

Cannery settles with growers

By NANCY BARR
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Things are looking up for Watsonville Canning and Frozen Food Co., despite the strike that has plagued the company for 15 months, a company official said today.

Smiley Verduzco, vice president of Conco, Watsonville Canning's parent company, said he's "very optimistic" about the company's future.

Verduzco is particularly pleased with agreements Watsonville Canning has reached over the last week with several vegetable growers it owed large amounts of money to. Arrangements have been made to pay what's owed Mark Clark Produce of Salinas, David Gil of King City and Silva Harvesting of Gonzales, Verduzco said.

Watsonville Canning reportedly owes Gil \$5 million, Silva \$355,000 and Clark \$426,000. All have accepted Watsonville Canning's offer to pay off their debts "on a timely basis," Verduzco said.

A hearing was scheduled last week in Clark's lawsuit to recover his money, but the hearing was delayed as the two sides neared an agreement. Clark's attorney, Steve Gordon,

said Friday he expected Clark to sign the agreement, which he thought was "an excellent settlement."

An agreement with Bonita Packing of Santa Maria, which is owed an undisclosed amount, is likely to be signed this week, Verduzco said. Pat Ferrini, owner of Bonita Packing, said Friday he was pleased with the payment arrangements offered by Watsonville Canning, but said he would have to get the approval of the growers he represents before the agreement could be accepted.

Verduzco said the agreements reached with the other growers make him optimistic about the company's future.

"So many things have taken place over the past months that have made us competitive," Verduzco said. "We are producing, our customers are behind us, we reached agreement with the growers," he said.

Watsonville Canning is now particularly competitive with frozen food companies outside California, Verduzco said.

"It's always been my position that this company would survive one way or the other," Verduzco said.