

# Teamsters claim victory

By DONALD MILLER

Sentinel Staff Writer

SAN FRANCISCO — After the tentative agreements had been signed and after all the media crews had cleared out, Teamster officials sat back and reflected on the end of the strike.

"The most critical thing is obtaining a return-to-work agreement that protects each and every one of the strikers," said Alex Ybarraloza, the union's Joint Council 7 official who directed the economic boycott against Watsonville Canning.

He called the agreement "fantastic — virtually unheard of after a strike of this duration."

## • Analysis

Ybarraloza asked his listeners to "think back to September 1985. A strike of that magnitude against an industry in a small agricultural community (Watsonville)."

Watsonville Canning was the giant in the industry. The number-two company, Richard Shaw Frozen Foods, also tried to cut wages and benefits and was struck.

But Shaw settled in February of 1986, with the union accepting lower wages and a profit-sharing plan after doing a financial analysis of Shaw. Now, said Ybarraloza, "Shaw is

flourishing."

The Shaw contract set a new industry standard. Other Pajaro Valley processors signed similar contracts, then others outside the Pajaro Valley.

But still Watsonville Canning would not settle. "They planned to gobble up the entire industry," said Ybarraloza. "They had a tough plan" and it almost worked.

But, he said, the Teamsters International invested more than \$6 million in the strike.

"Not many unions have the wherewithal to invest that kind of money," he said.

And the union felt it had to stop



Bill Lovejoy/Sentinel

Teamsters gather to sign tentative agreement.

Watsonville Canning, which was undercutting the other processors by dumping frozen vegetables on the market for less than the other processors' cost.

The strategy would be to "isolate" Watsonville Canning, which was possible after the rest of the processors were back in the fold.

An economic boycott, authorized and funded after the Teamsters International annual meeting in Las Vegas in May 1986, cost the company customers, namely, the large supermarket chains whose work forces are largely union. The union also put pressure on Wells Fargo Bank,

which bankrolled Watsonville Canning. The union has about \$1 billion held at the bank.

A setback occurred in late September, when the bank bailed out a shut-down Watsonville Canning by advancing owner Mort Console more money. But at the same time, the bank sowed the seeds for the company's eventual demise by taking as collateral most of Console's assets, including the Watsonville Canning plant itself.

The economic boycott also destroyed Watsonville Canning's valuable link with Mexico, by persuading a Mexican processor to sever its

working agreement with the company.

Then the union petitioned for a union certification election in August, the upshot of which resulted in the union remaining the bargaining agent for Watsonville Canning employees.

The economic boycott worked so well, said Ybarraloza, that one demand of the Gill group was for the union to "reverse — not just undo — the damage."

Ybarraloza said he will do this. "We'll tell the customers that we appreciate the rapid resolution of the problem," he said.

Gill, for his part, released a

prepared statement, calling the tentative pact a "historic agreement" between farmers and workers who will be "motivated to work together to preserve both the frozen-food industry and ... agriculture" in Central California.

"Gill has a tough road ahead," said Ybarraloza, with big debts and concerns over whether creditors will pull machinery out of the plant.

But, said Joint Council 7 President Chuck Mack, organized labor beat back the rising tide that has pushed against it during the 1980s and got an agreement. "For the workers, it's the best possible ending."

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SANTA CRUZ SENTINEL  
March 4, 1987

# Good news welcome to strikers

By JAMIE MARKS

Sentinel Staff Writer

WATSONVILLE — In a city that's been torn apart by 19 months of labor strife, Tuesday's announcement of a settlement was embraced with cautious enthusiasm.

From the weathered and weary faces of the striking men and women who have stood vigil outside the gates of the defunct Watsonville Canning and Frozen Foods Co. to the smiles of downtown merchants, the announcement was welcome news.

"Que buena," was the first reaction on the strike line from a dozen pickets who were told about a possible accord. Then their smiles turned to frowns, and in Spanish they said, "We'll believe it when we see it."

"I'm very happy to hear this. It relieves you that sanity has come back to the fold," said Councilman Roy Ingersoll.

Through his work with the Pajaro Valley housing project, Ingersoll said he learned first-hand about the strike's effect on families and its rippling effect throughout the community. He said he hopes the city can get moving again.

Teamsters Local 912 business agent Joe Fahey, who didn't attend the San Francisco press conference, said he had two questions about the contract that he thought would determine whether the membership would accept the agreement or not.

Fahey, who was formerly with the dissident Teamsters for a Democratic Union, wondered whether employees would be guaranteed seniority, and whether they be considered new employees. If they are new employees, they wouldn't be eligible to receive benefits for three years, he said. "It would also save the company 90 cents an hour," he added.

"If they're not guaranteed seniority, they won't take it," he said. As to the benefits question, Fahey said he didn't think the membership would "take it enthusiastically."

Downtown merchants, who've suffered the effects of a stagnant economy, were pleased with the hope of a settlement. Many had radios playing in their stores, and they'd heard the

**S** news late afternoon.

"When the radio announced Sergio Lopez' name and a possible strike settlement, people's heads lifted and there was a buzz throughout the store," said Fred Simpson, manager of the Family Bargain Center on Main Street.

"I think it would be great if it would guarantee people going back to work," said Simpson. "Anyone who says they haven't been affected by it is crazy. I know our sales are off."

"It's been 19 months. There's been violence and a lot of hard feelings. People have exhausted their credit. Maybe we can put it to rest. Maybe today is the turning point," he said.

Val Allen, of Zenker's Ace Hardware, said "It's going to help all around. If people aren't working they aren't spending money.

Chico Castro, the owner of a hair-cutting salon on Main Street, said, "I think it's great that everybody will be able to go back to work.

"It's good for the economy, good for business, good for Watsonville and good for the families who've been out of work. This Christmas coming up, hopefully it will be a better one," he said.

The only question in Castro's mind was whether the strikers and workers who've kept the plant running in the interim will get along.

Also, he hoped that the violence would end. i

"My reaction is, thank God," said Police Chief Ray Belgard. "It's a tremendous burden off of us. We were perceived as bad guys from both sides, while all we were just trying to maintain the peace. My hope is they (the membership) ratify it real quick."