

# ▶ How the Labels Work

## What You Must Do – The Five Key Steps

The union labels are an essential tool for enforcing contracts and protecting jobs, wages, and benefits. Multiple steps – all important – are involved in making the label system to work. Here are the basics of what you need to know and do.

### LABEL IT!

#### 1. Put the label on:

Fabricators must put labels on union-made products. That applies even if you think the products are going directly to a union site. Everything must be labeled. The rule is “every piece, every time!”

Business representatives must ensure that fabrication shops have the labels to affix.



### SCAN IT!

#### 2. Check products for the label:

Installers must check all products arriving on construction sites to see if they are labeled. Watch all deliveries and visually scan for the label. If the products are labeled, they're union made. If products are not labeled, skip to step 4.



#### 3. Scan the labels:

On labeled products, installers must check to see which SMART contract area produced it. Scan the bar code with your mobile app or, if you can't use your smart phone, read the numbers on the label and report them to your business representative.

The bar codes and numbers are linked to information about which shop produced it and the shop's wage rate. With this information, business representatives can make sure that wage equalization takes place if the products came from lower-wage locals.

### REPORT IT!

#### 4. Report non-labeled products:

When installers see yellow-label products on a site without labels, report it to your business representative right away. You can do it through your label app or by e-mail, text, or a phone call. This notification lets them know to step in.

#### 5. Intervene with contractors:

Once business representatives get word that yellow-label products without labels are being used on a union site, they can step in to tell contractors SMART is enforcing contract provisions requiring them to prove that whoever fabricated the products was paid the same rate as the local union worker earns. (The label proves this automatically.)



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# ▶ The SMART Union Label

## 20 Key Questions & Answers

Here are the answers to 20 key questions you or other union members might have about the union label. Together they provide the basic information you need to know.

- I. Overview
- II. Value and Benefits
- III. Wage Equalization
- IV. Non-labeled Products
- V. Contractors and Questions

### I. THE LABEL OVERVIEW

#### 1. What is the union label?

The label is a tool for protecting union jobs, wages, and benefits. And it's an essential tool for enforcing contracts. The labels encourage employers to use union-made products. Labels protect wages in two ways: first, by ensuring building trades fabricated materials are constructed per the area standard wage (average crew cost) under the contract for the jurisdiction where the jobsite is located, which is required by the subcontracting restrictions in the union contract; and, second, by identifying which SMART bargaining area fabricated the union products to ensure that, through wage equalization, the lower-paid workers in the fabrication shop receive the same average crew cost as the higher-paid workers at the jobsite (when applicable). They're also a sign of quality craftsmanship done by skilled union workers.

#### 2. How does the label system work?

SMART members working in fabrication shops put labels on union-made products. SMART members who are installers check for the label on products arriving on construction sites. If there is no label on a yellow-label product, installers should contact their business rep. so he can enforce the contract that requires contractors to prove that they are at least paying the same wage rates for products installed (even if they're not union made).

On products with labels, installers check to see which SMART contract area produced it by scanning the bar codes or reading the numbers on the labels. The bar codes and numbers are linked to information about which union shop produced it and the shop's wage rate (average

crew cost, including benefit costs). Only then can wage equalization take place. The system relies on the vigilance and commitment of SMART union sheet metal workers throughout the process.

#### 3. What's the difference between the yellow and blue labels?

The blue label is used on production products. The yellow label represents building trades products. Yellow labels are used to enforce subcontracting standards and for wage equalization.



#### 4. How do the labels help enforce contracts?

All SMART union building trades contracts require that contractors either use yellow-labeled products or prove that the non-union workers who made non-labeled products were paid the same rate as the local union workers earn. As you can imagine, proving that can be tough. What did a worker in China earn? How much did the fabricator of a product bought in a store make? The installing contractor is required to prove they earned the same. The label is the simple way to prove it.

#### 5. Who is responsible for making the label system work?

All SMART union sheet metal workers have a role to play in making the label system work. The labels must be put on in the first place. Installers must check to see if products are labeled, reporting when they're not, and scan in the information about which SMART contract area produced it. Local union leaders must support installers who report non-labeled products and enforce contracts, promote the use of the labels (with contractors and SMART

union members), and ensure maintenance of subcontracting standards and wage equalization takes place.

## **6. What is the difference between the roles played by rank-and-file members and union leaders in making the label system work?**

The system only works if both local leaders and rank-and-file sheet metal workers do their part. The rank-and-file are the hands, eyes, and voices that apply the labels, see if they're on products arriving on job sites, raise their voices to report when labels aren't there, and scan them when they are. Local union leaders must back up workers in fabrication shops and on construction sites, making sure labels are available in fabrication shops, taking action when installers report non-labeled products, and ensuring that everyone in the local knows how the system works. And the International must ensure that the entire system functions and supply the data that facilitates wage equalization.

Union members can ask their employer to only use labeled materials. Local union officials have a duty to enforce contracts. They can also encourage contractors to only use products with the union label and provide lists of manufacturers who produce labeled union products.

## **II. THE VALUE AND BENEFITS OF LABELS**

### **7. How important are the labels to the union and its members?**

The labels are a critical tool for enforcing contracts. Union officials work hard to negotiate the best contracts possible, and the labels are essential to protecting those contracts, union jobs, and wages. They play a central part in preventing a race to the bottom in which contractors try to use non-labeled products or pay union workers less and less.

