

Watsonville Canning discussing move to Texas

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Watsonville Canning and Frozen Food Co. has held discussions with a Texas frozen-food company about going into business in the Lone Star state.

"We've had talks and things are already in process," said Robert Fletcher, owner of Phoenix Frozen Foods in Monte Alto, Texas. "Now we're just rocking along to see how things go out there."

Fletcher made his comments this morning from Phoenix, Ariz., where he oversees his

primary business, a tire company. He said he is an independent owner of Phoenix Frozen Foods.

Fletcher said talks began with Mort Console, Watsonville Canning's owner, during the summer.

Fletcher's plant, located near the Rio Grande Valley in Texas, about 30 miles north of the Mexican border, employs about 300 people. Fletcher said he pays line workers \$3.35 an hour — the federal minimum wage. Watsonville Canning's final contract offer to line workers this week was \$5.05 an

hour.

Fletcher said talks have covered plans to join forces to process vegetables grown in Texas and to expand operations using Texas workers, rather than transferring employees from Watsonville to Texas.

Watsonville Canning officials were unavailable late this morning, but when asked yesterday about out-of-state plans company president Smiley Verdusco said he had no comment.

The possibility of an out-of-state move is framed against Watsonville's latest contract offer that would pay line work-

ers \$5.05 an hour, a \$1.61 cent cut from wages under their previous contract.

"They approached me about the possibility of a combined operation," said Fletcher. "We know of each other because frozen food is a very small industry and everybody knows everybody else."

Since before the strike began Watsonville Canning, Richard A. Shaw Inc. and other firms complained that foreign and non-union plants had a competitive edge.

While Watsonville's frozen food industry has led the nation

since the 1950s, plants in Texas and other parts of the country have entered the market more recently.

"All these plants just started popping up 10 years ago," said Bruce Gillard, plant manager of Phoenix Frozen Foods. "The business has its ups and downs but generally things are going pretty good."

Gillard, who grew up in the Rio Grande Valley, said the area used to produce only cotton, "then came citrus, but now we mostly grow broccoli, carrots, peas, greens and other-seasonal crops."

Now, as in Watsonville, the surrounding area provides a wide range of crops to keep the food-processing plants busy.

Despite the concentration of competing frozen food plants surrounding the Rio Grande Valley, Fletcher said there is plenty of opportunity for expansion.

"We are interested in a combined operation to have more output," said Fletcher. "The advantage for them is that we are basically non-union, our product is just as good as yours and we have a long growing season."

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