

# Watsonville Canning faces boycott

By DONALD MILLER

Sentinel Staff Writer

WATSONVILLE — Teamsters are going full speed ahead with an economic attack on Watsonville Canning and Frozen Food Co.

But company officials say they're not worried by the boycott.

A bitter strike against the company is a year old Saturday, and 1,000 workers are still off the job. No celebrations have been planned to commemorate the anniversary; rather, both sides are digging in for further hostilities.

Teamsters say they're going full-bore into a boycott by persuading growers and lenders to cut back on business with the company. They are not contemplating

a consumer boycott.

Watsonville Canning professes little concern at the collective might of the International Brotherhood of Teamsters.

Instead, a company spokesman is asking the union to "count the vote" from the disputed union certification election Aug. 14.

Negotiations broke down last week after having resumed for two sessions following a hiatus of more than eight months. The Teamsters responded by implementing the boycott, which had been on hold.

The talks failed for several reasons. Union officials were furious because replacement workers were at the meeting, and felt slighted that the highest-ranking company official present was Larry Vawter, Watsonville Canning's personnel director. Company owner

Mort Console and executive Smiley Verduzco, participants in previous sessions, did not attend.

While Teamsters wanted to negotiate, the company wanted to talk about the certification election, which is now in the hands of the National Labor Relations Board. The NLRB estimates it could take several years to deal with the 75 company and five union objections to the vote, plus a challenge by both sides of 1,720 of 1,774 votes cast.

The company also insisted that replacement workers not only keep their jobs, but have seniority over returning strikers. The union refused even to talk about that proposal.

Watsonville Canning — the largest processor in the United States — is holding firm to a longstanding offer

of \$5.05 for assembly line workers, plus a variety of other pay cuts and benefit changes.

The union has signed contracts with other processors throughout the state for \$5.85 or higher for line workers, and has staved off most cuts in benefits.

Federal mediator Robert Crall, who has been trying since last November to keep both sides talking, said Tuesday the only way he saw matters being resolved was for both parties "to sit down and bargain." He said a pattern has been established for negotiations through union settlements with other processors.

Watsonville Canning, however, calls those settlements "ridiculous."

Teamsters official Alex Ybarraloza is heading up what he describes as a national economic program aimed at bringing Watsonville Canning into line with other frozen-food processors.

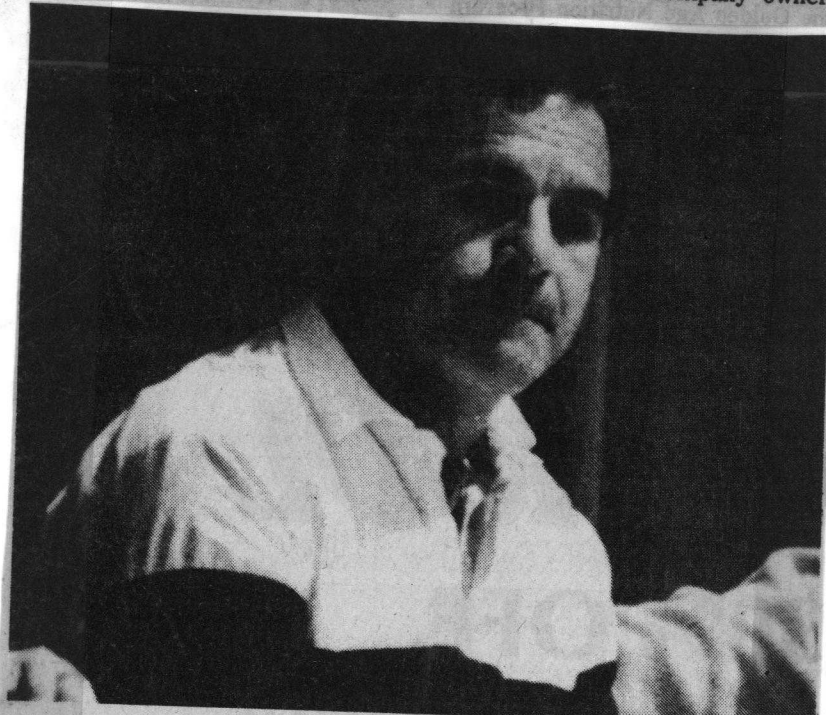
He said Wednesday the boycott is "at the corporate level."

At a national conference in Las Vegas last May, the Teamsters voted to give full national support to the strike and boycott. Ybarraloza, working out of Teamsters Joint Council 7 headquarters in Burlingame, said offices have been or will be opened around the country to carry out the boycott.

A consumer boycott has not been launched. Such a move would be difficult, because Watsonville Canning products are sold under several labels.

A consumer boycott "won't be used unless it's necessary, and we don't believe it will be necessary," Ybarraloza said.

