encourage them not to shop at Wal-Mart as well as divert our associates' attention from their primary purpose of servicing the customers. Generally, this type of activity is not designed to organize associates.

**Category 2:** Activity indicates either the union is interested in the facility or the associates are interested in the union. These situations should be monitored closely to ensure they do not escalate to Category 3.

**Category 3:** Activity indicates there is a union organizing campaign under way. An immediate response and intervention is crucial to stop the activity.

## HOW TO RESPOND to UNION ACTIVITY (continued)

### CATEGORY 1 UNION ACTIVITY

- Picketing (pg 24)
- Handbilling (pg 24)
- Negative Publicity (pg 25)
- Union Rally (pg 26/27)
- Union Contests (pg 26/27)
- Early Warning Signs - Category 1 (pg 28)

### CATEGORY 2 UNION ACTIVITY

- Union reps visiting with associates (pg 29)
- Union cards/literature found in the facility (pg 30)
- Reports of associates talking about unions (pg 31)
- Associates asking management questions about unions (pg 31)
- Early Warning Signs - Category 2 (pg 28)

### CATEGORY 3 UNION ACTIVITY

- Handbilling in an effort to organize associates (pg 32)
- Associates attending union meetings (pg 33)
- Union cards being distributed or signed (pg 34)
- Union reps talking to management about representing associates (pg 35)
- Union reps attempting to hand management union cards/petitions signed by associates (pg 13)

## **PICKETING or HANDBILLING - CATEGORY 1**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- Who is the sponsoring organization
- What do the signs or leaflets say
- Number of picketers or union reps present
- Location of picketers or union reps
- Are picketers or union reps blocking entrances/exits
- Are picketers or union reps harassing customers/associates
  - If there are numerous complaints, politely ask the harassed customers for their names and telephone numbers. If they do not want to provide their names, don't press them.

### **NOTE:**

- If hourly associates want to participate in picketing or handbilling while off the clock, we cannot prohibit them from doing so.
- If associates ask questions about the picketing or handbilling, explain the situation truthfully.

**If picketers or union representative are placing leaflets on cars:**

- Ask them not to place leaflets on the cars.
- Remove leaflets from the cars. (Hourly associates can assist with this.)

## **NEGATIVE PUBLICITY - CATEGORY 1**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- What is the medium of the negative publicity
- Date of the publicity
- What are the issues
- Was facility contacted by the media for a statement
- Are we receiving comments from associates or customers about the publicity

## **UNION RALLY/CONTEST (Advance Notice) - CATEGORY**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- Sponsoring organization
- What are the issues
- Date of rally
- Location of rally

### **NOTE:**

- If hourly associates want to participate in the rally or contest while off the clock, we cannot prohibit them from doing so.
- If associates ask questions about the rally or contest, explain the situation truthfully.
- Management cannot participate.

## **UNION RALLY/CONTEST (No Advance Notice) - CATEGORY**

Call the Union Hotline at (501) 273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- What are the issues
- How many people are present
- Location of rally
- Are they blocking entrances/exits
- Are they harassing customers
  - If there are numerous complaints, politely ask the harassed customers for their names and telephone numbers. If they do not want to provide their names, don't press them.

### **Note:**

- If hourly associates want to participate in the rally or contest while off the clock, we cannot prohibit them from doing so.
- If associates ask questions about the rally or contest, explain the situation truthfully.
- Management cannot participate.

## **EARLY WARNING SIGNS - CATEGORIES 1 & 2**

Call the Union Hotline at (501) 273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- What is occurring
- How many associates are involved
- Management's response
- Who was involved
- Is the associate morale low
  - what are the issues

## **UNION REPS VISITING WITH ASSOCIATES INSIDE/OUTSIDE the FACILITY - CATEGORY 2**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- What union is involved
- When did this happen
- Where did this happen
- How many reps are involved
- How many associates were talked to
- Was anything overheard
  - what was said
- How was the information obtained
- Is the associate morale low
  - what are the issues
- Is any literature/cards being passed out
- Are the reps blocking entrances/exits
- Have other early warning signs occurred

**UNION CARDS or LITERATURE  
FOUND in the FACILITY -  
CATEGORY 2**

Call the Union Hotline at (501) 273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- What organization is the literature from
- Where was literature/cards found
- By whom
- Who reported the incident
- Is the associate morale low
  - what are the issues
- Have other early warning signs occurred

