

'D-Day' for Green Giant workers

Long-planned layoffs took effect Friday

By KEITH MURAOKA
Sentinel staff writer

WATSONVILLE — The day dreaded by workers and officials alike at Pillsbury/Green Giant arrived Friday: the final day for 270 laid off workers.

The food-processing giant is shifting most of its processing and packaging operations to Irapuata, Mexico and Wellston, Ohio, forced by economics of the food industry, company officials said. Only a work force of 150 will remain at the Watsonville plant.

A crowd of about 100 workers, community members and media gathered outside the West Beach Street plant's main entrance Friday afternoon. The two-hour demonstration featured plenty of banners denouncing the company's plan, as well as speeches and music.

Several speakers called for a nationwide boycott of Grand Metropolitan products, the British corporation that bought Pillsbury/Green Giant in 1989. Grand products include Haagen Daz ice cream, Smirnoff vodka, Gilby's gin and Burger King restaurants.

Handmade signs proclaimed, "We demand that our jobs stay in the USA," "Hey, Green Giant. How does it feel to pimp for produce?" and "Protustamos Contra la Injusticia de Green Giant" (translated: "We are protesting the injustice of Green Giant.")

One protester dressed as the Jolly Green Giant, the company's advertising symbol. This green giant, however, had fake \$5 bills plastered all over his head and shoulders.

Mike Schaeffer, vice president of operations for Pillsbury/Green Giant, watched some of the activities from the plant grounds. "It's my job to make some of the tough decisions," he said. "This was part of a company-wide restructuring to move our manufacturing facilities closer to our customers, 80 percent of which live east of the Mississippi."

At the same time, Schaeffer pointed to a \$1.4-million job-retraining program, an "unprecedented" severance package of more than \$2 million and a \$3.4-million investment into the Watsonville plant to modernize it. He vowed the company will remain in Watsonville, which is viewed as a key west coast regional facility.

None of which does much to help the 270 workers who are now without a job, noted Sergio Lopez, secretary-treasurer of Teamsters' Union Local 912, which represents the workers.