### **8. What are the benefits of using the label?**

By using the labels, we protect existing union jobs, secure more work, and protect union wages. And when more sheet metal workers participate in the union's health care plan and pension fund, those benefits are better for everyone. In other words, all union members are better off if we work together to make the label system work. By standing up and supporting each other, we stand up and support ourselves. Solidarity works.

### **9. How do the labels help union members personally?**

For individual sheet metal workers, it means more work, better pay, and healthier benefits. The job you save may be your own. And the more union members participating in the health care and pension systems, the better those benefits will be for each union member.

### **10. How do the labels help the union?**

The labels are a critical tool for enforcing union contracts. And the more union jobs there are the better the union health care and pension benefits are for its members. The stronger your union is, the better your pay and benefits are.

## **III. LABELS AND WAGE EQUALIZATION**

### **11. How does wage equalization work?**

Wage equalization removes the incentive for employers to use yellow-label products fabricated by union workers getting lower wage rates. By scanning the labels to report which shop produced a product, everyone in the process from fabricators to installers gets the highest average crew cost rate. In other words, if a contractor ships in product from a lower-rate local for a higher-rate local to install, the contractor will have to pay the higher average crew cost rate.

### **12. Who benefits from wage equalization?**

Everyone benefits from wage equalization. First, a fabricator in a lower-rate local who gets a boost in pay from wage equalization benefits most directly. His pay goes up. But wage equalization helps higher-rate sheet metal workers too by removing the incentive contractors have to look for fabricated products from areas with a lower average crew cost. Otherwise, contractors could pursue a race to the bottom that puts pressure on all locals to accept lower wages.

### **13. Does wage equalization hurt my local by helping other lower-paying locals?**

No. Wage equalization provides a financial incentive to keep work within the local. Since a contractor will have to pay lower-paid fabricators the same rate as a higher-paid local enjoys, it discourages them from seeking lower-cost products. And if someone in another local gains from wage equalization, all of us gain from healthier benefits.

## 14. Has wage equalization worked in the past?

Yes, it works every day. SMART union sheet metal workers throughout the country get a boost in pay regularly when another local notes they deserve to benefit from wage equalization. And every day contractors know they may have to pay workers more – if installers scan the labels and report the pay differentials.

## IV. WHAT TO DO ABOUT NON-LABELED PRODUCTS

### 15. If a union member sees non-labeled items on the job, what can he do?

Employees should report any yellow-label products without labels to their local business rep. They can do so either directly or through the new mobile app. Then the business rep. can take action to enforce the contract. (Remember, our contracts require contractors to prove that they've paid the same union wages to whoever fabricated a yellow-label product even if a non-union worker made it. The label is proof that they have paid the proper rate.)

Employees can also let employers and supervisors know they don't want to handle non-labeled products through petitions, meetings with employers, or by making their views known in other ways, such as signs and hardhat stickers.

### 16. What are the risks involved in reporting non-labeled products?

While the benefits of the labels are great, the risk to SMART union members are minimal. After all, union members only have to scan labeled products or report non-labeled items to their business rep. who will take it from there. Yes, an employer might choose to retaliate in some way if they suspect a worker is reporting non-labeled product. But they won't know who made the report to the local. That's confidential. Each work site, supervisor, and contractor is different. So, union members must judge what level of risk is involved in a particular situation.

### 17. What does the union do about non-labeled products?

Union officials encourage contractors to purchase only products that are labeled. They also regularly supply contractors with lists of manufacturers who produce

union-labeled products. But the main responsibility of union officials is to intervene with contractors when union members report that non-labeled products are showing up on work sites. It is their duty to enforce the contract.

### 18. If I know the product came straight from our fabrication shop to my work site, do I need to worry about the label?

Yes. Our mantra should be: "every piece, every time." First, installers should ask themselves if they're really sure all of the materials came directly from our own shop. Even if you're confident they did, the label should be displayed. At the very least, it's a sign of union pride and quality craftsmanship. In addition, other materials from the fabrication shop may be going elsewhere so all items should be labeled – all the time.

## V. CONTRACTORS AND QUESTIONS

### 19. What do contractors think of the labels?

Contractors know about the labels. The contracts they've signed require them to prove that, if they use non-union yellow-label products, those non-union workers received the same wages the local union members. They know about wage equalization too. So, labels and our need to check them shouldn't surprise them. All SMART union building trades contracts (Standard Form of Union Agreement or SFUA) require maintenance of subcontracting standards and wage equalization.

Most contractors appreciate that the labels are also a sign of quality. Yes, some contractors may not like the labels. But they know why we like them and why we need them.

### 20. What should I do if I have questions about the labels?

Ask your local's business representative or other local officials if you have questions about the labels in general or about a particular situation on a job site. They'll know the answer or can find the answer quickly. Also, talk with your union brothers, especially if there's a union foreman or steward on the site. They probably have dealt with similar situations and they'll probably know the answer too.



