

Norcal may buy Crosetti

By ELIZABETH SCHILLING

STAFF WRITER

The recently established Norcal Frozen Food Co. is considering acquiring the J.J. Crosetti Frozen Food Co.

"There have been some talks," Norcal owner David Gill confirmed this morning, "but things are only on a conceptual level right now. There are a lot of bridges to cross before anything is decided."

Both companies were involved in contract disputes with Teamsters Local 912 during the recent strike in the frozen-food industry. Wage concessions were won by the companies after they persuaded union members that stiff competition in the industry had nearly eliminated profits.

Norcal, although considered the new kid on the block since acquiring Watsonville Canning and Frozen Food Co. earlier this year, is also the largest of eight frozen-vegetable packers in the area. At peak harvest season Norcal employs about 1,000 workers.

Crosetti, a longtime packer, is smaller, with about 300 employees. Crosetti made clear its ambivalence about operating at all last year when it closed its doors during union negotiations and said it would go out of business unless wages were cut.

No spokesman from Crosetti or the Teamsters was available for comment.

Gill would not comment on whether an acquisition or merger would involve layoffs, or on how production patterns would change.

"With increased production (industry-wide) and foreign imports, we continue to face a shrinking market," Gill said. "If we consolidate, we can hold on to a larger share of the market."

Gill said he had no idea how long talks will go on, or when anything would be decided. Whatever might occur will "not happen within a month," he said.