



The Fight is Heating Up

DEMANDING JUSTICE AT CHAS ROBERTS AIR CONDITIONING



It's getting hotter in Arizona. But this time it may not be good for Chas Roberts Air Conditioning's business.

A BIG COMPANY IN A BIG MARKET, BUT IS CHAS A GOOD COMPANY?

As the largest privately owned air conditioning contractor in the United States, Chas Roberts employs over 1,300 persons and made an estimated \$172.5 million in revenues in 2004.¹, a staggering 85% increase over the \$130 million just two years previous in 2002.² Over 90% of the company's work is in new residential construction and Chas has been expanding into other areas and is now seeking homeowner dollars from HVAC service, remodel, and retrofit work.

Chas has benefited enormously from the massive population and housing boom in Arizona. Arizona is one of the fastest growing states in the nation with a population increasing almost 3 times faster than the U.S. as a whole and second only to Nevada. Arizona has added an average of almost 145,000 new residents every year since 2000. According to the U.S. Census it is also one of the fastest growing states for new home construction. In 2004, 80,000 building permits for new single housing units were issued, 57,000 of them in the greater Phoenix area alone and another 9600 in Tucson. To fill this demand for housing, Chas Roberts workers toil under the hot Arizona sun building homes that few of them can afford.

YOUR HOME PROBABLY HAS A UNIT INSTALLED BY CHAS ROBERTS.

Chas Roberts workers install air conditioning units for all of the biggest housing developers like D.R. Horton, Pulte Homes, Richmond American, Shea Homes, KB Home and others. In fact, Chas Roberts has an extraordinarily large market share with approximately 75 percent of the residential

market in the Greater Phoenix area³ and around 45 percent of Tucson. As the biggest residential air conditioning contractor in the country, Chas Roberts sets the standards for other contractors, for better or worse as workers may tell you.

CHAS ROBERTS BUILDS HOUSES WITH ABUSE AND INJUSTICE.

Chas Roberts workers are fighting for dignity and justice on the job. Among other problems, they suffer from poor working conditions, generally do not receive sick pay, holiday pay or vacations, and lack affordable family insurance and a pension plan. Many have complained about not being paid for all the time they have worked. Workers are often forced to work through designated break and lunch periods by managers who are regularly abusive and disrespectful. Chas Roberts workers have also complained of discrimination and problems of favoritism. The vast majority of Chas workers are Latinos, but nearly all its managers are non-Latino. "The situation here is incredibly unfair," said Chas worker Fernando Armendariz.



"We're not asking for thousands, just respect and fair wages and benefits," said Chas worker Mahelio Rico. "Chas Roberts may have all the millions in the world, but they do not have respect and dignity for human beings. That's why we are fighting for justice."

Workers are also upset about safety on the job. Since 2003, there have been five (5) Occupational Safety and Health Administration (OSHA) investigation cases involving Chas Roberts, and cited Chas for 17 violations, 4 of them serious, and fined the company thousands of dollars.

¹ Giants enjoy the rebound, Contractor, May 1, 2005

² The Residential Contracting All-Stars, Air conditioning Heating Refrigeration News, September 2003.

³ Making The Most Of New Construction, Air conditioning Heating Refrigeration News, September 2003.

WORKERS ARE FIGHTING AGAINST CHAS ROBERTS' EXPLOITATION.

In order to improve their situation, Chas workers are organizing into a union. The company is aggressively combating these workers. Workers suffer from frequent one-on-one meetings with managers and captive audience meetings. Chas hired the notorious union-busting law firm, Ryley Carlock & Applewhite. Ryley Carlock says they offer "union avoidance strategies." Workers call it union busting. In June 2005, Chas Roberts fired a union supporter who had recently stood up for his rights. And in September, about 120 workers at Chas' Litchfield yard (about two thirds of the workers there) engaged in a work stoppage in protest of the company's disrespect of the workers

and disregard for their concerns. The company fired over 40 of these workers. Workers are demanding that Chas stop trying to intimidate those who want a voice at work.

"Only united can we improve work conditions and settle problems at work. It is the only way to overcome the injustices that the company puts on us," said Chas Roberts worker Michael Castro.



IS CHAS' POOR WORKER TREATMENT ALSO BAD FOR HOMEOWNER QUALITY?

