

TUC



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WHAT KIND OF COMPANY ARE YOU KEEPING?

A short guide to
Strategic Corporate Research

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This material can also be found in “Beating Global Capital: A Framework and Method for Union Strategic Corporate Research and Comprehensive Campaigns” in *Global Unions: Challenging Transnational Capital Through Cross-Border Campaigns*, edited by Kate Bronfenbrenner. Ithaca: Cornell University Press. 2007, pp. 16–39.

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CONTENTS

ACKNOWLEDGEMENTS	2
INTRODUCTION	4
GETTING STARTED – KNOW YOURSELF	5
Union power	5
Figure 1: Sources of union power	7
Figure 2: What you need to know about the company	9
KEY RESEARCH AREAS	10
1. Getting down to basics	10
2. Products/services: what does the company do?	11
3. Facilities and property	13
4. Workforce	15
5. Financial information	16
6. Company history and strategy	21
7. Corporate strategy/key operational relationships	23
8. Management	24
9. Shareholders	25
10. Board of directors	28
11. Lenders	31
12. Parent company	33
13. Subsidiaries	34
14. Industry	35
15. Competitors	36
16. Raw materials and suppliers	36
17. Transportation/ distribution/ dissemination	37
18. Utilities	37
19. Customers/clients	37
20. Health and safety	37
21. The environment	38
22. Regulatory oversight and compliance	39
23. Community	41
24. Political activity	43
CONCLUSION	44
Building the company or sector picture	44
Figure 3	45
APPENDIX 1: Survey form	46
APPENDIX 2: Website resources	50

This guide is intended to help union activists and organisers understand the key elements of strategic company research and how to use of them in their organising campaigns.

The TUC has developed a short course Researching Companies, which supports this guide and is essential to fully understanding the role of strategic corporate research in union organising campaigns, whether in unionised companies or 'green-field' sites. One of the main objectives of this guide, and the course, is to get researchers, union organisers and activists working together in an organising campaign.

The guide and short course are designed to give union officers and researchers, local union organisers and reps basic information to enable them to develop union responses to the increasingly complex economic environment within which unions are organising and conducting collective bargaining. The role of research at all levels of the union structure is vital to developing effective union responses and activities in today's economic context.

Why is a strategic approach to researching a target company necessary?

Unions in the UK and around the world are struggling to survive in the face of the globalisation of firms. Firms are no longer bound by national boundaries but have worldwide operations and are ready to move their investment to exploit cheap markets and undefended workers. Transnational companies are able to pit workers against one another across national boundaries. If unions have any hope of remaining a source of strength for working people and their families the union movement must find new approaches, strategies and tactics that respond effectively to the changes in global capital.

Such an approach means that to be successful unions need to gain a comprehensive understanding of the firm and the industry in which they are campaigning. Unions need to get to know the employer's weaknesses and strengths and where to apply the right kind of leverage to make them crack.

Union power

The main emphasis of this guidance is on getting to know the strengths and weaknesses of the company or sector you want the union to organise in. But before starting your organising campaign it is vital that you know your union's own strengths and weaknesses and what its resources are so that the right pressures and sufficient resources can be applied during a recognition campaign. Such an analysis provides the union with an important assessment of its workplace, company and industry strengths as well as giving an opportunity to identify other allies that the union can approach to ensure the success of its campaign. Such an analysis during the research process will provide the union with a valuable assessment of its ability to succeed in the campaign.

There are some key areas you should know about:

- the density of union membership in the target sector or company
- how union meetings reflect the kinds of people in the areas the union represents or wants to represent
- opportunities for members to get involved in union activity
- training or development programmes available to help members get more involved in the union and help others
- the type of training that officers and committee members receive, how and when this happens and who delivers this
- what collective activity is going on, such as leafleting, surveys, safety campaigns, union button/badge days etc.

Appendix 1 to this document also has an example of a survey form of the kind you might use to record your analysis of union power in the workplace.

Having assessed the nature of the union membership in the target company, or sector, you should now know not only where the union is strong and well organised but also where the union is weakest, able to anticipate potential failures and bring in the appropriate resources to support particular sections of workers. As you put your campaign into action you will need to adapt your plan as it develops and the situation changes. It will also enable you to implement improvement plans, for example information and training, to ensure that the campaign will have sufficient support and reliable resources when needed.

Other things to consider in terms of the union power analysis include:

- union density in the target company nationally and internationally
- union density in the industry or sector.

Understanding where the union density or strengths are will help in deciding whether to approach the campaign on a sectoral basis, a company-wide basis or workplace by workplace.

It is not all about the target company or sector. You also need to find out the union density in customer and supplier organisations as these could be prevailed on to intervene during the campaign to bring influence to bear on the target company. A supply company which has good industrial relations and works well with the unions, or a good public image, may not want their products associated with a firm where there are industrial problems.

Businesses are also aware of public opinion and you need to assess to what extent the union is capable of getting involved with the local community or the public at national level and exert influence that way.

Alliances

Alliances could be important in your campaign. People and organisations can offer you resources or extra support, particularly at the start of a campaign.

Ask yourself the following:

- Q** *Who are current allies, why are they allies and what do allies stand for?*
- Q** *Are the values of allies contrary to the values of the union? The union may work with an ally in a certain arena but is that alliance useful or a draw-back during a recognition campaign?*
- Q** *Are all parties to alliances clear about the purposes of such alliances?*
- Q** *Does the national union have a collective bargaining calendar/database?*

One useful tool for assessing union capacity is David Weil's Strategic Choice Assessment Tool – see www.scatsurvey.co.uk for more details.

Figure 1 on page 7 shows in graphic form the three areas where you should be looking to assess union power – industry, company and the workplace – and the key elements that comprise your power, which sometimes are common to all three areas.

Figure 1: Sources of union power

WORKPLACE	COMPANY			INDUSTRY		
Membership participation in the union	Membership participation in organising and wider campaigns	Company density		Customer and supplier density		Sector/industry density
	Extent of organising activity and success					
Quality and representativeness of union leadership	Local union	National union	TUC	Company councils	Industry councils	Global union federations
	Membership participation in political activity around labour issues					
Quality and extent of membership education, and reps development programs	Quality, extent and enforcement of local agreements	Quality, extent and enforcement of agreements companywide		Existence, quality, extent and enforcement of sector agreements		
	Quality and extent of union community and political alliances					

Getting to know the target company or industrial sector

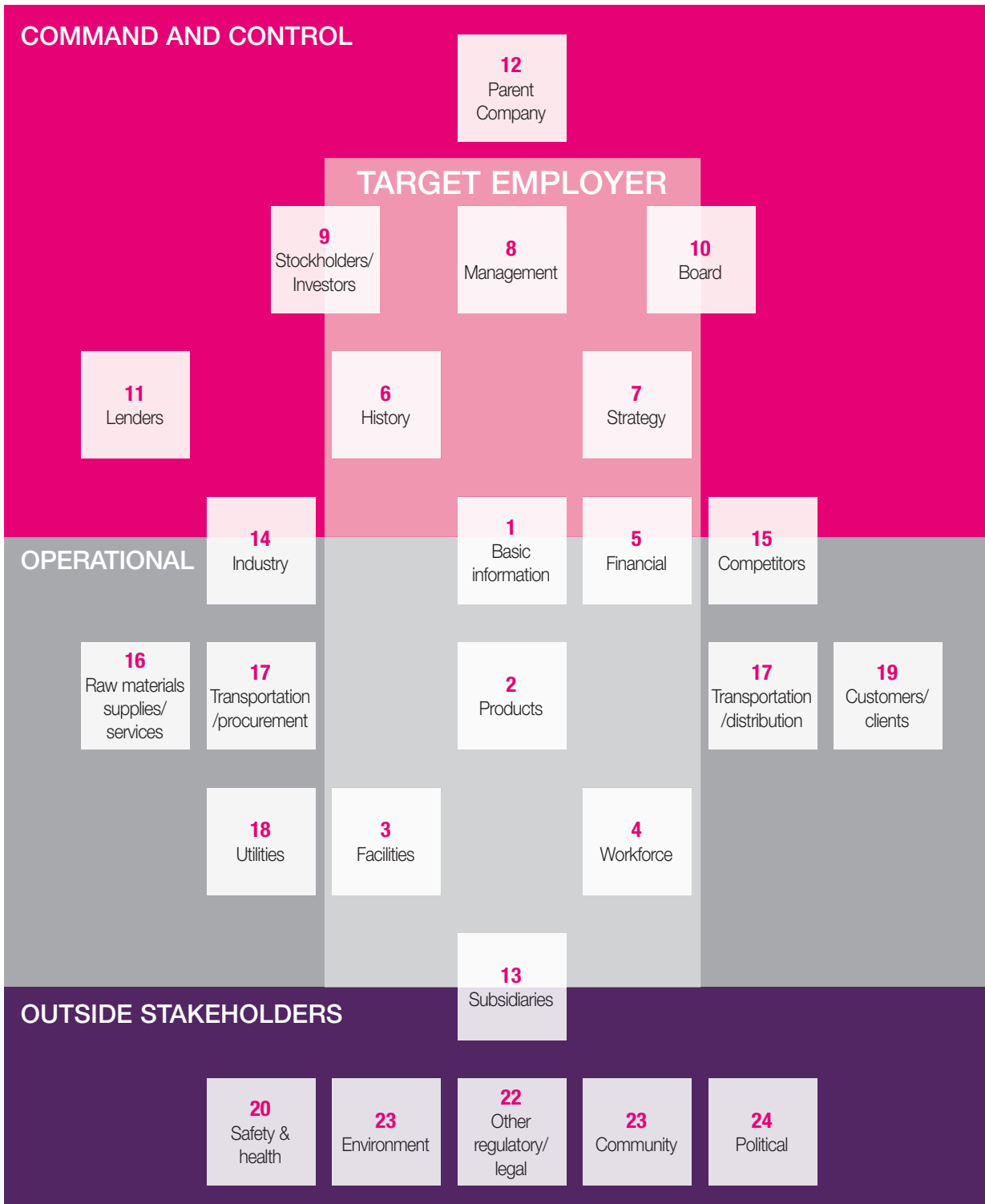
In order to get a comprehensive picture of your company it is important to be systematic and have an ordered way to collect your information. The outline of a company profile given in Figure 2 on page 9 will help you gather your information in a structured way.

