

FEATURE: The Future of the Hi-tech Union (Part 1)

By Paul Zakrzewski

In mid-November, 36 workers at [Etown.com](#) filed a petition requesting union representation. They set a vote to unionize for January 12. For a relatively small group, these customer service workers garnered quite a buzz, and with good reason. A successful vote would've made Etown.com the very first unionized dot-com.

Around the same time came word of a similar union drive at Amazon.com, a potentially much larger and more far-reaching action. company workers had been trying to organize a union vote for the 450 customer service reps at a Seattle distribution center -- and another 5,000 employees at eight such centers nationwide -- for at least a year, the drive only gained national buzz with events at Etown.

Now it looks as if neither drive is likely to succeed. On Wednesday, Etown.com shut down, laying off all 101 of its employees. Earlier, the company had laid off 22 percent of its staff, including 13 of the customer service workers who'd started the union drive. And though the company denied any connection between the layoffs and the union activity, activists weren't buying it. They filed a motion charging that Etown's managers helped to poison the atmosphere against a vote, and though the charge was eventually dropped, the union vote was effectively ended.

Over at Amazon, there's not much talk of a union drive these days either. Two weeks ago the company laid off 1,300 workers nationwide, including many of the activists within its Seattle distribution center. And in return for signing a severance agreement which included the by-now infamous "non-disparagement clause" -- the promise not to say or publish negative remarks about Amazon -- workers could receive an "enhanced" severance package, which included an additional 6-10 weeks of compensation and \$500.

Activists for the [Washington Alliance of Tech Workers](#) (WashTech), a Seattle-based local of the Communication Workers of America union that is helping to organize Amazon workers, say they have put its collective bargaining goals on the back burner while they help workers renegotiate the more restrictive aspects of the company's severance package.

And yet, with the temporary ending of two high-profile union drives -- and others in the offing -- it may be time to start asking some questions. Why are we seeing these high-profile cases emerging? Are they likely to continue? Finally, are we likely to see these sorts of battles pitched closer to home, here in the Alley?

Well, with the dot-com shakeout and the economy at large showing signs of a slowdown, some say traditional job concerns such as wages and security -- the staple of union organizing -- have become issues in the hi-tech world.

John Challenger, a leading employment analyst whose firm Challenger, Gray & Christmas regularly reports on dot-com personnel trends, thinks that recent unionization efforts reflect the mood of workers who've lost out on the dot-com dream.

"There's a feeling of powerlessness and anger at the incredible roller coaster these people have been on," said Challenger. "I think many people are upset about the recent layoffs and they want to find a way to hold onto their jobs. If you feel you have been working long hours at low pay primarily for stock options, and there's little hope they're worth much, there can be a great deal of anger."

For example, employees at Etown began their drive to unionize when they grew tired of extra responsibilities without pay, and lack of job security. Meanwhile, some of Amazon's customer service workers faced 70 hour work weeks, only to find they were asked to spend additional time in the company's distribution center.

"Many hi-tech companies say that tech workers don't need the same protection as traditional workers," said Gretchen Wilson, a WashTech spokesperson. "They say they don't need job security and the don't need overtime. Well, those things are fallacies. Workers realize that they're doing the same kinds of work in these new companies that were done in traditional outfits - and sometimes for far more hours - and that they're not getting the same representation they had at traditional companies."

While there's little doubt that dreams of IPO wealth and non-hierarchical workplaces have been replaced with the hard realities of the post-correction market, some critics wonder if unions can deliver what the hi-tech community needs. They say there's a big disconnect between the needs of traditional workers and those in hi-tech industries.

"It does strike me as a particularly futile effort at a time when these companies have little or no money to be unionizing now," says Challenger. "It might just be the stake that drives them in the heart."

The notion of a disconnect is one that union activists vehemently deny. "Anyone who thinks workers who don't have an interest in organizing new economy workers is perpetuating a myth," said WashTech's president Mike Blain.

"What hi-tech workers are finding is that a lot of the new economy companies are the same as old economy companies in how management deals with labor issues," Blain said. "When they take away the icing, such as stock options what people are left with are regular jobs, where they work long hours, have no job security, no voice on the job and little to no access of job training."

"There's nothing new economy about that," he added.

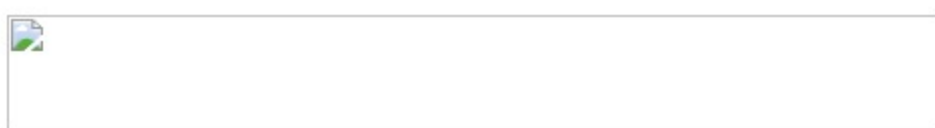
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