**ASSOCIATES DISCUSSING  
UNIONS AMONG THEMSELVES  
or ASKING MANAGEMENT  
QUESTIONS - CATEGORY 2**

Call the Union Hotline at (501) 273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- Who asked the questions
- Where do they work
- What are their work hours
- Who did they ask
- What was the question
- What was the response
- What were other associates saying
- How did management find out associates were talking about unions
- Where were the associates overheard talking about unions
- Is the associate morale low
  - what are the issues
- Have other early warning signs occurred

## HANDBILLING in an EFFORT to ORGANIZE ASSOCIATES CATEGORY 2

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- Who is the sponsoring organization
- What does the handbill say
- How many people are handbilling
- Are they associates or non-associates
  - \* If associates are off the clock, are outside the facility, and are handbilling, we cannot take any action against them.
  - \* If associates are on the clock, direct the associates to go back to work.
- What is the location of the handbillers
  - \* If associates are handbilling inside the facility, determine if they are on the clock.
  - \* If they are, instruct associates to stop and explain they cannot handbill while on the clock.
  - \* If they are not on the clock, escort them out of the facility.
- Are the handbillers blocking the entrances/exits
- Are the handbillers harassing customers
  - If there are numerous complaints, politely ask the harassed customers for their names and telephone numbers. If they do not want to provide their names, don't press them.
- Is the associate morale low
  - what are the issues
- Have other early warning signs occurred

## ASSOCIATES ATTENDING UNION MEETINGS CATEGORY 2

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- How did we learn associates were attending union meetings
- Who told management about the meetings
- What did they say
- What was management's response
- Do we know who attended the meeting
- Do we know how many associates attended the meeting
- What has been the associates' behavior since the meetings
- Have there been union cards passed out or signed
- Is the associate morale low
  - what are the issues

## **UNION AUTHORIZATION CARDS BEING DISTRIBUTED or SIGNED - CATEGORY 3**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- How did we learn about the cards being signed/passed out
- Do we know who was passing out the cards
- Who told management
- What was the response of the member of management
- Do we know how many cards have been passed out or signed
- What has been the associates' behavior since the cards appeared
- Is the associate morale low  
- what are the issues

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## **UNION REPS WANT to TALK to MANAGEMENT ABOUT REPRESENTING ASSOCIATES - CATEGORY 3**

Call the Union Hotline at 501-273-8300.

Be prepared to provide the following information:

- Name and title of caller
- Facility Manager's name
- Facility number, city, state
- When did the call/visit occur
- Who was approached
- What union organization do they represent
- What position is the rep
- What did the rep say
- Who was present
- How did management respond

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## KNOW YOUR TIPS

As a member of Wal-Mart's management team, you are a representative of the company. Anything you do or say is binding on the company. It is important you understand what is considered legal and illegal conduct before, during, and after a union organizing campaign.

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All you need to know are your TIPS.

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## TIPS

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Threaten  
Interrogate  
Promise  
Spy

---

Know your TIPS. As long as you do not threaten, interrogate, promise, or spy on your associates, Wal-Mart, through your efforts, will be able to share its views on unionization in an open, honest and legal manner.

TIPS

## T - THREATEN

- You cannot threaten or imply the company will take adverse action of any kind for supporting the union.
- You cannot threaten to terminate or coach associates because of their union activities.
- You cannot threaten to close the facility if a union is voted in.
- You cannot threaten to transfer associates to other locations because of their union affiliation.
- You cannot threaten associates with loss of their wages and benefits during negotiations.
- You cannot threaten associates with loss of their job if they sign a union authorization card.
- You cannot threaten associates by saying, "With the union there will be a strike."
- You cannot threaten to penalize associates who actively support the union for violations of company policies which non-union associates are permitted to commit without being disciplined.
- You cannot make work assignments with the intent of causing an associate who has been active on behalf of the union to quit his/her job.
- You cannot take any action that is intended to impair the associate's job or pay because of his/her activity on behalf of the union.
- You cannot intentionally assign work or transfer associates so that those active on behalf of the union are separated from those you believe are not interested in the union.
- You cannot reduce hours of associates with the intention of curtailing the union's strength of organizing.