Do companies that shortchange workers treat their customers any better? Chas workers take pride in their work but they say that Chas' treatment of workers makes it hard for them to do their best work consistently. The company's productivity demands and "hurry up" attitude to workers create a frenzied atmosphere where workers are rushed and can lead to common construction errors. Workers say that unrealistic time and productivity pressures give workers less time than before to

complete a job and in the process can cause corners to be cut.

Some homeowners also feel shorted by Chas Roberts. Arizona Registrar of Contractors (ARC) standards require the unit be able to cool the structure at least 30 degrees below the outside temperature. But this doesn't always happen as the ARC found in a Phoenix case and issued Chas a Corrective Work Order to "determine cause and correct by the appropriate means."⁴

Another homeowner complaint over insufficient "walking and clearance [space] so units can be comfortably serviced and receive adequate air flow," led an ARC inspector to issue Chas a Corrective Work Order and state the installation done, "is not the standard for requirements in the industry and that clearances are insufficient for proper operation."⁵

The ARC has issued Chas several other Corrective Work Orders to fix workmanship quality problems. Among them were orders that Chas Roberts "install mechanical damper at fresh air intake...as per jobsite agreement,"⁶ "determine cause... air filter is not covering all the return air openings,"⁷ and "correct by appropriate means duct/register [noise] rattles."⁸

Homebuilders, suppliers and homebuyers can use their influence to help stop the abuse of workers. You can help by calling Chas at 602-943-7291 and saying you want your air conditioning contractor to treat workers and consumers fairly, obey the law and respect workers' rights to form a union.

***IS CHAS ROBERTS MAKING YOU
HOT UNDER THE COLLAR?
JOIN THE FIGHT FOR JUSTICE!***

⁴ Notice from the Registrar "Corrective Work Order," 9/19/2003 for Complaint 04-0394.

⁵ "Corrective Work Order," 12/17/2003 for Complaint 04-0996.

⁶ "Corrective Work Order," 11/3/2003 for Complaint M04-0598.

⁷ "Corrective Work Order," 4/13/2004 for Complaint 04-2879.

⁸ "Corrective Work Order," 7/9/2003 for Complaint 03-1913.

A BRIEF HISTORY OF SHEET METAL WORKERS 359 AND CHAS ROBERTS

- Chas Roberts was started in 1942 by founder Chas and Alice Roberts. The original business mainly consisted of selling home appliances, coolers, furnaces air conditioners and doing service work. In 1947, Chas Roberts joined the Sheet Metal and Air Conditioning Contractors' National Association (SMACNA), an international association of union contractors, thus agreeing to the standard union agreement. The son Chuck took over the business in the 1960s and began negotiating directly with Arizona statewide SMW Local 359.

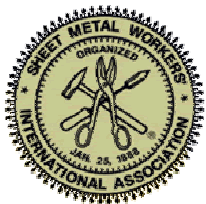


- Chas Roberts began to hire workers directly rather than through the union hiring hall and thus was able to dilute the unionized portion of the workforce through new hires and attrition, leaving fewer and fewer members.
- In 2004, Local 359 discovered that Chas Roberts had been violating the contract which SMW believed to still exist, so Local 359 filed grievances. Chas Roberts then suddenly announced a contract did not exist (despite the fact that for some favored workers it had been making payments which would have been illegal if a union contract was not in existence). During this period hundreds of workers at Chas Roberts signed union authorization cards. The company hired professional anti-union consultants and began an intensive propaganda and intimidation effort against the workers.
- The collective bargaining agreement in question expired in June 2004, and Chas refused to negotiate about a new one.
- Chas Roberts workers and SMW Local 359 are fighting for workers at Chas Roberts AC to regain their voice at work.

DYING FOR WORK?

Latino workers suffer disproportionately from job hazards. The rate of work-related fatalities among Latino workers is 25 percent higher than for workers overall, and foreign-born Latinos are more likely to die than Latinos born in the United States, according to the Bureau of Labor Statistics (BLS). Even though private-industry injury and illness rates overall dropped 35 percent between 1992 and 2001, fatalities among Latino workers in the United States increased by 67 percent in the same period and have dropped only slightly since then, according to BLS statistics from November 2003. Assistant Labor Secretary for Occupational Safety And Health John L. Henshaw said the "construction industry accounts for about 7 percent of all employment, but 20 percent of fatalities."S

SMWIA, the Sheet Metal Workers International Association represents 150,000 skilled craftspersons in the unionized sheet metal industry throughout the United States, Canada, and Puerto Rico.



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