

# Norcal/Crosetti Two frozen-food firms join forces

## Norcal/Crosetti Foods, Inc.

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Beginning today, Norcal Frozen Foods and Crosetti Frozen Foods are merged as one, officials from both companies announced at a press conference this morning.

Commingle of operations at the two plants is to start immediately, with plans for the shutdown of Crosetti's Pajaro plant set for the first of the year.

Some job loss is inevitable, but most of the 600 people now working at Norcal and the 400 working at Crosetti will probably keep their jobs, officials said. Employment levels at both plants is lower than in past years or in other parts of the season when harvest is heavier and as many as 2,000 workers are busied at both plants.

Today's announcement was made in the parking lot of Norcal, the company formed when Watsonville Canning and Frozen Food Co. went

new company: Norcal/Crosetti Foods Inc.

The announcement of the merger has been expected for several weeks. Union leaders met with members of Teamsters local 912 last week and prepared them for the idea of such a merger. It was determined then that a workers' committee made up of employees at both plants would work with a state negotiator in developing a pro-

posal on seniority and severance pay.

Under the consolidation, David Gill, former president of Norcal, will remain as president of the new company. J.J. Crosetti Jr. will assume responsibilities as chairman of the board and chief executive officer, and Ray Walker will serve as executive vice president, the same post he had held at Crosetti.

Norcal management went through some shake-ups earlier this summer when Ron Trine left his post as vice president to join New West Foods.

Gill said Crosetti is acquiring 50 percent of Norcal, but refused to comment on

bankrupt early this year.

Eight government, union and company representatives made statements at the press conference.

Folding chairs and tables and an amplification system were set up for the press conference, which took place over the din of production-line noise and the hum of truck and forklift motors.

A red and blue logo painted on butcher paper taped to the side of an aluminum building proclaimed the name of the

Diane Varn

Appearing at today's press conference were, from left, County Supervisor Sherry Mehl; Watsonville Mayor Betty Murphy; Teamsters Union officials Pam Cheaney and Alex Ibarrolaza;

state Sen. Henry Mello; J.J. Crosetti Jr. of Crosetti; Ray Walker, executive vice president of the new company; and David Gill, president of the new company, Norcal/Crosetti Foods Inc.

whether money was exchanged in the consolidation.

"Consolidation is a step toward industry stability," Walker said. "I think the buying community will view this consolidation as an opportunity to get established with a full-line processor."

Walker said there were no plans for innovation or introduction of new products "until we get our feet wet as a new company."

Gill gave the longest statement of the hour-plus meeting. He said he hoped the consolidation would mean a stronger base from which to compete with imports of foreign frozen vegetables.

Gill said among the questions yet to be resolved was how workers would fare under the immigration law.

State Sen. Henry Mello also

spoke on the theme of foreign imports and called for the federal government to change U.S. trade policy.

"The reason for this merger hasn't gone away," Mello said. "There is still an imbalance of trade. There is not a level playing field, since many imported agricultural products pay no duty and have no inspections."

Watsonville Mayor Betty Murphy and south county Supervisor Sherry Mehl also made welcoming statements to the new company.

Gill said that when he acquired the Walker Street plant back in March he foresaw that such a merger might be necessary. He said there were no plans for further consolidations between his company and any of the six remaining food processors in Watsonville.