The diagram is divided into three broad, overlapping areas – command and control, operational and outside stakeholders.

Within the three broad areas there are 24 key elements in this structure. While you may not have to collect information in every topic – this will depend on the nature of the campaign you are conducting – you should consider each area to see if it could be relevant.

Don't let the diagram daunt you but these are the 24 key areas that we think you should be considering when developing a picture of the company or industry sector that you are going to campaign in either for organising or for recognition. Some of these areas can be dealt with very quickly, while others may need a little more development depending on the information they provoke. The important thing is that you give consideration to each of them.

Figure 2: What you need to know about the company



Developed by Tom Juravich with design assistance by Fred Zinn and Art Torres

1. Getting down to basics

There is some basic information you need to obtain before moving on to a more in depth examination of your target.

These may seem obvious but ask these basic questions so that you and your team are clear what it is you are dealing with –

Q *Is the employer in the private sector or public (i.e. governmental) sector?*

It could be a private company mainly or wholly operating in the public sector.

Q *If private sector, is the company for profit or not-for-profit?*

This may reflect the ethos of the company and how it likes to be viewed by its customers and the public generally. Would it harm the company image to be seen to be anti-union/anti-workforce?

Q *Is the company publicly traded or privately held?*

If it's in the hands of private individuals the pressures that the union can bring to bear may be different. In private hands financial resources may be limited but the owners may be more likely to quit the business than recognise the union, with a subsequent loss of jobs and the union looking bad. A public company is responsible to its shareholders with whom the union could be corresponding as part of the campaign. Union members could become shareholders and gain access to shareholder meetings. And remember some of the largest companies are still privately owned. Size is not a guide – find out!

Q *If publicly traded, on what stock exchange(s) does it trade?*

What is its ticker symbol? The ticker symbol is how it's identified on the exchange, a bit like a licence number. A company may be listed on a number of exchanges, particularly if it operates in a number of industrial sectors, and therefore be subject to different pressures according to those exchanges – for instance the retail element may be more fragile than on the exchange where the company deals in fuel futures.

Q *Is the company an ultimate parent, or is it a subsidiary of another company?*

The parent company might be organised or might be subject to financial pressures which could affect the subsidiary.

Q *Is the ultimate parent company UK or foreign-based?*

This will help you decide where the real decisions are made and whether you need to make alliances with unions outside the UK, perhaps working through the overseas works council.

Q *What is the basic contact information for the company (address, phone, fax, URL, etc)?*

Communication in any campaign is vital.

2. Products/services: what does the company do?

This is about getting to know what the company actually does. What may sometimes seem to be a straightforward structure may develop into a more complex one. If the company is a bakery, for example, it may also be a supplier. What sort of bread products does it make? Where do they supply those particular products?

- Q** *Does the company make a product, provide a service or both?*
- Q** *What is/are the main product(s) or service(s)? This is identifying the essential elements of the company and peripheral products*
- Q** *How much of the company's overall business is accounted for by the main product or service?*
- Q** *If the company has several operations (products/services), what proportion of turnover does each account for?*
- Q** *In what industry or sector does the company operate?*

You may want to find out more about the sector in which the company operates, for instance:

- Q** *How does that industry/sector operate? Is it growing or shrinking? Are there major industry-wide changes afoot?*

If the sector is growing then the union might be able to assist with changes because of its connections to other parts of the industry. The organiser, with the information supplied by the researcher, always needs to be looking for the opportunity to increase the influence of the union. The mere fact that the union can intervene to assist the employer in a particular sector of their business could advance the union's cause. This is why it is important to understand where the union's strengths are and, more importantly, how to use them.

- Q** *What is/are the company's primary industry classification?*

This designation in the UK is known as the Standard Industrial Classification (SIC) and in the US as North American Industry Classification System (NAICS). This indicates in which sector of industry, e.g. construction or retail, the company primarily operates. With this reference you can compare how the company is doing against the rest of the sector in areas such as health and safety.

- Q** *How is the company performing? Is the company gaining or losing market share in relation to its competitors?*
- Q** *What are the major trade associations for the industrial sector(s) to which the company belongs? Is the company a member of any of these associations? Your union could have a relationship or be in regular contact with one or more of these associations, which could be used during a campaign.*

- Q** *Who are the top companies in the relevant sector or industry? (i.e., who are the company's main competitors?). Your union may have recognition in one or more of those companies.*
- Q** *Is the company branded? What are its brands? Certain brands promote particular values to the public or business clients, such as environmental friendliness or reliability. Your campaign might be able to influence that brand image.*

Suggested sources:

- Datamonitor www.datamonitor.com/store/?tab=1 Euromonitor www.euromonitor.com/ and similar bodies, often do a good job at summarising the various operations of a company in lay language, as well as identifying significant competitors.
- News sources, through LexisNexis www.lexisnexis.co.uk or any of the other avenues described above, can help you develop your narrative of what a company does and provide context regarding how it is situated in its industry. Do not forget newspapers which may have carried news about your target company or sector in a wider context than simply financial, for instance social responsibility initiatives.
- Limiting a news search (e.g. by geography, industry or dates) may be helpful.
- Company website or annual reports. Again, keep in mind that a company may not provide the complete story on its website or in its annual reports.
- Thomas Register www.thomasregister.com provides the brand names registered for a company in the US.
- In the UK, the SIC code numbers can be searched on the Office of National Statistics website www.statistics.gov.uk/methods_quality/SIC/ Knowing the SICs can be very helpful.
- In the US, the NAICS provides code numbers for each industry. A great site to look up NAICS codes, or to get the name of the industry if you have a NACIS (or SIC number), is www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2007.
- Knowing the industry codes can be useful in making sure you are not looking at a different company with the same name, for doing more general research on the company's industry and identifying the company's competitors.
- Analyst reports (if a public company) can be very helpful for identifying a company's key operations as well as contextualising a company within its industry. Occasionally these can be found for free from the analyst directly, but more often you have to pay for them – and they are expensive. Before requesting an analyst report, consult with your manager or the budget holder – and maybe a National Officer – to determine costs and necessity.
- People who work in finance often have instant, free access to such reports. It is worth cultivating a relationship with such a person, even if he/she may not be a natural ally. Use Google to identify industry-specific portals available in the UK and for Europe. Try 'industry portal' or 'industry hub'.

- Try the CBI website www.cbi.org.uk or the Trade Association Forum www.taforum.org for UK industry associations. The Trade Association Forum also has a supplier directory which can be particularly useful for tracing suppliers for your company. It has a helpful facility which allows you to search by area or postcode.
- Try the UNICE website www.unice.org for European Union industry associations. Its links pages list source European sectoral associations that may have further useful links via their websites.
- For US connections to your company the Industry Portal www.virtualpet.com/industry/mfg/mfg.htm is a good starting point to search for trade journals, industry associations and the like. You can also find industry associations through the Virtual Community of Associations www.vcanet.org and the American Society of Association Executives www.asaenet.org.
- If the parent company or other subsidiaries are in the US remember publicly-traded firms must disclose a great deal of information about their products and services on their Form 10-K, submitted annually to the Securities and Exchange Commission (SEC). On the web the best free site to get 10Ks is from the SEC's EDGAR database at www.sec.gov/edgar/searchedgar/companysearch.html for most firms reports are available back to 1993.

3. Facilities and property

Q *Where does the company have facilities, locations and operations?*

For each property or facility find out: the relevant contact information (address, phone, fax, etc.); its monetary value; what sort of facility (manufacturing, distribution, sales, headquarters, etc.) it is; who owns or leases it and how long the company has operated there; whether any public money has gone toward the purchase or construction (you might be able to exploit local authority or government connections).

You might be able to use a public money connection in getting public opinion, either locally or nationally, behind your campaign or identifying any other intentions the company may have for the future of the property in which the local community might be interested.

Remember it's not always the headquarters which will be the target for your campaign or you may want to improve the union position at a particular plant but you might have more leverage by going through another part of the company.

Public money

Once you have a list of facilities, see if the company has used public money to buy or build on any of these properties.

Involvement of public financing can be useful as queries can be made about the nature of the contract. Information on public money used for construction of facilities or enterprise grants is often available in newspaper articles, or from the relevant Regional Development Agency. Starting points for information could be the Department for Business Enterprise and Regulatory Reform (formerly the DTI) www.berr.gov.uk, Business Link www.businesslink.gov.uk and the Regional Development Agencies (of which there are nine in England).

If it is a public company in the USA, the 10-K is essential (see previous page). This can be found through L/N Free Edgar, or, often, the company's website. Companies are required to list the locations of their facilities and operations, though the level of disclosure can be minimal (for instance, they may simply list cities – or even regions – where facilities exist). Nevertheless, this can provide a good starting point for further research.

Attachments to a company's 10-K can yield information about property owned by a company but leased to outside entities. Similarly, attachments to the 10-Ks of other companies can provide this information if the target company has not disclosed it.

The AFL-CIO's Unicore database at www.aflcio.org lists all facilities owned by a company or facilities where a company operates.

Suggested sources:

- Company website – many companies will list their various facilities as well as the contact information for each. To ensure that nothing slips through the cracks, it is important to search not only on the company name (and all permutations), but all subsidiary names as well. Searching on the headquarters address can also lead you to other facilities.
- Check the press, particularly the local papers. Press accounts often contain information about changes (sales, expansions, upgrades, etc.) at a company's facilities. Since these are often primarily of local interest, you may want to limit your news search geographically once you have located a particular facility.
- The local authority's planning department may yield detailed information about a facility, including floor plans, a history of construction and uses, and any planned or pending construction. Most planning applications are now accessible via the internet – this includes both current and historical applications.
- Where possible make a personal trip to the facility. This will give you a better sense of its structure and layout, as well as its accessibility. You will be able to see if any construction is ongoing, or if, for instance, there is a 'for sale' sign in front of the property.

