

*Reprint*

# Unions in Wire Harness Plants?

As featured in the  
September/October 2014 issue

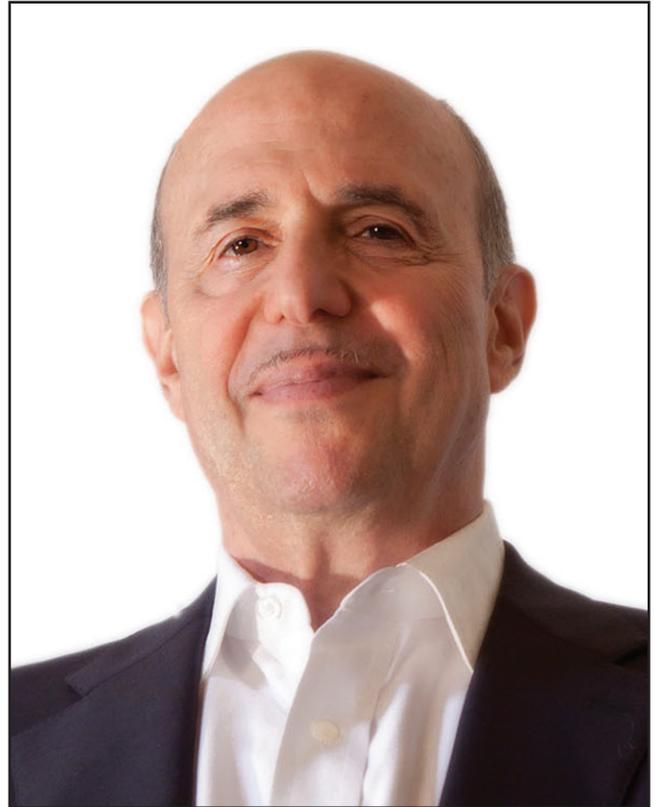


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*Wiring Harness News*



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**Blue Valley Capital**



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Let me begin by saying that, in general, I am not opposed to labor unions. I recognize and respect the role unions have played in our country's history and how, in many instances, they have leveled the playing field, mitigating abusive working conditions and providing employees with needed leverage in bargaining with employers. Moreover, we know that even today the presence of a union can be necessary in enabling workers to protect their interests against exploitive practices.

And as a personal note, my daughter is an attorney with the National Labor Relations Board, the government agency that protects the rights of private-sector employees. I am very proud of the work she is doing to help settle disputes wisely and fairly.

During my 25 years as an owner of a wire harness manufacturer, however, we never had a union, and I believe that was fortunate. As a labor-intensive business, producing products per customers' designs and contending with an abundance of competitors, the flexibility required to produce harness assemblies would have been seriously compromised with a third party - a labor union - standing between me and the people working in the factory.

But in my early years of ownership, we did experience a union-organizing attempt that had a fluky origin. A summer hire, whose father was a union organizer, seemed to think it would be fun to initiate the process, even though my employees had not voiced a problem with wages, benefits or any other issue.

For a union to represent employees, of course, first it must get voted into the company by winning an election. If that occurs - after what can be a contentious period of hampered productivity - the newly established union can then negotiate with management on behalf of members.

In our case, despite the good will we had developed with our employees, some employees believed that a union would be able to benefit them in some way, such as negotiate a pay raise. And because the union was quite effective at organizing, it was temporarily able to distract workers, drive a wedge between management and labor, and even jeopardize the survival of my business.

In the end, however, by facing off against the unionizing attempt and reminding our workers of the excellent relationships we had fostered, I prevailed.

It is possible that a few wire harness manufacturers today operate in conjunction with a labor union, but in my many years in the industry I've never known of one. In a fragmented industry like ours, a unionized harness company would operate at a distinct disadvantage when competing with a company that did not have a union.

Our industry's tradition of operating without unions seems to me to carry two pluses: One is the efficiency of our operations for reasons I've briefly outlined. The other is the implication that wire harness manufacturers tend to value their employees highly and treat them well of their own volition.

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