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# ▶ Top 10 Tasks for Business Managers and Representatives

## Making the Labels Work

The SMART union labels are a critical tool. And business managers and representatives must do their part to make the tool work. The International will promote the labels, conduct an aggressive campaign, and provide information and materials. But the leaders of SMART locals have a central role to play. What do you need to do?.

### Promote the Label

As a leader of your local, you must make sure all sheet metal workers know about the labels and what they need to do. They must hear from you that this is a top priority.

#### 1. Make promotional materials available.

- Display campaign posters prominently in the union hall.
- Have handouts available for members to take and read.
- Put out extra copies of the supplemental edition of the Journal (and keep extra copies to give to new members/apprentices).
- Use extra copies of future promotional materials as they're sent to members.
- Promote the availability of t-shirts, stickers, and other "swag," encourage your members to buy and display label-promotion products.
- Consider distributing swag to your members.

#### 2. Include the label campaign in your communications

- Make sure all union communications highlight the label campaign.
- Put information on the labels and the campaign on your local's web site.
- If you have a Facebook page, post regular notices there too.
- Make the label campaign a prominent part of local newsletters, especially during the initial few months.

#### 3. Communicate with your members

- Talk about the label at union meetings
- Send messages to your members on the campaign, echoing, amplifying, and directing them to information from the International.
- If you text your members, send them a series of short text messages on the labels, more frequently during September-November, but throughout the year.
- Urge all members to download the new label app.

#### 4. Incorporate the labels in ongoing activities

- Highlight and promote the label campaign in union meetings.
- Make educating new members a priority in apprenticeship classes.
- During social events make sure the label logo and campaign is displayed.

#### 5. Ensure your members are in the know

- Make sure ALL your members understand what the labels are for, why they're important, and what they're expected to do.
- Consider conducting educational sessions in September and October.
- Make sure your members have and know how to use the label app.
- Remember, you are responsible for ensuring your local is making the labels work.

## Be Prepared

Are you prepared to use the new labels? Are all the logistics covered?

### 6. Make sure labels are available

- Let us know how many labels you need.
- Use the mobile app to order labels.
- Be sure you have enough labels before Labor Day.
- When you get the new labels, return the old ones.

### 7. Log and distribute labels

- Use the new app to log in the numbers corresponding with your shops.
- Distribute the labels to your fabricators.
- Make sure fabricators start applying the new labels right after Labor Day.

## Contact Contractors

Contractors will soon see a new vigilance when it comes to the labels – from installers and from you – so it may help to communicate with them ahead of time.

### 8. Let contractors know of campaign

- Give contractors a heads up that a new label campaign is starting.
- Remind them that the labels are used for contract enforcement and wage equalization.
- Let them know that installers will be watching.

## Enforce the Contracts

You are responsible for enforcing the contracts. It's your duty and your job. And your members will be counting on you to do so.

### 9. Enforce subcontracting standards

- Intervene with contractors when installers report yellow-label products without labels on work sites.
- Tell contractors you're enforcing subcontracting standards as required by the contract.
- Demand proof from contractors that non-labeled products were made by workers paid the same rates as your union members.
- Remind contractors that the label is all the proof they need.
- Bring in legal help, if need be, to enforce the subcontracting provisions.

### 10. Enforce wage equalization

- Educate your members about wage equalization and its benefits.
- Urge your members to scan the labels.
- Check with other locals when their products arrive on your sites.
- Intervene if your lower-wage fabricators haven't received wage equalization.



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# ▶ What to Do with Non-labeled Products

## Enforcing Subcontracting Restrictions

SMART union building trades contracts require that contractors either use yellow-labeled products or prove that the non-union workers who made non-labeled products were paid the same rate as the local union workers earned. If non-labeled products are used, they must be constructed per the area standard wage (average crew cost) under the contract for the jurisdiction.

**Article II, Section 2** is the governing provision of the Standard Form of Union Agreement (SFUA):

“Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under provisions of this Agreement.”

It is the responsibility of business managers and business representatives to enforce this provision. When installers report the arrival or presence of non-labeled materials on a work site, the local leadership must intervene with the contractors.

Local unions should always remind contractors that using products that are already labeled is proof of compliance. Contractors can also be supplied with lists of union manufacturers.

To help you enforce the contracts, we’ve prepared two sample letters that can be used with contractors.

If the contractor does not comply with the information request (first letter), an unfair labor practice charge should be filed with the National Labor Relations Board.

### SAMPLE LETTER: REQUESTING INFORMATION ON NON-LABELED PRODUCTS

[Name of Contractor]

Re: Information re. potential violation of Article II, Section 2

Dear [Blank]:

Our members have identified the following product on the [name of job] jobsite: [description of product]. This product does not have the yellow union label. The yellow label permits us to determine whether it complies with Article II, Section 2 of the Standard Form of Union Agreement. In order to be sure that the product complies with Section 2, we need the following information. This information should be close at hand if you were observing the requirements of Article II, Section 2 when you obtained the product, so we expect a response no later than five (5) business days from the date of this letter. As used in these information requests, “subcontractor” means the entity which made the product. “Item” refers to each piece of this product (recognizing that different pieces may have come from different sources).

