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Laid-off workers file suit charging Seagate broke law

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Workers laid off from Seagate Technology in Scotts Valley and Watsonville have sued the company, charging Seagate broke a federal law requiring 60-day notice of layoffs.

"This is a moral message to employers that they can't mess with us," Nancy Spinella, one the laid-off workers, said yesterday at a Santa Cruz press conference announcing the suit on behalf of an estimated 800 workers laid off this summer.

The suit was financed by the Santa Cruz County Central Labor Council, although Seagate does not have union workers.

The Labor Council wanted to present a "shining example" of what can be done when people band together in such a suit, Labor Council President Tim McCormick said.

McCormick estimated Seagate, which makes computer disk drives, laid off 800 people in July and August, 720 of them from the company's Scotts Valley headquarters. The approximately 80 people laid off from the company's Watsonville plant reduces the staff to 100 there, he estimated. McCormick said Seagate will not provide the number of people laid off.

McCormick said Seagate violated the Warren Act, a 1989 federal law that requires employers to give 60-day notice to employees and local governments when a certain number of its employees — in Seagate's case, more than 500 — are being laid off.

Although about 400 were laid off in July and 400 more in August, Seagate would be subject to the law because the layoffs came with-

in a 90-day period, McCormick said.

The suit is asking for back pay for the workers, which could amount to well over \$1 million, plus a \$500 per day fine, which would be paid to local governments.

Corporations are required to tell the truth about stock deals, and "have the same responsibility to the workers when you radically alter their lives," Supervisor Gary Patton said at the press conference.

Companies "cannot come in and exploit the workers and then move out," Watsonville City Councilman Oscar Rios said. "The excuse that they are not making profits is not enough."

Spinella, a single mother of two who lives in Live Oak, said she has had to go on welfare and borrow money since being laid off as an account clerk at Seagate in July. She is now in a job training program at Cabrillo College to increase her accounting skills.

Spinella said she was concerned about Seagate's history of large layoffs when she took the job a year ago, but was assured her spot was relatively safe.

Seagate was paying \$10 an hour, she said, \$4 more than she was making at Pacific Western Bank in Aptos.

"I couldn't pass it up," she said.

"The top management at Seagate is very, very poor," said Judy Gallagher, like Spinella one of the five plaintiffs named in the suit. "There is no reason there should be these ups and downs. I may lose my house because of this."

The suit was filed in federal court.