Watsonville Canning open amid rumors

By ELIZABETH SCHILLING and LANE WALLACE STAFF WRITERS

Amid reports that it would close today, Watsonville Canning and Frozen Food Co. was open for business this morning.

The Santa Cruz Sentinel, quoting unnamed sources, reported the company would close today because of financial difficulties.

Ron Stafford of the Teamsters Union said he counted 19 workers, not including supervisors, entering the plant this morning. All the workers were men, Stafford said. "There were no pro-

duction people.

The work force is low, "but that's not unusual" for this time of year. Stafford said.

Winter is a slow period for food processing plants. The recent cold snap has slowed the maturation of winter row crops and all area plants are short of produce to process.

Owner Mort Console and Smiley Verduzco, executive vice president of Conco, the parent company of Watsonville Canning, couldn't be reached for comment this morning.

The company has again come under the scrutiny of the Marketing Enforcement Division of

the California Department of and Agriculture, an agency that helps make sure growers receive payment from processors.

"I know there have been meetings about the situation." said George Reese, marketing enforcement director. "I have talked with the company's attorney and expect a report early next week.'

However, no formal complaint has been filed with the agency, an action which Reese said is required before the state could move to shut the plant down or intervene in establishig payment plans for growers.

News reports, rather than direct word from Watsonville Canning, have triggered some of the concern among growers,

Reese said.

Rumors have always been a factor in issues involving Watsonville Canning, but many who have business with the firm say gossip has hit an all time high.

Buyers, growers, freezer operators, truckers. members and current employees have all expressed frustration over trying to understand the company's status.

"I wish the company would

just be up front and say for themselves what is going on," said one Salinas Valley grower.

Sergio Lopez, secretary-treasurer of Teamsters Local 912, said he continues to hear rumors of the company's problems from sources in the industry.