1. Name and address of the subcontractor (if the subcontractor has multiple fabrication facilities, the address of the location where the item was made or assembled);
2. The part number, description and number of items purchased from the subcontractor;

3. the purchase order and subcontractor's invoice covering each item;
4. the date(s) when each item was fabricated and/or assembled);
5. The date you received each item;
6. The mode and cost of transportation to the job site for each item fabricated or assembled by the subcontractor and the total of all transportation costs to the job site for all items fabricated or assembled by the subcontractor;
7. The bill of lading or other documentation received from the transportation carrier;
8. the subcontractor's unit material cost and unit labor cost for each item;
9. All evidence showing the compensation paid to the employees who fabricated the item, including wages and benefit costs.

Sincerely,

###

## SAMPLE LETTER: FILING A GRIEVANCE

Dear \_\_\_\_\_:

Local \_\_\_\_ hereby grieves your company's violation of Article II, Section 2 of the Standard Form of Union Agreement. Your company has purchased materials that were made under substandard conditions: the workers who made them were paid less than the total economic package paid under the Agreement. The products in question are as follows:

[INSERT LIST OF YELLOW-LABEL PRODUCTS]

To remedy these violations, you must pay the workers who made these products the difference between the compensation they received when making the products and the total economic package under the Agreement. To the extent that the workers cannot be identified, the amount due to them must be paid to the [IDENTIFY A JOINTLY-TRUSTEED FUND TO RECEIVE THE PAYMENTS, OR A CHARITY NOT CONTROLLED BY THE UNION]. If you cannot show that the products were made in compliance with Article II, Section 2 but the actual amount paid to the workers who made the products cannot be ascertained, then the amount to be paid is the entire price you paid for these products since any uncertainty in the amount of damages must be resolved against the wrongdoer.

Sincerely,

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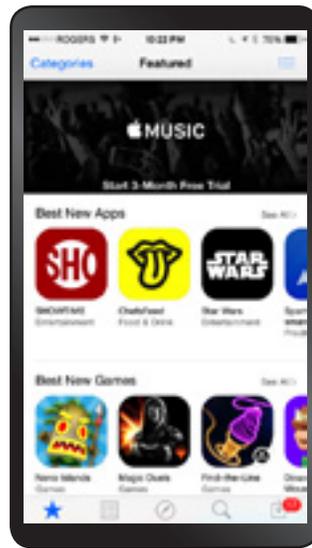
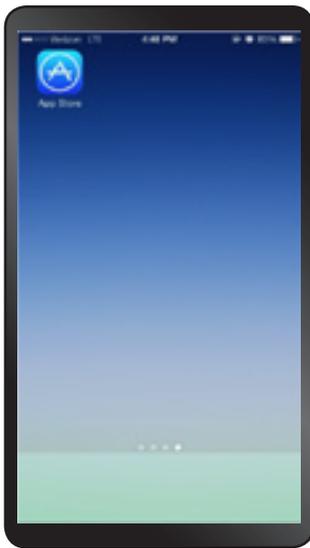
# ▶ Installing The App

**For iPhone Users:** SMART-Union App requires iOS 6.0 or later. Compatible with iPhone, iPad, and iPod touch. This app is optimized for iPhone 5, iPhone 6, and iPhone 6 Plus.

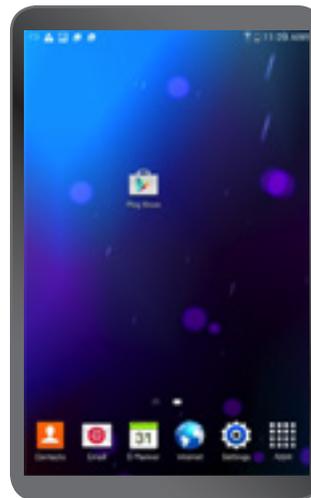
**For Android Users:** SMART-Union App requires Android operating system 2.3.3 and up.

1. Go to App Store or Google Play Store.

iOS 6.0 or Later



Android 2.3.3 and Up

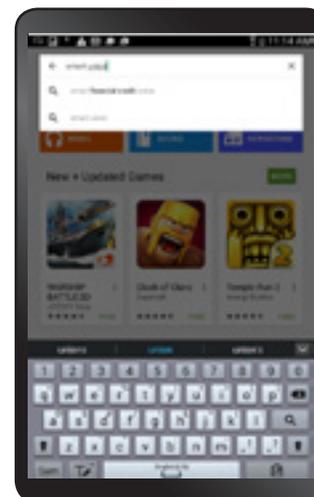


2. Hit search button and Type in "Smart Union."

iOS 6.0 or Later

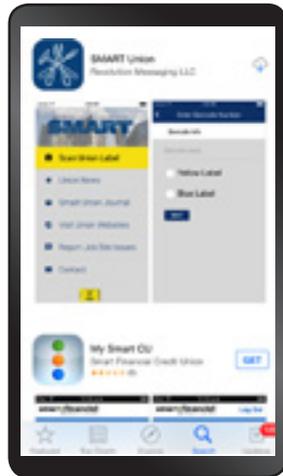


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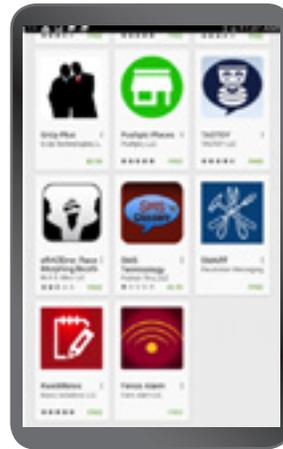