- Find out where it is on the map. Knowing where the company and its possible subsidiary companies are will also help with planning visits or where you want to campaign at more than one location. How you, branch officers and activists get around during the campaign could be important. Long unplanned journeys or early morning and late nights, when the local transport may not be very efficient, are important considerations when trying to get maximum turn-out.

4. Workforce

Q *How many workers does the company employ?*

- How are these workers divided...by facility...by department/operation/job classification...by gender, age, ethnic group, nationality, etc
- Are there noticeable trends in employment (e.g. growing/shrinking workforce)?
- Are any of the company's workers unionised?
Does this vary (e.g. by facility, division, job classification, etc.)?
What unions represent workers?
What is the history of unionisation?
Have there been recognition ballots? What were the results?

Q *What are working conditions like?*

- How much do workers make in wage and/or salary?
- Do workers get benefits (e.g. pension, holiday, etc.)?
- Are there any significant workplace issues of concern?
- How do these conditions compare to industry and/or regional standards?

Q *Does the company employ its workers directly or use intermediaries (temp services, contractors, etc.)? The use of temporary and agency staff will, of course, completely alter the nature of your campaign.*

Suggested sources:

- The company website will sometimes provide employment information, especially if they are using the site to advertise job openings.
- Workers at the company are always the best experts on all such information, both quantitative and qualitative. In addition to providing information about the workforce itself (and how it is structured), workers often have access to key employment-related documents, such as employee handbooks, descriptions of additional benefits and other such documents. Workers can also alert you to any ongoing employment problems at the company.

- Third-party information sources will sometimes provide employment numbers. Occasionally, these sources will list numbers for each facility in separate documents; it is therefore a good idea to search on each address linked to the company. These sources often provide your best information on private employers.
- Health and Safety Executive reports www.hse.gov.uk will often indicate whether or not a facility is unionised. You may also find this information using the Labour Research Department's (LRD) Payline database www.lrd.org.uk/payline.php3?pagid=18 or WorkSmarts 'Union Finder' www.worksmart.org.uk/unionfinder/
- Try utilising the Information and Consultation regulations to gather information. Guides on using the regulations are available from the TUC.

5. Financial information

It is well beyond the scope of this manual to explain all of the financial information that could be available about a company. In fact, for an initial company profile, answering all the questions below may be unnecessary. If you are able to, however, it is incredibly valuable to have an understanding of these financial factors. If the quantitative elements escape you, try to ensure that you at least have, and can communicate, a broad understanding of how your company is faring financially. Discuss with colleagues any questions you have in interpreting financial information. The more you deal with this information, the greater your understanding and fluency will be.

Here are three key financial questions that you should ask about your target company:

- What are the annual sales of the company? What is its cash flow based on these sales? What is its net profit/loss (i.e., bottom line)? How has this changed over time?
- How do different parts of the company fit together to provide the big picture (e.g. sales by product, profit by product, sales by region, profit by region, etc.)?
- Are there key parts of the company that account for a disproportionate amount of either profit or loss?

To help you answer these questions there are three main financial statements relevant to any company, which will provide you with the basic financial knowledge you need to have about a company's performance.

The three financial statements

Balance sheet

In financial accounting, a balance sheet or statement of financial position is a summary of a person's or organisation's balances. Assets, liabilities and ownership equity are listed as of a specific date, such as the end of its financial year. A balance sheet is often described as a snapshot of a company's financial condition.

Income statement

An income statement, also called a profit and loss statement (P&L), is a financial statement for companies that indicates how Revenue (money received from the sale of products and services before expenses are taken out, also known as the “top line”) is transformed into net income (the result after all revenues and expenses have been accounted for, also known as the “bottom line”). The purpose of the income statement is to show managers and investors whether the company made or lost money during the period being reported.

The important thing to remember about an income statement is that it represents a period of time. This contrasts to the balance sheet, which represents a single moment in time.

Cash flow

The money coming into the business is called cash inflow, and money going out from the business is called cash outflow. The cash flow statement shows how changes in balance sheet and income accounts affect cash and cash equivalents and breaks the analysis down to operating, investing, and financing activities. As an analytical tool, the statement of cash flows is useful in determining the short-term viability of a company, particularly its ability to pay bills. This information may be crucial in an organising campaign.

Armed with these three key important pieces of information you can assess if there is anything happening with the company that will impact on its financial status (e.g. bankruptcy, acquisition, regulatory action, changes in consumer trends, etc.) or what further information you need to find.

Other financial terms you need to know

There are a number of other terms you need to understand to ensure you get a good picture of the company’s strengths and weaknesses. These will pop up regularly when you are studying a firm’s financial record.

Equity

The term equity is generally used when referring to the equity (surplus or profit) available from an asset (buildings, machinery, etc.) In simple terms equity is the amount of money tied up in an asset. Most of us experience this in terms of the value of our house on the market. What’s left when we sell the house and pay off the mortgage is the equity. For a company this could be what is left after settling its debts if it were to sell off its offices, machinery, its rolling stock or the value of its shares, for example. This is why it is important to find out if a company has any equity or would be totally in debt after selling its assets.

Find out about the company's share price. Remember, its shares are an asset.

Q *How has the share price changed over time (past six months, past five years, etc.)?*

Q *How does it compare to its peers (other companies in the same line of business)?*

Stocks and shares

Stock is ownership in a company. Investors buy stock, or a portion of the company, in the form of shares. Shares represent a portion of a company's assets and earnings (capital). As a stockholder, the extent of your ownership (your stake) in a company depends on the number of shares you own in relation to the total number of shares available.

Stocks in publicly traded companies are bought and sold at a stock market (also known as a stock exchange), for example, the London Stock Exchange.

You can buy a share in a stock when a company first decides to trade itself on the stock market – that is, at flotation or privatisation; or you can buy through the stock market once the shares are in circulation and being traded.

To buy or sell a stock you go to a stockbroker who does business with the stock exchange on your behalf.

Once you have bought your shares your broker can hold them electronically in a nominee account on your behalf, or you can hold them as paper certificates.

When you have bought or sold the shares, your transaction is usually completed (or settled) electronically through a service known as CREST. This system links banks, stockbrokers and company registrars together.

Company market capitalisation

Market capitalisation represents the public consensus on the value of a company's equity. Market capitalisation is the share price multiplied by the number of shares in issue, providing a total value for the company's shares and thus for the company as a whole.

Investment analysts

Investment analysts track stock, rate companies (e.g. sell, buy, hold, etc.) and assess and evaluate the company

Financial analysts

Financial analysts assessment the viability, stability and profitability of a business, sub-business or project.

They are professionals who prepare reports using ratios that make use of information taken from financial statements and other reports. These financial analysis reports are usually presented to top management and can be used in making business decisions.

An analyst will write reports on the companies they are supposed to cover, trying to describe the businesses and their opinion of the company's investment potential. They also summarise that report with a rating, such as "buy", "sell", "market perform", "overweight", "hold", etc.

The analysts get their information by studying public records of the company and by participating in public conference calls where they can ask direct questions to the management.

Getting hold of a copy of a financial analyst's report could save you time and money in doing the research yourself.

Why should you know all this financial jargon?

When you understand how financially viable a company is you could use this information in your organising campaign. You could also buy shares to gain access to the company shareholders meetings. Shareholder meetings are where the company directors report back on, and are questioned about, the company's performance. This can give you an excellent opportunity to bring your arguments to the key people in any company and to other shareholders.

For example, the Unite campaign Every Worker Counts calls on Tesco to prevent the meat industry from exploiting agency workers. By taking up share ownership Unite brought its message to the Tesco shareholders AGM. For more see www.tgwu.org.uk A similar campaign is running against Rio Tinto Zinc by the International Federation of Chemical Energy, Mine and General Workers' Union (ICEM). See www.icem.org/en/22-Western-Europe/997-Rio-Tinto-Tainted-Titan

Lenders and debt

Q *Does the company have publicly traded debt?*

Publicly traded debt is when companies raise money from a number of sources: common equity, preferred equity, straight debt, convertible debt, exchangeable debt, warrants, options, pension liabilities, executive stock options, governmental subsidies, and so on. The weighted average cost of capital (WACC) is the rate that a company is expected to pay to finance its assets. WACC is the minimum return that a company must earn on existing asset base to satisfy its creditors, owners, and other providers of capital. This is an excellent indicator of how well the company is doing – with the income that it makes can the company pay its creditors and meet its overall operational costs?

Who are the major shareholders? If they are institutional fund managers, do they also manage any union staff pension schemes or local government pension funds? Are those schemes invested in that company? The union may have a bigger stake in the target company than you think!

Find out whether the company has relationships with any banks. A company does not have to be in financial difficulties to need a line of credit. Credit with a bank helps companies to buy what they need to produce or deliver goods or services before being paid by their clients. Understanding a company's credit standing will help you to assess their financial viability. Undermining a company's credit standing could be part of a campaign, although you should be aware of the implications for members or the people you are trying to organise.

Some companies receive private funding. Developing a relationship with the private lender may affect their willingness to continue funding the target company.

It would also be useful to find out whether the company lends to other organisations to understand how vulnerable the company might be if it was not able to recover that debt.

Suggested sources:

- The company's annual report and accounts is going to be your best source of reliable financial numbers. This is usually available online for larger companies. The report and accounts will contain (among much additional financial data) the three key financial statements mentioned above. It is probably not necessary to reprint these tables in their entirety, but it will probably be useful to excerpt key lines to create abbreviated versions.
- The accounts will also contain a discussion of any factors that could have a material impact on operations – this might include employment practices and/or industrial relations.
- The company's website may contain financial information, but it should be taken with a large grain of salt.
- The company's website may have an investor relations section. Here you can often find share price data, as well as information on analysts who track the company. Sometimes the analysts' reports are available as well.
- A good website for gathering information on companies' shares is Yahoo Finance <http://uk.finance.yahoo.com> It allows you not only to get current share prices and examine trading volume, etc. but also to tailor your request by including benchmarks, and setting a time period.