## I - INTERROGATE

- You cannot interrogate or ask associates their position concerning unions.
- You cannot ask associates how they are going to vote in an election.
- You cannot ask associates if they or anyone else signed an union authorization card.
- You cannot ask associates if they are going to the union meeting or who else may be attending.
- You cannot ask associates their opinion of the union organizer.
- You cannot visit associates' homes for the purpose of asking questions about the union or urging them to reject the union.

## P - PROMISE

- You cannot promise associates a pay increase, better benefits, or special favors if they vote against the union.
- You cannot promise associates a promotion if they vote against the union.
- You cannot promise associates all the concerns they brought to management before the election will be corrected to their advantage if they vote against the union.
- You cannot engage in favoritism of associates who are pro-company.

## S - SPY

- You cannot spy on any union activities the associates may be involved in, such as attending union meetings, nor can you have another person do this for you.
- You cannot attend a union meeting, even if invited.

## HOW YOU SHOULD RESPOND TO ASSOCIATES' QUESTIONS ABOUT UNIONS

Every time an associate asks you a question concerning the union, it is important you ...

- First, thank the associate for coming to you and asking a question.
- Second, state Wal-Mart's position on unions.
- Third, answer the question. If you do not know the answer, *tell the associate you do not know*. Assure the associate you will find the answer and get back with him/her shortly.

Many union organizers will purposely tell associates not to discuss unionization with you or ask questions. Watch for the disappearance of normal communication. If associates ask you questions, answer them honestly. If you do not know the answer, call the UNION HOTLINE at 501-273-8300 to get the answer and then follow up with the associate.

## SAMPLE QUESTIONS AND ANSWERS

### WALMART'S POSITION ON UNIONS

Q - What is Wal-Mart's position on unions ?

A - At Wal-Mart, we do not believe we need third-party representation. We value the open communication we have between management and our associates. You can come and talk to me anytime about your job or any concerns you may have.

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## QUESTIONS AND ANSWERS

### UNION ORGANIZERS/UNION PROMISES

Q - What is a union organizer ?

A - Most unions have a staff of representatives called "organizers." These individuals are paid by the union to organize a company.

Q - Am I under any obligation to talk with a union organizer ?

A - No. Associates are under no obligation to talk with a union organizer.

Q - Are union organizers the only people who will try to get me to sign a card ?

A - No, the union organizer will use pro-union associates inside the facility to try and obtain your signature on an authorization card.

Q - The union organizer "promised" me an increase in wages and benefits. Can an organizer guarantee these will happen ?

A - No. Union organizers can and will make promises to associates in order to obtain their signatures on union authorization cards. If an organizer promises a particular benefit, ask for that benefit in writing. You should know - the organizer will not put the promise in writing.

Q - Why would union organizers tell me all the things they can do for me when in reality they can't ?

A - Union organizers will tell you whatever they have to if it will help get your signature on a union authorization card. If a union representative does make you promises, your best bet is to get it in writing.

Q - Can a union guarantee me job security and prohibit Wal-Mart from terminating or coaching an associate who violates company rules ?

A - No. Unions may claim they can provide "job security," but in actuality they cannot. All associates are subject to performance coachings, up to and including terminations, if they do not meet our company's expectations.

Q - Can a union have a member of management removed because the union or associates think the manager is unfair ?

A - No. Only the company has the authority to decide who its management will be.

Q & A

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## QUESTIONS AND ANSWERS

### UNION AUTHORIZATION CARDS

**Q - What is an authorization card ?**

A - A union authorization card is a legal document which, when signed by an associate, gives the union the authority to become his/her legal representative in all matters pertaining to his/her wages, hours, and working conditions.

**Q - Am I under any obligation to sign a union authorization card ?**

A - Absolutely not. No one can require you to sign a union authorization card. In fact, it is unlawful for a union organizer or other associate to threaten you into signing a card.

**Q - What are authorization cards used for ?**

A - Signed authorization cards are used by the union to either petition the National Labor Relations Board for an election or to try to gain representation without an election.

**Q - If I signed an authorization card, do I have to vote for the union ?**

A - NO! Even if you signed a card, you can vote for whomever you want in the election. The election is a secret ballot process. No one will know how you voted unless you tell them.