3. List of Apps will appear.

iOS 6.0 or Later

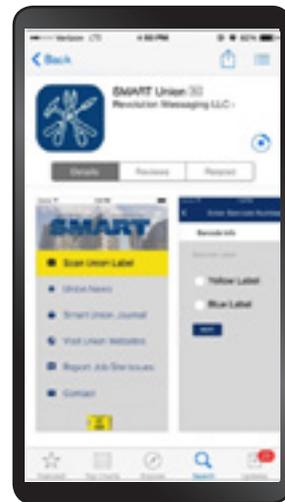
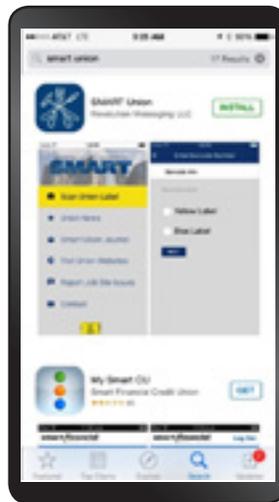
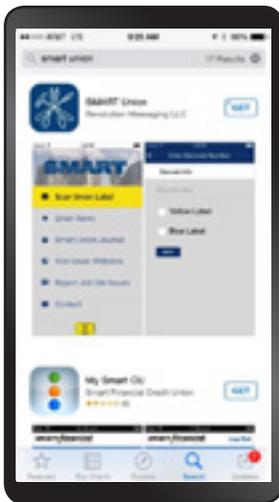


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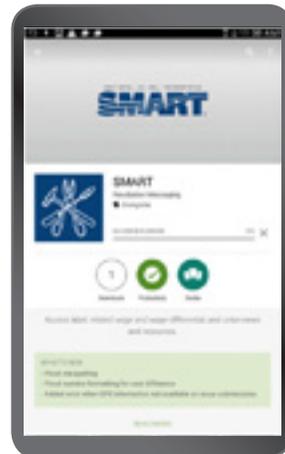


4. Download Smart Union.

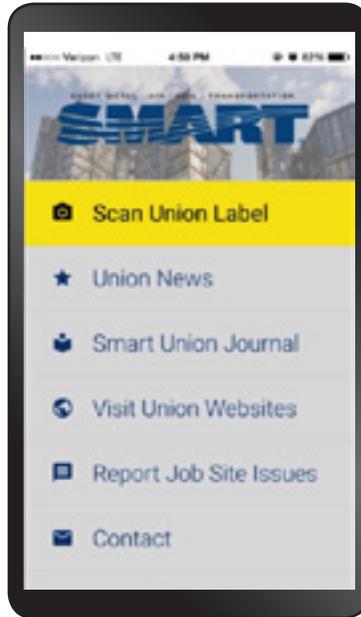
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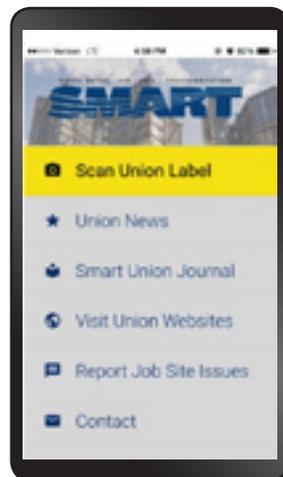


