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FAO: Newsdesk

Victory for workers sacked by email

32 sacked Christian bookshop workers have finally won a substantial payout with the help of shopworkers' union Usdaw.

The workers were employed by the long-established SPCK chain of Christian bookshops until they were transferred to a charity called Saint Stephen the Great Charitable Trust (SSG) in November 2006, controlled by two American brothers, Mark and Philip Brewer.

The Brewers tried to force the staff to sign new contracts which gave them longer hours, fewer holidays and poorer pension rights.

Between February and June 2008 the 32 workers were sacked by the Brewer brothers, with many getting the news by email, breaking UK employment law.

Usdaw launched a legal fight to help the workers get justice and the money they were owed when they were sacked, lodging claims in the Employment Tribunal.

Heather Leather, one of the sacked workers, said:

“We were so pleased to have Usdaw behind us when all this happened. At the shop where I worked the staff had a total of more than 100 years' service between us. We simply didn't know what was happening when the Brewers started all this, and we never expected to be treated this way, when we had done nothing wrong. But Usdaw was behind us from the start and guided us round all the legal hurdles the Brewers tried to put in our way.”

John Hannett, Usdaw General Secretary, added:

“We are delighted that these long-serving and dedicated members have finally won the compensation they deserve. We believe they have been treated appallingly, with no regard for British law or for the loyalty of the staff.

“Usdaw's Legal Department has worked hard to ensure that justice was achieved for these workers. Because the case was so complex, affecting people in shops across the country, they

would never have been able to get such a great result without the backing of a union, and Usdaw is proud to have been able to help them.”

ENDS

Note to editors:

Time line

SPCK is a long-established British charity which had run a chain of Christian bookshops for many years. In 2006 SPCK gifted the bookshops to a newly-established British charity called Saint Stephen the Great Charitable Trust (SSGCT). Around 50 Usdaw members were affected by this transfer, with most of the staff working in bookshops located in cathedral cities.

SSGCT was run by two American brothers, Mark and Philip Brewer, who remained based in America. They regarded themselves as being of the Orthodox Christian tradition and quickly began to introduce substantial changes to the culture, religious and business ethos of the shops.

The staff were first informed that they had transferred to a charitable company set up by the Brewers, called Saint Stephen the Great LLC, although no company of that name is known to have been registered in Britain or to exist in America. Staff were told that they must sign a new contract with this company, or face dismissal. The contract appeared in many versions, but it increased the hours of the staff for no increase in pay, reduced their holidays and sick pay and removed part-time staff from the pension scheme and from any guaranteed minimum hours.

Between February and June 2008 staff in shops across England were dismissed by the Brewer brothers, many by email from America, and some receiving the news from colleagues.

In June 2008 remaining staff were told by fax and email that the company the Brewers claimed employed them, Saint Stephen the Great LLC, had filed for bankruptcy in Texas, and that they should contact the Texas Bankruptcy Court for any money they were owed. Usdaw made representations to the Texas Bankruptcy Court, arguing that the court had no jurisdiction to consider this matter, as it exclusively affected British workers and British bookshops (although Mark Brewer claimed that the staff had transferred to the ‘bankrupt’ company, while the charity kept control of the principal assets, the cathedral city properties).

Also in June 2008 the staff who had been employed up to that point were told, again by fax and email, that although they no longer worked for SSG LLC they could apply for jobs with another Brewer-controlled company called ENC Shop Management Ltd, which had now taken over the running of the bookshops.

Udaw submitted claims to Employment Tribunals around the country as members were dismissed and wages went unpaid, with the final total of Usdaw claimants reaching 32. All these claims were listed for hearing together in the Bury St Edmunds Employment Tribunal.

In September 2008 the US court-appointed Trustee in Bankruptcy confirmed Usdaw’s belief that the Texas Bankruptcy Court had no power to hear this ‘bankruptcy’ filing. He brought a motion to dismiss the proceedings, which was successful and the US judge also approved a ‘motion for sanctions’ against Mark Brewer (a qualified US attorney) for this false bankruptcy application, deciding that the application had been filed in bad faith and was a ‘fraud on the court’.

Later in September 2008, a Case Management Discussion was heard before a Judge in the Bury St Edmunds Employment Tribunal, to decide how to proceed with the many tribunal claims. The

Judge ruled that it was necessary to decide first who actually employed the claimants, as Usdaw had been obliged to bring proceedings against the charity and the two companies controlled by the Brewer brothers. Three Usdaw members were chosen as 'test cases' to decide this issue.

During the period from August 2008 to April 2009 Mark Brewer instructed two different firms of Solicitors to fight these cases, and claimed to be defending some of these claims in person. Many court deadlines were missed and, as the preliminary hearing scheduled for 11-13 May 2009 approached, Mark Brewer said he could not attend the Hearing and asked the Tribunal if he could give evidence from America. The request was refused after Usdaw made representations.

Because of concerns reported by Usdaw and many others, in April 2009 the Charity Commission stepped in and used its legal powers to appoint an Interim Manager for the charity Saint Stephen the Great Charitable Trust. With Usdaw's agreement the Hearing scheduled for 11 May was postponed at the last minute, to allow for settlement negotiations to get under way.

Usdaw continued discussions with the Solicitors appointed by the Interim Manager to secure the best possible outcome for all 32 members, and consulted with the members about the offer during July 2009.

All 32 finally confirmed that they were happy with the deal, as recommended by Usdaw. Under the agreement reached, each member will received the first instalment of at least 65% of their agreed amount by the end of August 2009, and the full amount within six months, depending on the sale of assets of the charity.

The individual figures agreed for each member are subject to a three-month confidentiality clause.

For more information please contact Cherry Hamilton – Usdaw media officer – on 0161 249 2469, 07919 227756 or at cherry.hamilton@usdaw.org.uk.