## QUESTIONS AND ANSWERS

### UNION MEETINGS

**Q - I heard there is a union meeting tonight. Do you want me to go and report back to you who was there and what was said ?**

A - If you would like to attend the meeting tonight, that is your choice. If you want to tell me about the meeting tomorrow you absolutely can. However, I must tell you that it would be illegal for me to ask you any questions about the meeting, but you can tell me anything you want to.

### DECERTIFICATION

**Q - Why shouldn't we try a union for a year and see what they can do for us, and then if we don't like them, tell them to leave ?**

A - It's not that easy. You voted a union in and you will have to vote the union out. But you cannot do so for at least one year and sometimes longer. Also, associates would be responsible for the entire legal cost of the decertification process. Wal-Mart could not help with any of the legal expenses.

### ASSOCIATES' RIGHTS TO OPPOSE UNIONS

**Q - Can I oppose the union ?**

A - Yes! You have the legal right to oppose the union. You also have the right to let other associates know your opinion and can communicate that opinion in whatever manner you choose.

**Q - I'm planning to make leaflets to show my support for the company. Can I use the copy machine in the manager's office ?**

A - The law prohibits the company from assisting your efforts to oppose the union. However, you certainly have the right to actively campaign against the union. It's just that Wal-Mart cannot be involved.

## QUESTIONS AND ANSWERS

### UNION ELECTIONS

Q - Will anyone know how I vote in the election?

A - No. The election is a "secret ballot."

Q - Do I have to vote if there is an election?

A - No, you are not required to vote, but I would certainly encourage you to vote. The outcome of the election could have a tremendous impact on your job and working environment.

Q - How is the outcome of the election determined?

A - The outcome of the election is determined by the number of votes actually cast, not the number of associates eligible to vote. That is why your vote is so important. The winner must have 50% plus one of the votes cast.

Q - If the union wins the election, which associates does it represent?

A - If the union wins the election, it will represent every associate in the bargaining unit who is eligible to vote. Not only does it represent those associates who voted for the union, it also represents those who voted against the union, as well as those who failed to vote. That is why your vote is so important.

## QUESTIONS AND ANSWERS

### UNION ELECTIONS (continued)

Q - Will I lose my job if I vote for the union?

A - No.

Q - Why is it important every eligible associate vote in an election?

A - Your vote could decide whether or not your facility will be represented by a union. Even though you may have signed a union authorization card, the election is your final chance in deciding if you want to accept the responsibility of expenses incurred through dues, fees, fines, and assessments and whether or not you want to continue representing yourself to the management team or pay the union to speak on your behalf. It is one of the most important decisions you will ever make in your professional career.

Q - What happens the day after the election if the union is voted in?

A - Nothing! It is business as usual. The union and Wal-Mart will proceed with negotiating the details of the contract. Until a contract is reached, all associate wages and benefits are "frozen." They cannot be increased or decreased without the union and the company agreeing to such action.

Q - If the union wins the election, do I have to join the union?

A - That depends. The union will try to negotiate with the company to require all associates who work in the facility to join the union and pay union dues or be terminated. Naturally, the company would oppose such a demand by the union.

## UNION FEES

**Q - Does it cost money to be a member of a union?**

**A - Yes.** In fact, over a period of time it can cost a great deal of money. Unions survive on the money they receive from their members in the form of dues, fees, fines and assessments. That is why they want you to become a member of their union.

**Q - What are union dues?**

**A - Dues** are money you pay to "belong" to a union on a monthly basis. They vary in amount from union to union. Generally, they can range from \$20 to \$50 per month.

**Q - What are initiation fees?**

**A - An initiation fee** is the initial cost charged by a union to the associate for the "privilege" of joining a union.

**Q - What are union fines?**

**A - Fines** are charged against members by unions for violations of rules of the union constitution and bylaws. For instance, you may be fined for crossing a picket line, failing to attend a union meeting, or for conduct unbecoming a union member. When a union member is found guilty of having committed an offense, most unions "discipline" members by fining them for the offense.

## UNION FEES (continued)

**Q - What are assessments?**

**A - These** are the "extra" costs of unionization to the associates. They are expenses over and above the payment of normal dues, fees and fines. The most common reasons to charge members assessments are for strike funds, money for political contributions, and to help the union with its operating costs. These fees are not voluntary. The union will deduct them automatically whether you agree with them or not.

