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January 10, 2024

Via E-mail (asantucci@mcnesslaw.com) Adam L. Santucci McNees Wallace & Nurick LLC 100 Pine Street Harrisburg, PA 17108

## RE: UFCW Local 152 & Hanover Foods Corp. Grievance No. 2023VLE065 – January 3, 2024 Award of Arbitrator Buchheit

Dear Mr. Santucci:

As you know, this firm represents United Food & Commercial Workers Local 152 ("Local 152" or "Union") in the above-referenced matter. This letter is in response to your January 9, 2024 e-mail to the Union, in which you indicated that Hanover Foods Corp. ("Hanover" or "Company"), is "evaluating options . . . including a possible appeal" rather than immediately complying with Arbitrator Buchheit's January 3, 2024 Award ("Award").

The Company has had nearly a year to evaluate its options in this matter. Anything short of the Company's immediate compliance to the Award's mandates is in bad faith and an egregious assault on the Company's hardworking employees. The Company's continued conduct in this matter, including the implication that the Company may seek a frivolous action to vacate the Award, is patently shameful.

As you assuredly already know, a court's scope of review of an arbitration award "is narrow in the extreme." <u>Meat Cutters & Butcher Workmen Local 195 v. Cross Bros. Meat Packers, Inc.</u>, 518 F.2d 1113, 1121 (3d Cir. 1975). The court will not "review the merits of an arbitration award," <u>Steelworkers v. Enter. Wheel & Car Corp.</u>, 363 U.S. 593, 596 (1960), and "must affirm the award if the award 'can in any rational way be derived from the agreement,' and can only reverse if 'there is a manifest disregard of the agreement, totally unsupported by principles of contract construction[.]'" <u>Id.</u> (citing <u>Ludwig Honold Mfg. Co. v. Fletcher</u>, 405 F.2d 1123, 1128 (3d Cir. 1969)). Furthermore, a *court may award attorney's fees and costs* where a party's refusal to comply with an Award or efforts to vacate an award are without merit. <u>See Local Union No. 825</u> v. Key Contr., LLC, 2006 U.S. Dist. LEXIS 40313 at \*16 (D.N.J. Mar. 30, 2006) (citing <u>United</u> <u>Steelworkers of America v. Interpace Corp., Shenango China Div.</u>, 447 F. Supp. 387, 393 (W.D. Pa. 1978)); <u>Peco Foods, Inc. v. Retail, Wholesale, & Dep't Store Union, Midsouth Council</u>, 2018 U.S. Dist. LEXIS 24898 at \*10 (N.D. Ala. Feb. 15, 2018) (awarding \$22,430.50 in attorney's fees and costs).

The Company had its opportunity to litigate its position in arbitration, the parties' contractually agreed upon dispute resolution procedure. That position was overwhelmingly rejected by Arbitrator Buchheit in a well-reasoned Award sustaining the Union's grievances. The Company's dissatisfaction with this result is not a valid basis upon which to vacate the Award, and any attempt to vacate or refuse to comply with the Award will be futile, wholly without merit, and have no sound basis in law. The Union is simply insisting that the Company comply with its agreements and promises to its unionized workforce in Clayton, Delaware.

Should the Company take any action other than immediately complying with the Award and making the Union and bargaining unit whole pursuant to the terms of the Award, the Union will aggressively pursue all appropriate remedies, including but not limited to, seeking damages, costs, and all attorneys' fees.

Be guided accordingly.

Very Truly Yours,

## **O'BRIEN, BELLAND & BUSHINSKY, LLC**

<u>/s/ Mark E. Belland</u> Mark E. Belland, Esquire

Cc: Daniel Ross Jr., Executive Assistant to the President (via Email) Lisa Sanders, Recorder/Asst. Director of Collective Bargaining (via Email)