- www.standardsetter.de/drsc/news/news_eng.php?list_id=1&language=English has very useful governmental and institutional links as starting points for searches on German parent companies and also has links to key financial standards bodies and economic websites of a number of other countries, including Japan, Portugal, Canada and Australia.
- Look at a company's Proxy Statement. This is a document sent to shareholders of a company. It contains proposals to be voted upon by shareholders. It also contains useful information about compensation of corporate officers and ownership of stock and stock options by company officers and directors.
- For foreign companies, you may need to first locate the stock exchange on which the company trades, and also convert the currency into pounds. You can often find the annual reports of foreign companies at Carol www.carol.co.uk. A good site for currency conversion is the Universal Currency Converter www.xe.net/ucc/.
- Investment analysts often provide the most useful information on understanding a company's financial picture, but such reports can be expensive. Generally, these reports will not only give you basic quantitative information, but will also provide an analysis of company operations and predictions for future performance (both operational and on the stock market). You will often find analysts quoted in the press (both popular and trade); such quotes will lack some detailed information, but can often give you a broad sense of company performance.
- If the company has lines of credit with banks, such agreements should be found among the attachments to the company's report and accounts.
- Information on lenders can also be found at FISONline www.fisonline.com.

6. Company history and strategy

It is important to know how a company came into being as this will reveal how cohesive its structures are and why the relationships between the various parts of the company exist.

Find out the key events in the company's history:

- Q *Has the company been involved in any mergers, acquisitions or spin-offs?*
- Q *Have the business operations of the company changed over time? How?*
- Q *Has the size of the company changed over time? How?*
- Q *What are the major issues facing the company currently?*
 - Are the issues facing the company the same as those facing its entire industry, or are they particular to this company?
- Q *What is the company's strategy for the future?*
 - Is the company content with the status quo, or does it plan any changes?
 - Is the company looking at growth? If so, is it internal (i.e. expansion of existing products/services) or external (i.e. through mergers and/or acquisitions), or both?

Suggested sources:

- Third-party sources such as Datamonitor at www.datamonitor.com or websites such as www.hoovers.co.uk, <http://uk.finance.yahoo.com/> or www.dnb.com often do a good job at summarising a company's history and its key events in lay language. These sources will also frequently provide highlights of key issues facing a company at the moment as well as its announced plans for the future. These sources often provide a SWOT analysis of a company.
- News sources (through L/N or any of the other avenues described in key area 3 above) can help you develop your narrative of a company history.
- The trade press will usually go much deeper than the popular press at pressing a company both on the challenges it faces and also on its future strategy. Additionally, overall industry trends and changes can provide insights into your target company.
- The Economist Intelligence Unit can be useful.
- The FT is also an indispensable tool for gathering information on corporate executives and company history www.ft.com.
- Many companies on their website provide a glossed-over and self-aggrandising account of their own histories. While they may not provide the whole story, basic dates can often give you hints for searches elsewhere. Some companies will even be very direct on their site in communicating their 'vision' or 'mission statement' for moving forward.
- If the target is a public company, investor and/or analyst conference calls and presentations offer useful information about topical issues of concern. Visit the company's website ('investor relations' section). You also can log on to these conference calls via the web or through a standard phone.
- Government filings will not provide any narrative account of changes to a company, but tracking the various documents filed by your company over time will give solid information about changes to the company's structure. You will be able to see when and how a company was founded and if any amendments to a company's charter or ownership have been filed. Use information both in the public domain and available via the Freedom of Information Act, etc.
- Company literature and staff briefings for employees on a company's future plans and strategies are also useful sources of information.

7. Corporate strategy/key operational relationships

- Q** *Who are the company's main customers or clients?*
- If other businesses, who are they? Are there some especially key ones? Are they focused in a single industry segment?
 - If the public, is there a demographic profile of the customers? Key markets? Target groups? Key geographic markets where the company's clients/customers are located? What is the union's strength in those areas.
- Q** *What are key features of a contract or agreement between the company and its clients/customers?*
- Q** *Who are the ultimate end-users of the product or service? Often this can be different from the company's direct client/customer – there may be a middle company that puts the product on the market.*
- Q** *Who are the company's main suppliers?*
- Does the company depend on a few key suppliers or does it have many small suppliers?
 - What are key features of a contract or agreement between the company and its suppliers?
- Q** *Does the company have any joint ventures or alliances?*
- Who are the company's joint venture or alliance partners? Are these partners competitors in other respects?
- Q** *Who else does the company have a contractual relationship with (e.g. landlords, tenants, developers, ad agencies, technology companies, law firms, distributors, utilities, etc.)?*
- What are the key elements of those contracts?

As well as getting a grasp on company history, *it is imperative to understand where the company is heading*. Understanding where a company is moving strategically, rather than simply knowing the areas where they have concentrated activity in the past, is critical.

Suggested sources:

- Companies will often announce business relationships on their website press information pages, PR Newswire or on Business Wire (both of which can be found within Factiva, for example).
- Find out if there are any key industry or trade publications. Such publications can often give insight into the balance of power between a company and its suppliers, customers and the public. While these publications can sometimes be found on the web, on EBSCO or on L/N, they are often proprietary and hard to find in full-text form, requiring a trip to a public or academic library.

- Industry associations or trade groups often track changes or developments within the industry that would impact power dynamics among the various players up and down the chain.
- Workers are often the most valuable sources of information for discovering and understanding a company's key relationships.
- Devising a survey can often yield valuable information.

8. Management

Q *What are the names and titles of top management?*

- ... of the ultimate parent company?
- ... of the particular division, subsidiary or operation on which you are focused?

Q *What is the recent history of company management?*

- Have there been any recent changes?
- If so, do they reflect a handing-down of control to a loyal insider, or do they reflect a management shake-up?

For each individual identified above (management *and* directors):

- provide a brief biographical sketch, including age, work history (within and outside of the company), educational history, awards won, professional associations, church/community/civic associations or memberships
- note the compensation received from all forms, including salary, bonus, stock options, etc. Is this in line with compensation received by someone in a similar position at a similar company?
- list any other companies or organisations with which the person has an association, including other companies' Boards on which the person sits
- note the extent of any ownership interest in the company. Has this changed recently through insider share sales or purchases?
- note any other newsworthy information about any individual.

Suggested sources:

- The company's Proxy Statement is the best place to start for basic information on executives and directors. You will usually find the person's age, history with the company, professional history prior to joining the company, any other Boards on which the person sits, and any related party transactions. The Proxy will also detail Board terms, composition of Board committees, compensation for Board members, and compensation for the top five executives.

- For US parent companies, review the list of attachments to the company's 10-K filing. Contracts between the company and top executives are often accessible, and may detail specific roles and responsibilities, including otherwise hidden perquisites (perks), such as golden parachutes.
- The company's website may provide biographical information on key figures.
- For privately held companies, try to access information with public authorities, government departments and regulatory bodies via the FOIA. The information will not be nearly as detailed, but should provide the names and positions for top management.
- Search on trade association websites, in the industry publications and industry events – there are often bibliographies available if they are keynote speakers or personal profile articles.
- US websites to gather information on individuals include Know-X www.knowx.com, Search Systems www.searchsystems.net, Edgar People edgar-online.com/people/, Bigfoot www.bigfoot.com, Corporate Library www.thecorporatelibrary.com and WhoWhere www.whowhere.com. If you are searching on those in the legal profession, you can search Martindale-Hubbell www.martindale.com.
- Use the TUC website which has information and links on directors pay.
- For the US, try the AFL-CIO's Executive Pay Watch site www.aflcio.org/corporatewatch/paywatch/ contains information on executive compensation for many companies. You can also search for this data at eComp www.ecomponline.com.

NB: When searching on individuals, use caution to ensure that you have identified the correct person. Pay particular attention to ensure that you do not have a false positive. This is less likely to be a factor when you are dealing with an uncommon name. When dealing with common names (e.g. John Smith), you will have to narrow your search as much as possible; even then you still may not be able to confirm the information.

9. Shareholders

List the top ten shareholders, along with the percentage of shares owned.

Q *Are there other shareholders who provide special points of leverage (i.e. unions, other employers)?*

List shareholdings of top management and Board members.

For privately held companies

The term privately held company refers to the ownership of a business in two different ways: firstly a general catch-all reference to ownership by non-governmental organisations, such as in the privatisation of public utilities; and secondly to ownership of the company's stock by a relatively small number of holders who do not trade the stock publicly on the stock market. Less ambiguous terms for a privately held company are unquoted company and unlisted company.

Though less visible than their publicly traded counterparts, private companies have a major importance in the world's economy. In 2005, the 339 private companies in the US sold a trillion dollars' worth of goods and services and employed 4 million people. In the previous year, the Forbes' count of privately held U.S. businesses with at least \$1 billion in revenue was 305. Among the largest privately held companies are PricewaterhouseCoopers, Mars, IKEA and Bosch.

Private companies may be called corporations, limited companies, limited liability companies, or other names, depending on where and how they are organised. In the United States, but not generally in the United Kingdom, the term is also extended to partnerships, sole proprietorships or business trusts. Each of these categories may have additional requirements and restrictions that may impact reporting requirements, income tax liabilities, governmental obligations, employee relations, marketing opportunities, and other business decisions.

In many countries, there are forms of organisation which are restricted to and are commonly used by private companies, for example the private company limited by shares in the United Kingdom (abbreviated *Ltd*) and the proprietary limited company (abbreviated *Pty Ltd*) in Australia.

You will need to be aware of these different terms for a private company during your research.

Privately held companies generally have fewer or lesser reporting requirements for transparency, via annual reports, etc. than do publicly traded companies. For example, in the United States, unlike in Europe, private companies are not generally required to publish their financial statements. In Australia, Part 2E of the Corporations Act 2001 requires that public companies file certain documents relating to their annual general meeting with the Australian Securities and Investment Commission, while there is no similar requirement for private companies.