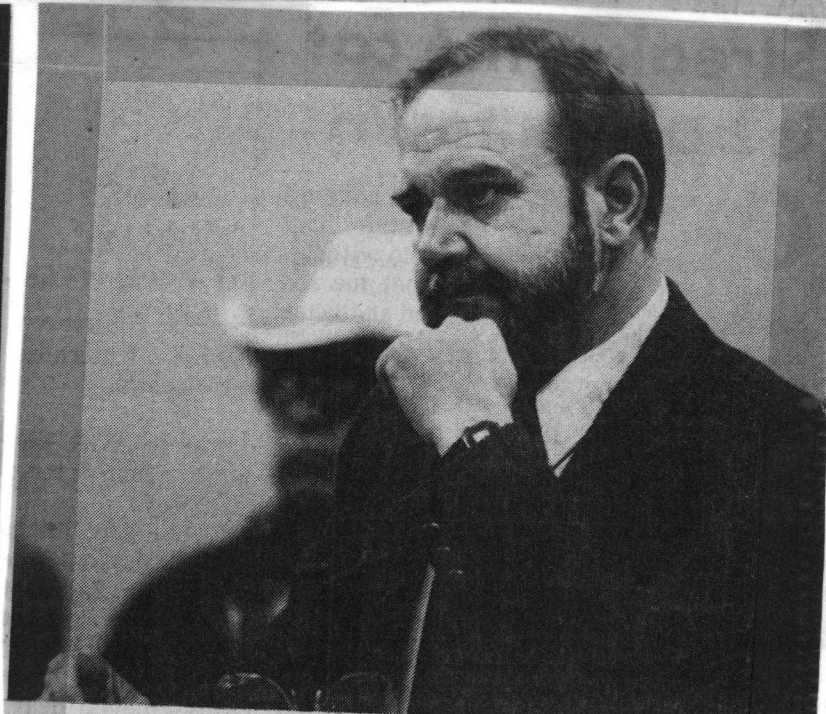
He added that the union is monitoring the financial condition and transactions of the company and its owner, Edward Console, although he refused to divulge how such information is being collected.



Bill Lovejoy/Sentinel file

**WATSONVILLE CANNING'S SMILEY VERDUZCO**

"A boycott will do absolutely nothing to us."



Dan Coyro/Sentinel file

**TEAMSTERS' ALEX YBARRALOZA**

The company wants "to be non-union and dominate the marketplace."

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SANTA CRUZ SENTINEL  
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He said he believes Console has been cut off by his prime lender, Wells Fargo Bank — “which does a lot of business with the union.” He said the company is obtaining private loans at higher interest rates.

Watsonville Canning officials say Wells Fargo has done no such thing.

Ybarraloza said union boycott workers are talking to lenders and to growers who supply the company with vegetables. “We tell them what Watsonville Canning is doing, so they can use their best judgment whether they’re a viable organization,” Ybarraloza said.

He said the union has not yet talked to stores carrying Watsonville Canning-packed produce. He used Safeway supermarkets as an example of what the union might be able to accomplish. Teamsters have contracts with the huge grocery chain, and, said Ybarraloza, “if he (Console) thinks we have no influence there, he’s mistaken.”

He talked of expanding the boycott further, and mentioned the East-Coast A&P chain as another target.

Ybarraloza said the Teamsters could force Watsonville Canning into a settlement by drying up “any of the three” — the company’s product source, cash flow or customers.

Verduzco, vice president of Conco, Watsonville Canning’s parent company, said Wednesday afternoon, “A boycott will do absolutely nothing to us. What’s that going to do to help them? Make the vote yes or no? Cause the company to agree to a bargaining agreement we can’t live with?”

“Sure, they sent letters to customers and to banks, but there was no response to it.”

Verduzco repeated that the strike’s most important issue is to get the certification election votes counted. He blamed the union for refusing to drop its objections to the election. If the union were to do so, Watsonville Canning has said, it would in turn drop its objections.

Verduzco said the company has offered its employment records to the union.

The union and the NLRB have said Watsonville Canning did not make such records readily available until right before the election, which was not enough time to check them.

The NLRB also says the union is still the legal bargaining agent for Watsonville Canning employees, pending an election outcome.

Company officials and a team of replacement workers recently went to a Watsonville City Council meeting to reaffirm the pledge of making company employment records available.

A highly placed source who has worked with both sides termed the City Council episode “strange.” The City Council, he said, has absolutely no jurisdiction over the NLRB.

Verduzco does not dispute the financial plight of the company. “This whole industry is in trouble,” he said. “What the hell do they think we’ve been saying for 12 months? That’s what the whole strike is about.”

He called recent union contracts with other processors “ridiculous.” He expressed disbelief that other companies could agree to put money into the Teamsters Pension Fund, which he called “Mafia controlled.” Moreover, Verduzco said, such a pension package would cost Watsonville Canning twice as much as a company-provided pension program.

He cited several other stumbling blocks to a future settlement, foremost among them the company’s insistence that replacement workers have seniority over strikers. But, said Verduzco, despite continuing disagreements, Watsonville Canning

will continue to bargain in “good faith” as mandated by the National Labor Relations Act.

The source close to the two parties said he could not see Watsonville Canning surviving in the face of a national economic boycott. More than that, he said, “The Teamsters cannot afford to let this thing go.”

At this point, the entire strike seems to have turned personal, says the Teamsters’ Ybarraloza. “I don’t see it as an economic strike anyway — but it’s not untypical for a company owned by one person to be subject to his whims.”

Ybarraloza characterized these “whims” as owner Console’s desire “to be non-union and dominate the marketplace — which is just not in the cards.” He said he didn’t hold any “personal animosity” against Console — “except for his treatment of workers. These are the people who built this company for his (late) father.”

The union official said Watsonville Canning “put a lot of their eggs in one basket” thinking the election would be in their favor. He claimed the company hired extra workers at

“tremendous cost” to pad employment records and voting rolls so the union would lose the election.

Local 912 President Leon Ellis charged Wednesday the company “ran up and down the Pajaro Valley” telling growers everything would be settled by the election. The company implied, Ellis said, that growers waiting to be paid could expect better times ahead.

“We know there’s a lot of money out there owed by Watsonville Canning,” Ellis said. “He’s either going to negotiate or he’s doomed.”

Ybarraloza warned that the “next chapter in these kinds of books is violence,” which he said could occur because Console is “stirring up the replacement workers and fanning flames.”

Verduzco remained unfazed by the union’s warnings.

“They can do anything they want,” he said. “After 12 months of this, what more can they do to us personally? Why don’t they just sit down and count the vote?”

“If they think these other tactics are going to force our backs to the wall, they are badly mistaken.”