**Q - What is "check-off"?**

**A - "Check-off"** is a procedure whereby union dues, fees, fines and assessments are deducted from the associate's paycheck by the company and given to the union as opposed to being collected by the union. Generally, this is the first item the union tries to negotiate for in a contract. Unions have been known to forego demands for greater associate wages and benefits to obtain "check-offs."

## NEGOTIATIONS/BARGAINING

- Q -**Is it possible an agreement between the union and Wal-Mart could result in less wages and benefits than I currently have?
- A -**Yes. Negotiations are much like the game show "LET'S MAKE A DEAL." You could get more, you could get the same, or you could get less.

**Q -**If the union and Wal-Mart are not able to agree during bargaining, what will happen?

**A -**There are two options: Leave things the way they are, or strike. Regardless, you will be responsible for paying dues, fees, fines and assessments.

**Q -**Can the union "fix" anything or "force" Wal-Mart to do anything?

**A -**By law, Wal-Mart does not have to agree to any union demands.

**Q -**What is "check-off"?

**A -**"Check-off" is a procedure whereby union dues, fees, fines, and assessments are deducted from the associate's paycheck by the company and given to the union as opposed to being collected by the union. Generally, this is the first item the union tries to negotiate for in a contract. Unions have been known to forego demands for greater associate wages and benefits to obtain "check-offs."

## STRIKES

**Q -**If a strike is called, does Wal-Mart continue to pay wages and benefits to striking associates?

**A -**No. Once a strike begins, all wages stop. You may retain some benefits; however, you would be responsible for paying the entire amount, which includes your portion and the portion the company pays.

**Q -**Can I collect unemployment compensation while on strike?

**A -**When striking over economic reasons (wages and benefits), most states do not allow employees to collect unemployment compensation.

**Q -**Does the union provide strike benefits?

**A -**Some unions provide strike benefits, others do not. It could be as little as \$50 a week.

**Q -**If I go out on strike, can I be replaced?

**A -**Yes. If the union calls an economic strike (over wages and benefits), you can be permanently replaced by the company.

**Q -**Can I come to work if I decide I do not want to strike anymore?

**A -**Yes, provided you have not been permanently replaced. However, you may face the prospect of being fined by the union for crossing the picket line.

**DO'S**

- Do tell associates we do not believe they need third-party representation.
- Do tell associates we believe in the Open Door policy and are willing to discuss any subject with them.
- Do tell associates by signing a union authorization card, they may have authorized the union to become their legal representative in all matters pertaining to wages, hours, and working conditions.
- Do tell associates if they have already signed a union authorization card, it does not mean they must vote for the union in an election. An election is a secret ballot process.
- Do tell associates if a union is voted in, everything (their wages, benefits and working conditions) would go on the bargaining table. It is much like the game show LET'S MAKE A DEAL! They could get more, they could get the same, or they could get less. Regardless, they will be responsible for dues, fees, fines, and assessments.
- Do tell associates the law permits the company to permanently replace them if there is a strike.
- Do tell associates the union cannot make Wal-Mart agree to anything it does not want to during negotiations.
- Do share any personal experiences you may have had with a union with associates.
- Do tell associates they can actively campaign against the union, you just cannot help them in any manner.

**DON'TS**

- Don't threaten associates with the loss of their jobs, wages or benefits.
- Don't interrogate or question associates on their positions concerning unions.
- Don't promise associates pay increases, promotions, benefits or favors.
- Don't spy on union activities your associates may be involved in.
- Don't threaten to close or move a facility if the union is elected in.
- Don't discipline or transfer associates for actively supporting a union.
- Don't ask associates how they intend to vote.
- Don't ask associates at the time of hiring if they belong to a union.
- Don't prevent associates from soliciting union membership during their free time at work (breaks, lunches, off the clock).
- Don't ask associates if they or anyone else has signed a union authorization card.
- Don't ask associates if they are going to a union meeting or who else may be attending.
- Don't engage in favoritism of associates who are pro-company.
- Don't visit associates' homes for the purpose of asking questions about the union or urging them to reject the union.

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## DOs

- Do tell associates we do not believe they need third-party representation.
- Do tell associates we believe in the Open Door policy and are willing to discuss any subject with them.
- We do not believe associates should have to pay somebody to speak on their behalf.
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NOTES