So for a private company you will need to find out:

- Q *Who are the major investors and how much interest does each of them have in the company?*
- Q *Where does their money come from?*
- Q *How are the investors connected with each other and company management?*
- Q *What other kinds of companies/industries are the major investors involved in?*
- Q *How important is this investment to the major investors (how likely and how quickly are they to try to sell it off)?*

For non-profit organisations

A non-profit organisation (abbreviated NPO, also not-for-profit) is any organisation that does not aim to make a profit, and which is not a public body.

Whereas for-profit corporations exist to earn and distribute taxable business earnings to shareholders, the non-profit corporation exists solely to provide programs and services that are of public benefit. Often these programs and services are not otherwise provided by local or central government bodies.

In England and Wales charities are registered with the Charity Commission if they meet certain criteria. In Scotland, the Office of the Scottish Charity Regulator serves the same function. A company limited by guarantee may be incorporated with charitable objects that prohibit the distribution of profits to members and also prohibit its officers earning more than money's worth for work done. Other organisations that are classified as non-profit organisations elsewhere, such as trade unions, are subject to separate regulations, and are not regarded as "charities" in the technical sense.

A good question to ask of non-profit bodies is who are its most important donors and how much have they contributed?

Suggested sources:

- Comprehensive lists of shareholders can be found through various third-party information sources. These are typically paid-for services. Most will require that you spend some time familiarising yourself with how they work before you will be fluent in their use.
- Both Citywatch www.citywatch.co.uk/online/scripts/default_login.asp and Nominus at www.bvdep.com/en/nominus.html enable you to access the shareholder register of UK-listed companies. This enables you to identify both fund managers with significant holdings in particular companies, and the larger pension fund clients of those fund managers, which also hold shares.

- A number of companies provide some shareholder-related information on their corporate websites. This will usually be found in the 'Investors' or 'Investor Relations' section of the company website. The information provided might include the top five or ten shareholders in the company, and some of the investment analysts who track the company. The latter information can be very useful if you are seeking to raise issues with investors that they may not yet have recognised. A small number of companies also report if they are included in socially responsible investment indices such as FTSE4Good at www.ftse.com/Indices/FTSE4Good_Index_Series/index.jsp
- Finding ownership information on private companies can be quite difficult but if the company has any significant regulatory oversight, or has applied for any governmental licenses, ownership information may be disclosed in these areas.
- If a company has received any public (i.e. central or local government) financing, such documents may be filed with the relevant Secretary of State and may contain ownership information.
- News accounts should always be searched to supplement any hard-and-fast quantitative information gleaned through the above sources. For public companies, a press account may provide more current information than filings that may be out of date. For private companies, press accounts – especially in the trade or business press – may provide the best (even only) clues to a company's ownership.
- For European owned companies see Company Annual Reports On Line (CAROL) at www.carol.co.uk. However, in most cases, to obtain investor information on privately held firms requires getting Dun and Bradstreet reports (for high fees) through Hoovers, Knowx, or direct from Dun and Bradstreet.
- For information on major donors for US non-profits the best source are IRS 990 forms found on Guidestar, available on the web at www.guidestar.org

10. Board of directors

A board of directors is a body of elected or appointed persons who jointly oversee the activities of a company or organisation. The body sometimes has a different name, such as board of trustees, board of governors, board of managers, or executive board. It is often simply referred to as "the board."

Typical duties of boards of directors include:

- governing the organisation by establishing broad policies and objectives
- selecting, appointing, supporting and reviewing the performance of the chief executive
- ensuring the availability of adequate financial resources
- approving annual budgets
- accounting to the stakeholders for the organisation's performance.

Theoretically, the control of a company is divided between two bodies: the board of directors, and the shareholders in a general meeting. In practice, the amount of power exercised by the board varies with the type of company. In small private companies, the directors and the shareholders will normally be the same people, and thus there is no real division of power. In large public companies, the board tends to exercise more of a supervisory role, and individual responsibility and management tends to be delegated downward to individual professional executive directors (such as a finance director or a marketing director) who deal with particular areas of the company's affairs.

So you need to find out:

Q *Who are the members of the board of directors?*

- On what committees within the Board do they serve?
- How long do Board members serve, and when does the term expire for each?

Q *Are there any red flags (things to note or 'flag-up') on the composition of the Board?*

- How many of the directors are considered 'independent?' Can any such independent status be questioned?
- Do (did) 'independent' directors have any business dealings with the company, either as an individual or through their outside business?
- Do any executives on the Board serve on key committees, such as quangos?
- Is the Board staggered, or do all directors face election at the same time?
- Are there any other corporate governance issues to be raised?
- For non-profit companies which directors, if any, have been major donors to that organisation and how much have they contributed?

For each individual identified above:

- Provide a brief biographical sketch, including age, work history (within and outside of the company), educational history, awards won, professional associations, outside interests or memberships.
- Note the compensation received from all forms, including salary, bonus, share options, etc. Is this in line with compensation received by someone in a similar position at a similar company?
- Are there any potential conflicts of interest (e.g. related party transactions, etc.)?
- List any other companies or organisations with which the person has an association, including other companies' Boards on which the person sits.
- Note the extent of any ownership interest in the company. Has this changed recently through insider stock sales or purchases?
- Note any other newsworthy information about any individual.

Suggested sources:

- For listed companies visit the section for investors on the company's website. This will normally be titled Investors or Investor Relations. Within this section you may be able to access basic information on executives and directors.
- Also within the Investors section of the website you will be able to access the current and past Annual Report and Accounts the company has produced. In addition to financial information this will include details of the governance of the company (membership of board committees etc.) and comprehensive details of the executive remuneration arrangements.
- Further information may be available from corporate governance advisory services such as PIRC www.pirc.co.uk, Manifest www.manifest.co.uk, MIS www.ivis.co.uk and RREV www.rrev.co.uk. These organisations will sometimes put out public statements about the governance arrangements at particular companies ahead of a company's AGM.
- News on corporate governance at various companies can also be found on the Corporate Governance website www.corpgov.net although this has a US focus.
- The TUC website now also includes information on directors pay and pensions for many companies www.worksmart.org.uk/company
- For privately held companies, try to access information with public authorities, government departments and regulatory bodies via the FOIA. The information will not be nearly as detailed, but should provide the names and positions for top management.
- Various third-party entities provide biographical information on key executives and directors.
- News accounts (L/N) can provide information that is relevant but unrelated to the individual's relation to the company. Such non-company relationships are often among the most useful to understand.
- Web searches are not often the most fruitful method, but when you do get a positive hit, you may be surprised by the wealth of personal information available. Personal web pages and sites like Friendster www.friendster.com and Friends Reunited www.friendsreunited.co.uk may yield detailed insight into an individual's personality.
- Industry *Who's Who* directories can provide information on key personnel within companies and the industry.
- Search on trade association websites, in the industry publications and industry events – there are often bibliographies available if they are keynote speakers or personal profile articles.
- Search for bibliographies of key personnel on L/N.
- Information on management gathered via workers or 'found' documents.

NB: When searching on individuals, use caution to ensure that you have identified the correct person. Pay particular attention to ensure that you do not have a false positive. This is less likely to be a factor when you are dealing with an uncommon name. When dealing with common names (e.g. John Smith), you will have to narrow your search as much as possible; even then you still may not be able to confirm the information.

11. Lenders

Companies seek to borrow funds from banks, business angels or government agencies as part of their normal business practice. As indicated above seeking a loan or credit line does not mean there are financial problems with the company. However, any organisation making such a loan will want to know that the company is 'good for it'. As has been seen in the recent financial problems arising during 2008/9, a lot is dependent on trust and reputation.

Poor management skills are the reason 80 per cent of owner-managed firms go to the wall.

Before they will lend money, lenders also want to see:

- a good track record
- the expertise and skills to adapt to changing financial and economic circumstances
- a good product or a quality service
- good financial controls
- ideally, growth prospects
- the ability to repay the money.

The business plan

All lenders will want to see a business plan. Among other things, this will explain why the company needs the money, and how much for how long. Develop and use insider contacts to secure a copy of the business plan. Some companies will publish their business plan but assess whether this is one for public consumption or whether there might be another, more 'realistic' plan.

Both the business plan and the cash flow forecast need to be realistic. Lenders are sceptical of over-optimistic forecasts. Do you have contacts in the firm of accountants that prepared the cash-flow forecasts that you can use to get this information?

If an accountant has prepared the cash flow forecast, lenders know the figures will add up. However, they will want to know that the Board, the CEO and senior management have a real understanding of the rationale behind the figures.

Many business plans fail to impress lenders because they fail to consider all eventualities or come up with alternative strategies should problems arise. Like possible lenders, as an organiser you need to be aware of how realistic the firm is being.

One good reason for knowing the target company's suppliers and customers is that lenders will worry about over-reliance on too few suppliers and/or customers. This is often a major problem for small businesses. This is where a late payment of a big invoice could destroy the company cash flow. And a key customer going bust is often fatal. Does the company business plan take into account this scenario and the steps to be taken to rectify it?

Banks and other lenders will have a number of elements they will be looking at. These also form a good basis for an organiser's assessment of the viability of the company. You are looking for that CAMPARI moment:

Character – does the firm give the impression that it will make their plans a reality?

Ability – do you and your people have the right skills and experience?

Means – what are the business's assets and the owner's personal assets?

Purpose – what is the purpose of the loan? Is it for a sensible cash-generating plan or simply to pay debts?

Amount – is the amount being asked for sufficient and what funds are being made available by the company to reduce the lender's risk?

Repayment – there needs to be a realistic cash flow forecast in order to justify the projected repayment scheme.

Insurance – lenders are wary of under-insured businesses. An uninsured loss could ruin the firm. An organiser needs to find out if the company is properly insured not only to find out if the employer is cutting corners, and therefore could be vulnerable, but there may also be serious problems for workers in the firm if it goes under.