5. Once it is downloaded, you are ready to go to work.
6. Open the App and you will see a menu of functions.

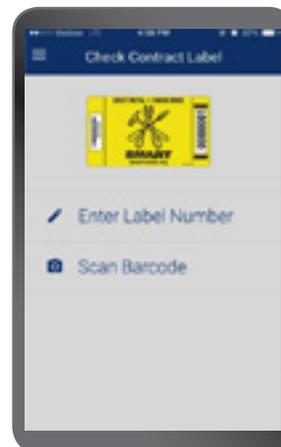


7. The first tab will allow you to Scan the Union Label or Enter the Number

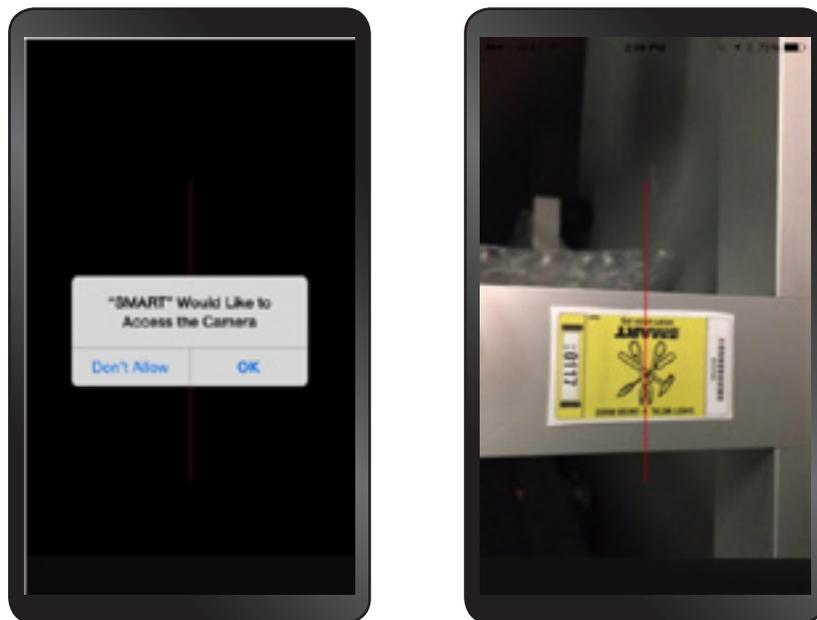
**iOS 6.0 or Later**



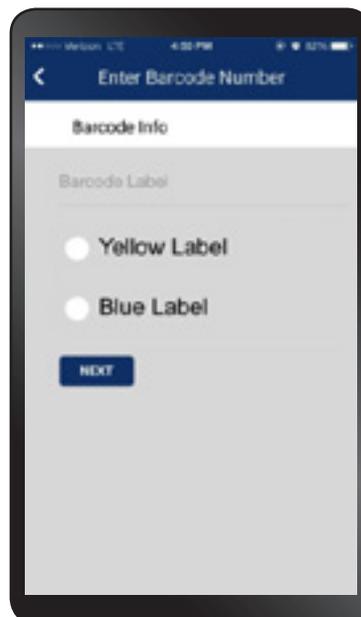
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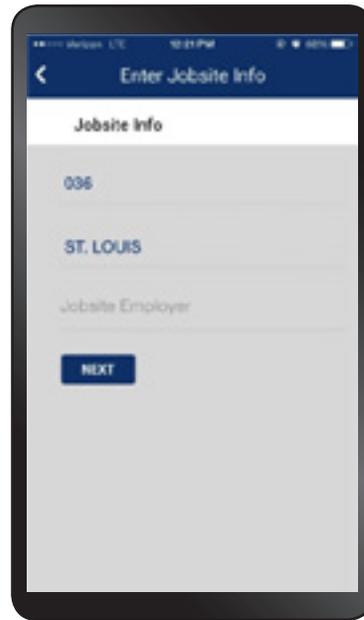
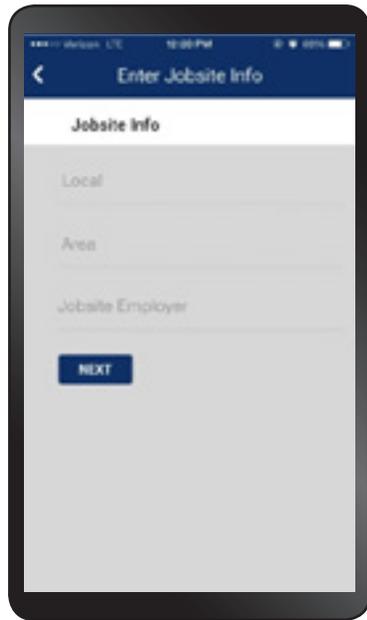
8. Hit the tab that says scan label and you will see a camera, locate the label on the product and line up the bar code. First-time users may be asked a question about using the smart phones camera.



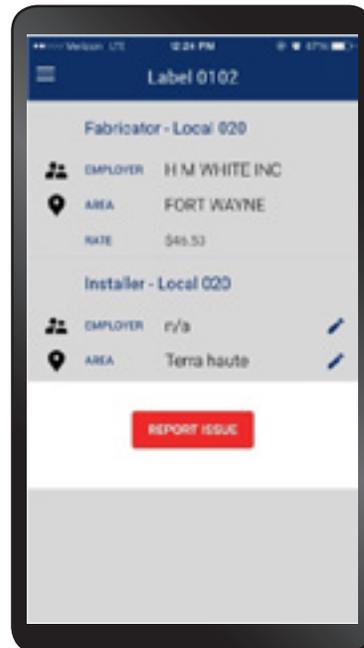
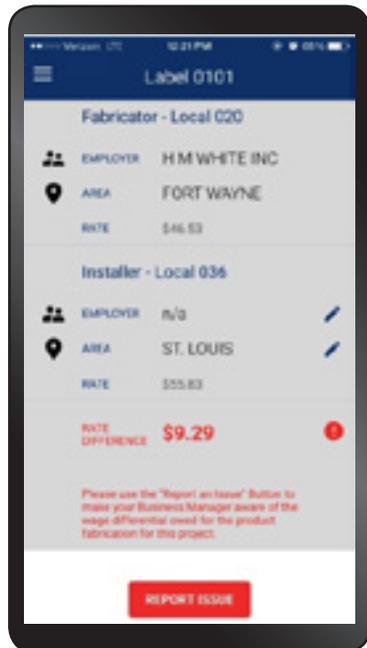
9. If you have trouble scanning or you can't scan the label, hit the tab that says enter and then follow the directions.



