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So, About That Planned Cash-Prize Raffle Before The Union Election...

[Blog](#) Labor Relations

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There are very specific limits on what employers can do during a “campaign” after their employees file a petition for a union election. Failure to abide by the rules in play can result in a company’s election victory being set aside. A recent National Labor Relations Board (NLRB) decision regarding a raffle contest related to a union election shows that this remains a very nuanced area where it’s easy to get tripped up.

On Feb. 4, the NLRB issued its decision in *Valmet, Inc.*, 367 NLRB No. 84 (2019). In that case, the company had won a recent union election (employees voted against a union coming in to represent them), but the union challenged the results on grounds the employer allegedly engaged in unlawful campaign conduct. One of the allegations related to a cash-prize raffle contest. The company developed a multiple choice quiz regarding the union attempting to organize its employees. First prize in the contest yielded \$900 (equivalent to one year’s worth of union dues) and second prize paid out \$450 (six months of dues).

The NLRB – in an opinion issued by all Trump-appointed members – found the raffle violated the law and warranted setting aside the election. Specifically, the board held that the amount of cash being offered, the fact all employees eligible to vote could participate in the raffle, the fact that the company didn’t have a history of offering cash prize contests in contexts outside of the pending union election, and the raffle’s proximity to the vote (just over 24 hours prior to the election) all rendered the contest an unlawful attempt to sway votes. While raffles along these lines can be conducted in some circumstances, the way it was handled in this case crossed the line. Accordingly, the agency set aside the election results and ordered a new vote.

This case serves as another important reminder that there are very specific rules employers must abide by when union activity surfaces in the workplace, and there can be harsh consequences for companies that misstep in this area when trying to remain union-free. Employers can voice their stances on unions to their employees, but efforts should be taken to ensure all communications conform to applicable requirements under the National Labor Relations Act.

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