Where possible, the first thing to do is list major lenders and amount of loans.

Suggested sources

In these days of leveraged buy-outs, lenders often end up becoming major players in corporate operations.

For the UK, start your search with the following:

- company annual reports
- the company website, particularly the press section, which may have announcements on investments
- a search of the newspapers, particularly the financial press including the FT. Even if the company does not announce borrowing publicly, its lenders may do.
- Companies House: information on mortgage charges and mortgage statements have to be filed there.
- the Financial Services Authority www.fsa.gov.uk
- industry analysts
- trade publications
- LexisNexis
- www.moneyfacts.co.uk has a section for businesses with latest news, articles and search tools

For US parent companies or subsidiaries, the best information on lenders is available from Mergents on Line at www.mergentonline.com or Thomson Research at <http://research.thomsonib.com>

12. Parent company

- Q *Is the company a parent or a subsidiary company?*
- Q *Is the parent UK or foreign-owned?*

If a publicly-traded company

- Q *What is the share symbol (ticker)? On what exchange does it trade?*
- Q *Are there different classes of stock? If so, do they confer different ownership rights?*
- Q *How many shares are outstanding? Have there been changes to this over time (e.g. through additional public offerings or buybacks)?*
- Q *Who are the largest shareholders (top ten, top twenty, etc.)? What percentage of the shares do they own (individually and collectively)?*
- Q *Are any direct shareholders, union pension funds or local government pension funds?*

If a privately held company

- Q *Does the parent company have any other subsidiaries?*

See what kind of trading condition they are in as this could have an effect on the holding company. You would need to do a similar search to get information about such companies as you would do for your target company.

If a not-for-profit organisation

- Q *Who are the most significant donors? How much do they contribute?*

Suggested sources

- Information on the company structure can usually be found within the company website. If the company is a consumer-facing business, like a supermarket chain, they will usually have a corporate website entirely separate from the main site aimed at customers. If you have accessed the consumer site, look for links to the 'Group' or 'Company' website, or 'Investors' or 'Investor Relations'.
- Within the main company website you can usually find information about the company and its component businesses. In addition you will be able to access the company's Annual Report and Accounts. This will typically review the operations of different businesses within the group.
- The 'Investors' or 'Investor Relations' section of the site should also provide information on the exchanges on which the company's shares are traded (i.e. is it listed on the UK stock market?).
- As detailed earlier, information on UK-listed companies' shareholders can be accessed through databases such as Citywatch
www.citywatch.co.uk/online/scripts/default_login.asp and Nominus
www.nominus.bvdep.com.

- Finding ownership information on private companies can be quite difficult but if the company has any significant regulatory oversight, or has applied for any governmental licenses, ownership information may be disclosed in these areas.
- News accounts should always be searched to supplement any hard-and-fast quantitative information gleaned through the above sources. For public companies, a press account may provide more current information than filings that may be out of date.
- For private companies, press accounts – especially in the trade or business press – may provide the best (even only) clues to a company's ownership.
- For publicly traded companies, stock is typically issued by the parent company and consequently financial information is available on that parent company.
- For publicly traded firms in the US, information on parent firms is available from the Form 10-K. On the web get 10Ks from the SEC's EDGAR database at www.sec.gov/edgar/searchedgar/companysearch.html or use Mergent on Line at www.mergentonline.com/, or Thomson Research <http://research.thomsonib.com>
- For privately held firms, and to gather additional information, check out Yahoo Finance at <http://finance.yahoo.com>, Hoovers at www.hoovers.com, Corporate Information at <http://corporateinformation.com>, Business.com at www.business.com, and LexisNexis at www.nexis.com.

13. Subsidiaries

Q *Does the company have any licensing or franchise agreements?*

- If so, who owns the brand and who is the licensee/franchisee?
- How is bargaining power divided between the company and its licensing/franchise partner?
- What are key features of a contract or agreement between the company and its licensing/franchise partner?

Q *If your target is the parent company, does it have subsidiaries?*

- If so, what are these companies?
- Where are they located? What is their business?
- Are any of the subsidiaries already unionised?

Suggested sources

- Annual reports often state main subsidiaries.
- Company websites often have links to subsidiaries.
- For non-US firms, you can look at Kompass at www.kompass.com.
- For privately-held firms and to gather additional information, check out Yahoo Finance at <http://finance.yahoo.com> or Hoovers at www.hoovers.co.uk/ or LexisNexis at www.lexisnexis.co.uk. Corporate Information at <http://corporateinformation.com> is particularly good for foreign companies.
- Contact national union federations and the relevant national unions to assist with information gathering on subsidiaries.

14. Industry

- Q** *What is the core industry? See SIC Code (key area number 2 above: 'Products/services: what does the company do?').*
- Q** *What are the names of the industry publications?*
- Q** *What are the current trends in the industry?*

Suggested sources:

- It is important to analyse an individual employer in the context of the larger industry that they are part of. The SIC code/s that you identified in key area 2 will be very helpful here.
- Many employers, however, do not fall into these major industries, and you'll have to pursue a number of strategies to gather information. One important way is to identify industry publications. It is amazing how many industries have magazines, newspapers, or newsletters, which often contain a great deal of information about the industry. While you're looking for industry publications, you can also search for stories in the business press about that industry.
- A more powerful tool is L/N www.lexisnexis.co.uk. In the 'news' category, in addition to looking in the 'general news,' look at 'wires' and 'transcripts.' Under the 'business' section, look at 'business news.'
- On the web start with Yahoo Finance at <http://uk.finance.yahoo.com>
- Try the CBI website www.cbi.org.uk or the Trade Association Forum www.taforum.org for UK industry associations.
- Try www.businessupdated.com for an initial European Business Guide.
- Try the UNICE website www.unice.org and the European Sectoral Associations.
- Datamonitor at www.datamonitor.com/home and other third party entities provide industry reports, which are national, regional and global.

- Industry Portal at www.virtualpet.com/industry/mfg/mfg.htm provides easy web-links for industry information, including trade journals, industry associations, and industry websites for both the U.S. and other countries.
- Also look at Standard and Poor's Market Insight at <http://mi.compustat.com/cgi-mi-auth/mihome.cgi?tab=company>.

15. Competitors

- Q *To what degree are other employers true competitors? Do they actually supply the same product or service?*
- Q *What are the percentages of the industry that your target firm and each of its major competitors control?*
- Q *Is one of these firms emerging as a leader? Why?*

Suggested sources:

- In addition to understanding the larger industry, it is important to understand key industry players, particularly those that compete directly with your target employer. Remember that some companies will have multiple SIC codes and therefore you may have competitors across several industries.
- Proxy Statements often identify 'peer groups,' which are often the firm's major competitors.
- Industry reports (see key area 14 'Industry' above) may allow you to compare the activities of your target employer and its competitors.
- You may also want to conduct basic research (see key areas 1-8 above) on each of the competitors to get a better handle on their operations.
- Hoovers at www.hoovers.co.uk and other third party entities also list competitors for many publicly held companies.

16. Raw materials and suppliers

- Q *Who are the major suppliers?*
- Q *Are multiple suppliers used or do single suppliers provide products/services?*

17. Transportation/ distribution/ dissemination

- Q *How do supplies, products, services, or clients leave the facilities?*
- Q *Are any of these forms of transportation/distribution/dissemination unionised?*

18. Utilities

- Q *List the primary utilities utilised (electricity, gas, water, telephone, etc.).*
- Q *List the firms that provide utilities.*
- Q *Are any of the providers unionised?*

19. Customers/clients

- Q *Who are the principal customers or clients? Provide demographics.*
 - If individuals, then provide as much information as possible about top customers/clients or demographics of key customers/clients.
 - If other firms, list percentages.

Suggested sources for key areas 16–19:

Comprehensive information on raw materials/suppliers, transportation, utilities, and customers is difficult to find online.

- Annual reports available from the company web page may provide important information.
- Industry analysts may be a good source of information.
- Industry reports, newspapers and trade publications may also provide some information, but clearly the best source of information is the workers.

20. Health and safety

- Q *Has the company had any health and safety offences and penalties?*
 - When? Where? What was the violation? What action was taken?
- Q *Are there any patterns in the company's safety and health record?*
- Q *Are particular facilities, jobs, etc. especially dangerous?*
- Q *Has the company had any environmental problems?*
 - Are there any patterns to these environmental problems?

Suggested sources

- The Health and Safety Executive www.hse.gov.uk maintains a website which includes searchable databases on prosecutions and notices which can act as a starting point.
- Search L/N and the press.
- As a starting point for information relating to parent companies or other subsidiaries try the European Agency for Safety and Health at Work (OSHA) website www.osha.europa.eu. It provides links to all the national health and safety agencies for EU members, Iceland, Switzerland, Norway, Bulgaria, Romania and Turkey. In addition, it has useful international links including the national agencies for Korea, USA, Japan, Australia, and Canada.
- Workers can be a rich source of internal health and safety information. Look for 'found' documents such as internal health and safety bulletins or memos, health and safety meeting minutes, company guidelines or training on health and safety. The Environment Agency www.environment-agency.gov.uk should be your first port of call to access information under the Environment Information Regulations. Its website also offers access to industry sectors, which can assist in honing in on relevant areas to cross-reference for your particular industry or company profile.
- It may be helpful to call the relevant office of organisations such as Friends of the Earth www.foe.org.uk and Greenpeace www.greenpeace.org.uk, among others.
- It may be helpful to check on the websites of international organisations such the World Health Organisation www.who.org or the International Commission on Occupational Health www.icohweb.org.

Remember, health and safety is an organising issue. There may be something in the company's health and safety record, or from the information you are getting back from the workers, that you can use as part of the campaign. For further guidance around health and safety as an organising issue go to the TUC organising web page www.tuc.org.uk/organisation/tuc-15307-f0.cfm

21. The environment

List any environmental problems or actions taken.

Q *Do any patterns emerge in terms of these events?*

List any environmental organisations that have been monitoring or taking action against the company. Find out more about them.