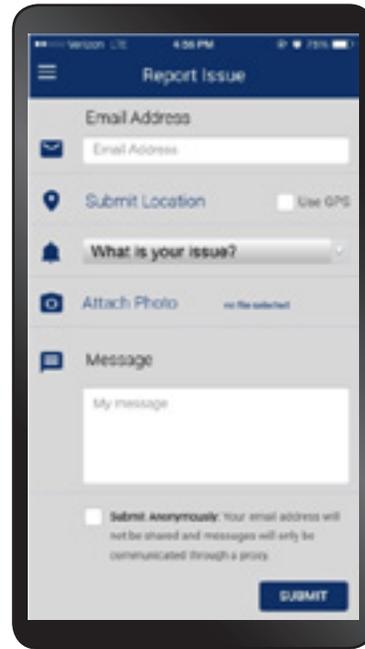
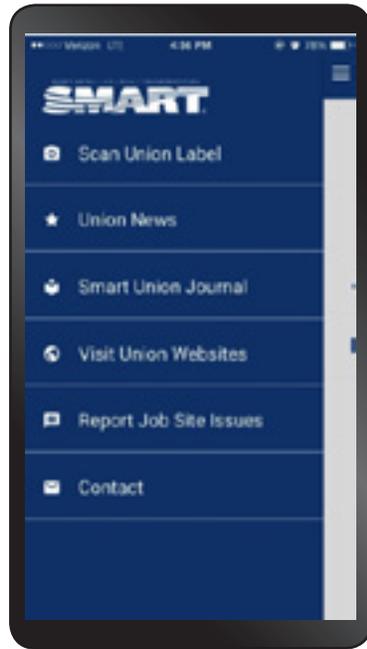
10. After you scan the label or enter the information, you will need to answer some jobsite questions.



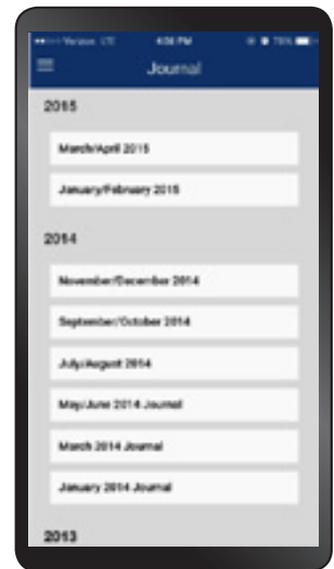
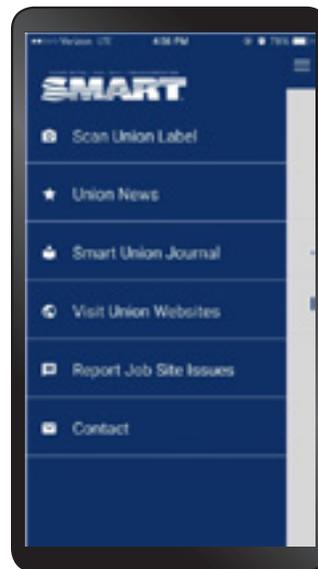
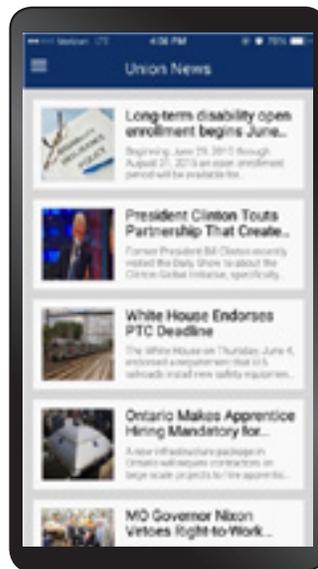
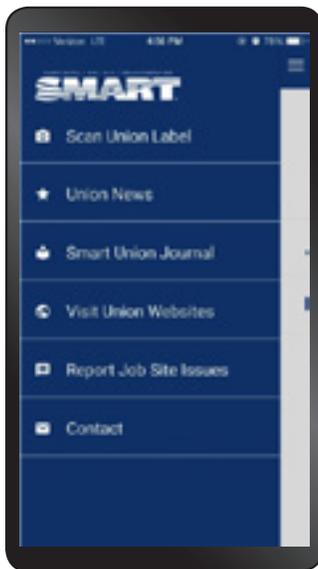
11. Once your information is entered you will find out where the product was made and the wage rates. If there is a problem, you can report it here.



12. If there is NO LABEL, you can report it by using the tab titled, "Report Job Site Issues." Answer the questions and submit



13. The App also has links to other important SMART Union information, including links to key web sites and the Journal.



# ▶ Smart Union App

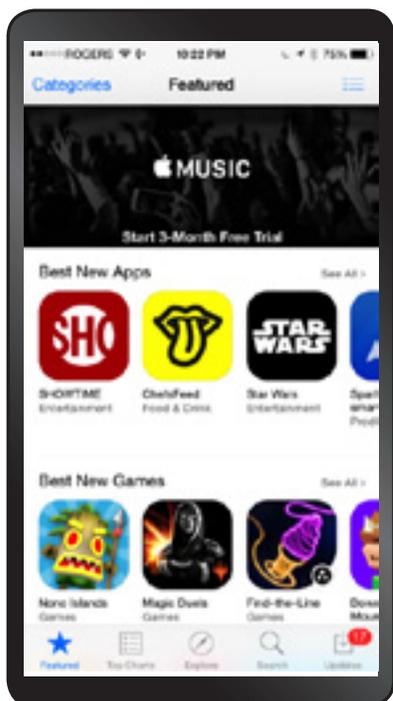
## FEATURES:

- SMART-Union News feed (keep up to date on all Smart Union News)
- Check the Union Label (easily scan a label to instantly check fabrication rates against installation rates)
- Union Journal now available at your fingertips -
- Report Jobsite Issues (non-union materials, safety issues, or non-union workers at jobsite?)
- Easily Links to SMART Union Websites (training institute, Occupational health Institute, Benefits websites, and more)

## INSTALLING THE APP

### For iPhone Users:

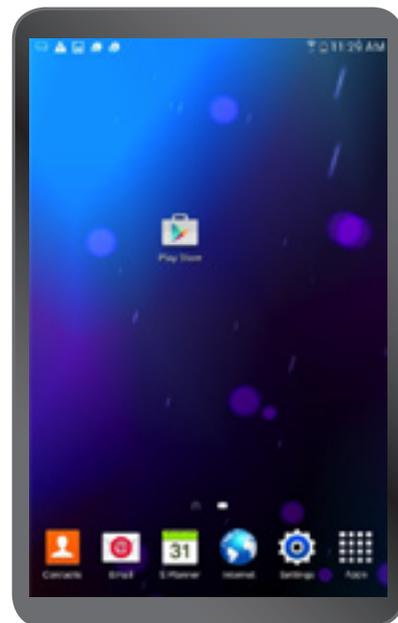
SMART-Union App requires iOS 6.0 or later. Compatible with iPhone, iPad, and iPod touch. This app is optimized for iPhone 5, iPhone 6, and iPhone 6 Plus. **Click here to download:** <https://appsto.re/us/I6tz7.i>



### For Android Users:

SMART-Union App requires Android operating system 2.3.3 and up SMART Union App is live for Android devices: **Click here to download:**

[https://play.google.com/store/apps/details?id=org.smart\\_union.smart](https://play.google.com/store/apps/details?id=org.smart_union.smart)



### Online Version:

You can use the SMART-Union App from your laptop, phone or tablet devices by visiting: <http://smart-union.us/>

### Note for Business Agents:

To request labels through the online version of the app please contact <https://members.smart-union.org>.

### Note for Business Managers:

All issues reported in the app will be sent directly to your email. To set up your account, please be sure to contact [smartlabelgroup@smart-union.org](mailto:smartlabelgroup@smart-union.org).

## FAQ:

### **My label does not have a barcode on it to scan what should I do?**

These are older SMART Labels and have not been updated – please contact your business agent to order new labels.

### **The barcode scan did not work on the app?**

Different scanners work different ways with your phones camera and technology. Simply write down the number below the bar code and enter it into the app separately. The unique number will still work the same way.

### **Can I report an issue anonymously?**

Yes, while you still need to enter an email address to get a response. The app will use a proxy server to make sure your comment is anonymous.

### **Where do issues get reported to?**

For union label issues they get reported to your business manager. All other reports get sent to the communications department of the national union to track down. So please specify location and local when reporting additional issues.

### **The app is not finding the label number that I scanned/entered. What should I do?**

This could be that the label is not attached to a contract or is a faulty label. Please report this as a problem with the label from within the app. Please provide as much detailed information as possible including the unique label number for SMART-Union to quickly troubleshoot.

The App is on my phone but not able to scan or enter a label correctly. How should I proceed? Please double check that your phone has wifi or 3g/4g service. The app still needs to communicate with SMART-Union's database and will not work without the ability to connect.



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# ► Distribution of the New Labels

## Exchanging New for Old

### What Locals Need to Do

#### 1. Secure Access to Label Web Site

A special web site has been created to manage the new labels: <https://members.smart-union.org>. This is a protected site. All business managers automatically have access to it. If a business manager wants to assign an additional person to have access to the site, you must first e-mail [smartlabelgroup@smart-union.org](mailto:smartlabelgroup@smart-union.org) to get a password that will allow the designee to use the site.

#### 2. Order New Labels

Go to the site. Click on “Labels” and then “Create Label Request” to order the new labels. Order enough to last several months. Make your initial orders immediately. Remember, you can always order more in the future.

#### 3. Log in Information

When you receive the shipment of new labels, go back to the site. Go to the “View Labels” section and log in information about the fabrication shops receiving that set of new labels. That information includes your local number, the employer, and the area. Make sure you’re logging in the right information with the corresponding series of numbers on the labels. The numbers are clearly listed on each box of labels.

#### 4. Distribute to Shops

Bring the new labels to the fabrication shops. Again, make sure the right numbers correspond with the right information about that fabrication shop.

#### 5. Retrieve Old Labels

Do not just hand fabricators the new labels. Exchange the new ones for any old labels they still have in the shop. Do not let them keep any old labels.

#### 6. Ship Old Labels Back

Send all of the old labels back to us. Leave no label behind. Do not keep any old labels. Do not throw them away. Return them all to us at the International headquarters in Washington.

#### 7. Begin Using the New Labels

Now, begin using the new labels. As soon as the exchange takes place, the new labels can be used. All of the above steps should be completed by Labor Day.

**By Labor Day, new labels should be used nationwide.**



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