Suggested sources

- Serious environmental accidents are also news.
- Use L/N.
- Search newspapers on the web.
- The Environment Agency www.environment-agency.gov.uk should be your first port of call to access information under the Environment Information Regulations. Its website also offers access to industry sectors, which can assist in honing in on relevant areas to cross-reference for your particular industry or company profile.
- Contact local environmental health departments.
- Cross-reference information is available from suggested sources in key area 22 'Regulatory oversight and compliance' below, where environmental problems or actions may be exposed or required.
- It may be helpful to call the relevant office of organisations such as Friends of the Earth www.foe.org.uk and Greenpeace www.greenpeace.org.uk, among others.
- www.peopleandplanet.net provides a global review and internet gateway into the issues of population, health, consumption and the environment.
- Try searching the European Commission website www.ec.europa.eu for information and links on European Environmental Regulations and national environment agency links.

22. Regulatory oversight and compliance

Q *What regulatory bodies have oversight of the company?*

- Are there reporting requirements to these bodies?
- What sort of enforcement authority do these bodies have?
- Have any such bodies taken action against the company?

Q *Does the company have any tax liability?*

Q *Has the company had any employment problems?*

- Any allegations or charges of discrimination (e.g. age, disability, gender, race, nationality, immigration status, sexual orientation, etc.)?

Q *Is the company involved in any lawsuits or other legal action?*

- Who has sued whom? In what court/jurisdiction? On what basis?
- Are these civil or criminal actions?
- What is the current status of any litigation?

Q *Is there any pattern to a company's litigation?*

Q *Has the company been involved in a bankruptcy filing?*

Q *Have there been any employment tribunal cases brought against the company?*

- If so, what kind of violation has been alleged?
- Did the ET rule against the company?

Suggested sources

Regulation to which your company is subject will vary dramatically depending on many factors, including industry and geography. Before you can search for any regulatory action on your company, you must understand the relevant regulatory schema. This will probably apply to the industry overall.

Industry press and trade associations are key for gaining a full understanding of the industry, including any relevant regulatory entities.

Once you determine the appropriate regulatory body and jurisdiction, review that entity's website to understand its authority. Approach and interview someone at the agency to get a basic understanding of how it functions.

- The place to search for information on the UK's National Minimum Wage is www.hmrc.gov.uk/nmw/. The role of HM Revenue & Customs is to enforce the National Minimum Wage and to respond to all complaints made about employers suspected of not paying it. They have a confidential helpline and a network of 16 teams of National Minimum Wage Compliance Officers.
- The Equality and Human Rights Commission is the statutory body dealing with equalities issues.
- Other regulatory agencies to try include the Food Standards Agency www.fsa.gov.uk which is a useful starting point for information on local authorities and companies associated with the food industries, including the Local Authority Audit Scheme and information of food enforcement activities which are required under EU Regulations.
- Other local regulatory agencies may provide oversight in certain areas (e.g. alcohol and entertainment licenses, gaming licenses, health inspections, etc.).
- News stories will often detail accounts of any serious regulatory violation, including all of the above. The benefit of news sources often lies in the lay language in which the incident(s) will be described.
- Court records may provide a wealth of non-public information on a company, its structure, finances, operations, business practices, and key personnel. An individual or a company engaged in litigation against your company may be willing to talk openly with you.
- You can search L/N for UK, US and European court cases. By familiarising yourself with the L/N files, you can limit your search in many ways. Check if L/N includes the full text of the case.
- Use LawLinks www.library.kent.ac.uk/library/lawlinks/resources.
- Contact your union's solicitors firm/s for advice and guidance on searching for legal-related information and potential public authority sources of legal information via FOIA requests.
- L/N provides information on Employment Tribunals Cases.

- Employment Appeal Tribunal decisions can be easily searched visit www.employmentappeals.gov.uk/judgments/judgments.htm
- Court of appeal decisions can be found at www.bailii.org/ew/cases/EWCA/Civ/
- Search through the Employment Tribunals online service www.employmenttribunals.gov.uk and a visit to the local Employment Tribunal Office is often useful for sourcing information.
- News stories will often detail accounts of any significant litigation. The benefit of news sources often lies in the lay language in which the litigation will be described.
- To commence a search on national employment or regulatory frameworks in other European countries, the Federation of European Employers website www.fedee.com is a very valuable source.
- In the US the Excluded Parties Listing Service <https://www.epls.gov> allows you to check whether a company has been barred from government contracts.
- Tax liens filed against the company (or its principals) can be found on L/N (ALLJGT). This file also includes private (civil) legal judgments, so make sure you understand the document in front of you. If it is a tax lien, you will see the amount of the lien and the relevant jurisdiction. Be sure to check to see if the lien was subsequently removed.
- The 10-K of a public company will also disclose its annual tax payments in the financial tables. Remember that in the US, a company must disclose in its 10-K filing any litigation that could have a material impact on the company.
- US Court records can be searched through internet sources such as Find Law www.findlaw.com, Court Link www.courtlink.com, Pacer www.pacer.psc.uscourts.gov or West Law www.westlaw.com. Several of these sources have fees attached.

23. Community

- Q** *What are any major issues facing the communities in which the company operates?*
 - Are there existing community organisations working on these problems?
 - Does the company factor into any of these issues?
- Q** *How are the company's relations with the communities where it operates?*
 - Is the company (or its principals) involved in local civic, church, governmental, charitable or other organisations?
 - Are any community organisations already engaged with the company over the issues important to these organisations?
- Q** *What is the labour landscape like in the communities in which the company operates?*
 - What are the major unions/ community organisations operating in the area?
 - What are relations like between these unions and the company?
- Q** *Where in the company's broadest universe are groups of organised workers?*
 - Are workers organised at any of the company's suppliers, customers, partners, etc.?

Suggested sources

- Press accounts are usually the best source of information on issues of importance to the community. Though LexisNexis www.lexisnexis.com contains documents from many newspapers and sources, it is far from comprehensive. Familiarise yourself with the relevant newspaper(s) and publications in the relevant community. Most of these newspapers/ publications will have a web presence, and many will have searchable archives. Do not limit your searches to the company's name, as it is possible that the issues do not directly involve the company, or that the company has not (yet) been connected to the issue.
- The most common sorts of organisations with which unions make common cause in a campaign include environmental groups, religious groups, anti-poverty groups, good government watchdog groups, and groups for the historically marginalised and/or disenfranchised (women's groups, LGBT [lesbian, gay, bisexual, transgender] groups, ethnic groups, immigrant groups, etc.). Find out if any such groups exist in the relevant community. Do not limit yourself to such groups, as allies can be found in all stripes.
- Companies are usually effective at self-promotion; if they have been active in any community or civic organisation or if they have made charitable contributions, it is likely that they proudly flaunt such activity. As such activity is rarely documented in any systematic way, web searches and news accounts are likely to be the best way to uncover information. In some circumstances, companies will have a section of their website dedicated to Corporate Social Responsibility and within this you may be able to locate organisations or contributions. In addition, some companies also promote such activities in their annual reports for shareholders, it is always worth checking.
- Workers can provide excellent information — both from the perspective of a company insider and from the perspective of a community member on the ground.
- There are several web sources for finding unions active in a given industry or geographical area in the UK and Europe, including the Trades Union Congress www.tuc.org.uk, the European Trade Union Confederation www.etuc.org, the European Trade Union Institute www.etui-rehs.org and the UK's Department for Work and Pensions www.dwp.gov.uk and the European Trade Union Institute's Labour Line www.labourline.org
- Consult with your union's International Department or official with international responsibilities. They will already have established networks of contacts in unions and institutions outside the UK.
- For information on unions outside of the UK and Europe, use Global Unions www.global-unions.org, Cyber Picket Line www.cf.ac.uk/socsi/union/ or Wikipedia http://en.wikipedia.org/wiki/List_of_trade_unions.

- Also see the World Confederation of Labour www.cmt-wcl.org and the International Confederation of Free Trade Unions www.icftu.org. For U.S based unions see the American Federation of Labor – Congress of Industrial Organisations www.afl-cio.org.

24. Political activity

- Q *What are the company's relationships to elected officials at a local, regional and national level?*
- Q *What contributions have the company (and key personnel) made to political candidates and parties?*
- Q *Does the company have a dedicated department or consultant for parliamentary affairs?*
 - Is the company active in industry-wide or other MP all-party groups?
- Q *Do any top management or board members hold political, quango or other public positions?*
- Q *Has the company given evidence at Standing or Select Committees?*

Suggested sources

- The Electoral Commission for information on party funding and registration www.electoralcommission.org.uk
- The House of Commons Register of Members' Interests www.parliament.uk/about_commons/register_of_members__interests
- The SOSIG information gateway provides a useful starting point for searches www.sosig.ac.uk/roads/subject-listing/World-cat/poluk
- The websites of political parties.
- Local and national literature produced by the political parties may provide information on positions held, sponsorship or activities by key personnel or companies.
- Searches on the website of all public bodies should reveal who holds public positions within them.
- News sources may provide information on the political activities of companies and key individuals.
- Check the websites and contacts in NGOs and pressure organisations who may be tracking the political activities of companies and/or their key personnel.
- Check out the websites www.politicalresources.net/ and www.politicalresources.com

Building the company or sector picture

By going through the 24 areas above you have built a comprehensive picture of your target company or industrial sector and the relationships it has with others.

The way you store this information is very important as it has to be easily accessible and easy to understand. Talk to your union research people and your admin. support staff about how this might be done.

The TUC's Information Services www.tuc.org.uk/the_tuc/about_information.cfm staff are also available with advice on storing and retrieving information and may be able to help you with your searches. Good record keeping is essential if you want to use this information to build your strategy and identify particular tactics.

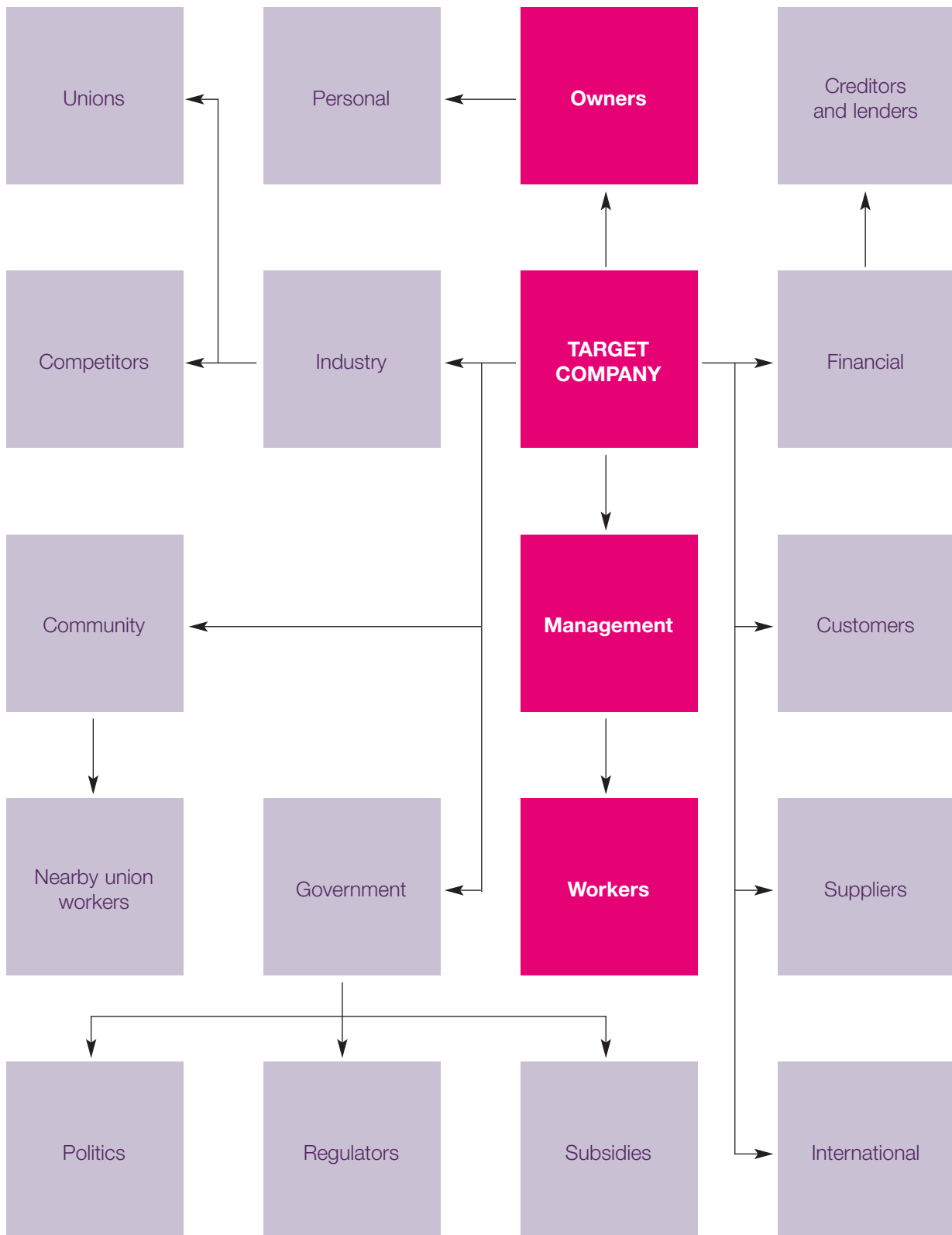
It may be useful though to summarise your findings in a simple diagram or chart which you can pass on to others. It can act as a guide to your more comprehensive record files. An 'at a glance' chart of the relationships around your target company could look like Figure 3 on page 45.

A structure such as this shows the relationship between those who have contact with the company and on whom the company may be dependent. A crucial element in your campaign will be influencing those relationships.

The TUC have developed a Strategic Company Research course to support this guide and the fuller *Researching Companies*. Don't forget to check the TUC website's organising and recruitment pages at www.tuc.org.uk/organisation/index.cfm for dates and further information.

Now you have one of the crucial tools for building your campaign – an understanding of your target company. So all you have to do now is ...get out there and organise!

Figure 3



You may wish to use this survey form to record your workplace sources of union power

Membership participation in the union

1. Are union reps attending the employer's workplace inductions? **Yes** **No**
If yes who is doing this, if no then why not?

2. What is the union membership density in the workplace? _____ %

3. Are members taking collective actions in the workplace? **Yes** **No**
Yes No If yes, what kind?

Attendance at union meetings:

4. Are attendants representative of the workplace?

Gender % in workplace _____ % at union meetings _____

Ethnicity % in workplace _____ % at union meetings _____

Age % in workplace _____ % at union meetings _____

5. In which areas of the company do those members work?

6. What opportunities are there for members to get involved in the wider work of the unions e.g. writing newsletter articles?

or is this only done by officers and representatives? **Yes** **No**

Quality and representativeness of union leadership:

7. Does the make-up of the union leadership reflect membership?

Age **Ethenticity** **Gender**

8. Are there gaps in representation in the workplace? Identify the places/work areas where this occurs.

9. Identify where there is a link to who attends meetings or takes part in union activity, e.g. a keen activist in an area encourages others to attend, regular attendee receives emailed newsletter, person sits near notice board, member has a supportive manager

Quality and extent of membership, workplace reps and activists development programmes:

10. What training have union representatives had?

11. Percentage of reps who have been trained in the last two years _____ %

12. Has training lead to an improvement in organisation and representation in the workplace?

Yes **No**

If yes, then how has this shown itself?

If it has not, is the training appropriate or there are structural issues such as facility time which need addressing?

13. Are there development programmes in place for active members and union representatives?

Yes **No**

If yes, are these being evaluated and if so how?

If no, do you know where to get advice on putting a development programme in place?

14. What forms of union committee training have taken place?

15. What forms of union committee training will take place?

16. Are you aware of, or have you made use of, the TUC's Centres of Organising and Recruitment Excellence (CORES)? If no to either options, identify your nearest CORE by going to – www.tuc.org.uk/activistacademy

Membership participation in organising and collective bargaining campaigns:

17. Who is recruiting non-union workers in the workplace?

18. Is organising activity confined to elected union representatives?

19. Identify four collective bargaining campaigns that the members are involved in the workplace

20. Identify four ways in which members participate in organising activities or issue-based campaigns in the workplace?

List of key website resources used in this document

Assessing union workplace power

Strategic Choice Assessment Tool for assessing union capacity devised by David Weil
www.scatsurvey.co.uk

What does the company do?

Data Monitor www.datamonitor.com/store/?tab=1 and Euro Monitor www.euromonitor.com for summarising company operations and identifying significant competitors.

LexisNexis provides comprehensive and authoritative legal, tax, business and news information worldwide
www.lexisnexis.co.uk

Thomas Register www.thomasregister.com provides the brand names registered for a company in the US.

In the UK, the Standard Industrial Code numbers can be searched on the Office of National Statistics website www.statistics.gov.uk/methods_quality/SIC

In the US, the NAICS provides code numbers for each industry
www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2007

Confederation of British Industry website www.cbi.org.uk or the Trade Association Forum www.taforum.org for UK industry associations.

UNICE website www.unice.org for European Union industry associations.

For US connections, www.virtualpet.com/industry/mfg/mfg.htm to search for trade journals, industry associations and the like. Find industry associations through the Virtual Community of Associations www.vcanet.org and the American Society of Association Executives www.asaenet.org

Free site to get 10Ks from the SEC's EDGAR database at
www.sec.gov/edgar/searchedgar/companysearch.html

Finding out about the company assets – its facilities, locations and operations

Starting points for information on public financing of companies could be the Department for Business Enterprise and Regulatory Reform (formerly DTI) www.berr.gov.uk and Business Link www.businesslink.gov.uk

Health and safety record

Health and Safety Executive www.hse.gov.uk

For guidance around health and safety as an organising issue, go to the TUC organising web page www.tuc.org.uk/organisation/tuc-15307-f0.cfm.

Workforce information

Labour Research Department Payline database www.lrd.org.uk/payline.php3?pagid=18

Worksmart union finder www.worksmart.org.uk/unionfinder

Getting the financial low-down

For information on companies' shares – Yahoo Finance uk.finance.yahoo.com

Find the annual reports of foreign companies at Carol www.carol.co.uk

Go to Hoovers www.hoovers.co.uk for summaries of a company's history and its key events in lay language.

The Financial Times for gathering information on corporate executives and company history www.ft.com.

AFL-CIO's Executive Pay Watch site www.aflcio.org/corporatewatch/paywatch contains information on executive compensation for many companies

Citywatch www.citywatch.co.uk/online/scripts/default_login.asp and Nominus www.bvdep.com/en/nominus enable access to the shareholder register of UK-listed companies.

For US parent companies or subsidiaries, information on lenders is available from Mergents on Line at www.mergentonline.com or Thomson Research research.thomsonib.com/gaportal/ga.asp

Other useful sites

The Environment Agency www.environment-agency.gov.uk for access to information under the Environment Information Regulations.

The TUC's Information Services www.tuc.org.uk/the_tuc/about_information.cfm for advice on storing and retrieving information and help with searches.

These are not all the sites available through this document and some of the above sites have multiple uses for getting a wide range of information. Throughout the document, multiple use sites, such as LexisNexis, have been referenced more than once where appropriate to the text, and links made.

This guide on strategic corporate research (SRC) is also available online as an interactive pdf at www.tuc.org.uk/companyresearch

The TUC can help you with SCR training: contact Tom Mellish in the TUC Organising and Recruitment Team on tmellish@tuc.org.uk or tel. 020 7467 1380

The team offer a range of advice and services around union organising in the workplace and in the community. To find out how the team can help you, contact Joanne Adams on jadams@tuc.org.uk or tel. 020 7467 1361

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