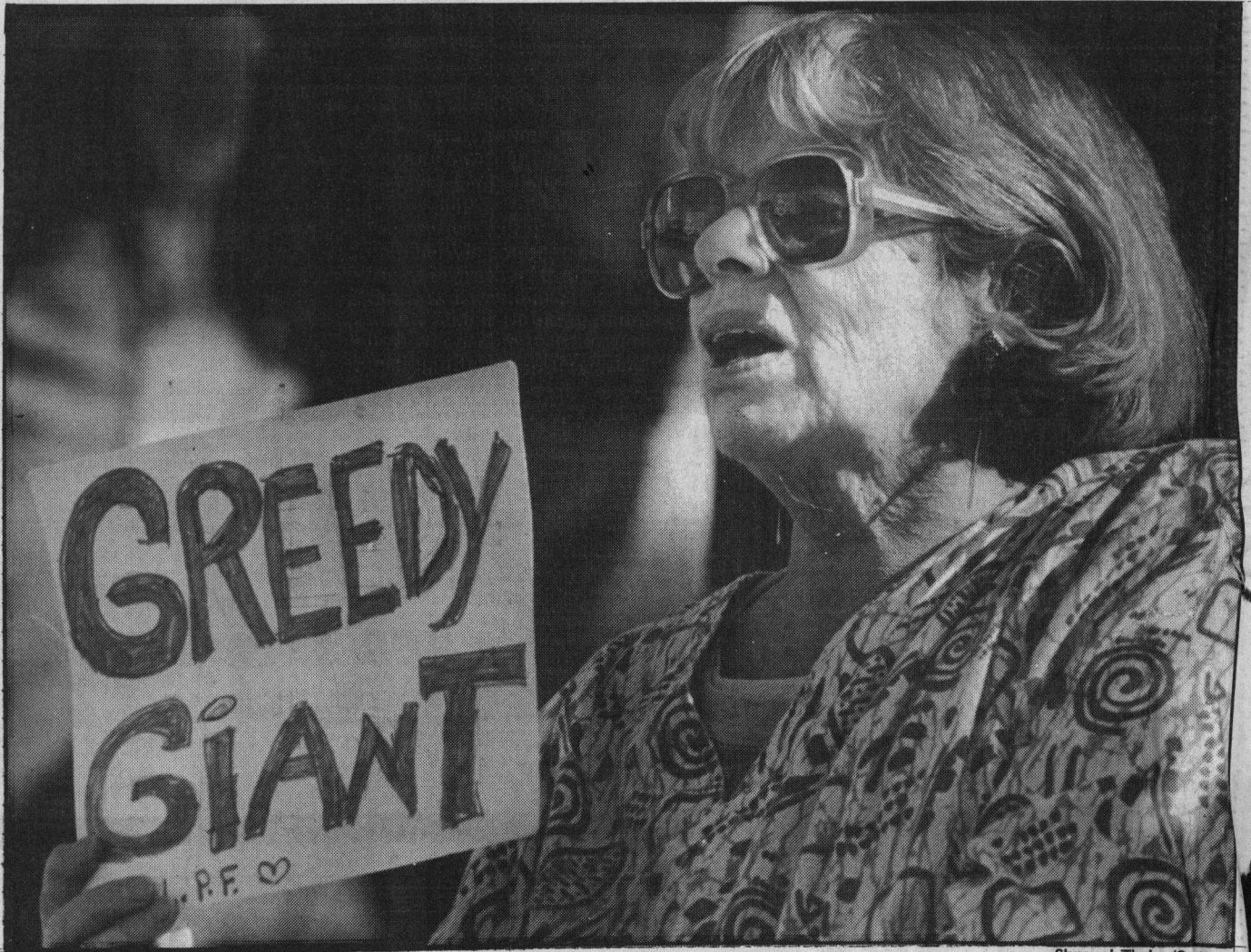
"This is a very, very sad day for this town," Lopez said at the demonstration. "Some day we're going to find an answer to corporate greed."

Lopez noted that no boycott of Grand Metropolitan products was yet planned. He said the union didn't have the manpower or resources to organize such a boycott.

Watsonville City Councilman Oscar Rios added, "This is D-day for them," pointing to the workers. "As a public official, I felt it was my duty to come here, show my support and witness this tragedy."

Rios said he will do his best to encourage the City Council to "do what we can" to encourage food processors to remain in Watsonville. In the past, for example, the council has kept sewage-treatment fees purposely low to help the industry.

Of the numerous workers inter-



Shmuel Thaler/Sentinel

Elana Leland lets her feelings be known during protest at Green Giant's Watsonville plant Friday.

Company thanks workers for labor

WATSONVILLE — A Pillsbury/Green Giant official offered his thanks and vowed continuing support to the 270 workers losing their jobs Friday.

Mike Schaeffer, vice president of operations at Pillsbury/Green Giant's corporate headquarters in Minneapolis, was at the Watsonville plant. He called the workers "hard-working and loyal."

Yet, he defended the decision to reduce production drastically at the Watsonville plant, shifting production instead to Irapuata, Mexico and Wellston, Ohio. Schaeffer cited two factors that influenced the decision:

- A companywide restructuring and modernization plan originally announced in January 1990 that mandated a close review of existing operations. The plan includes a company investment of \$140 million in manufacturing — \$3.4 million in the Watsonville facility.

- Currently, 80 percent of Green Giant's customers live east of the Mis-

issippi River. By moving some operations to Ohio and Mexico (where the company has operated since 1963), Green Giant can better serve its customer base by cutting transportation and distribution costs which, in turn, allows the company to continue to offer a quality, reasonably priced product, Schaeffer said.

"We fully recognize and understand the uncertainty that exists in the Watsonville community because of our decision," Schaeffer said. "But it was a necessary business decision. It was driven by our commitment to our customers toward that high quality, reasonably priced product."

At the same time, Schaeffer added, "The future of the Watsonville plant is good. We're making a \$3.4 million investment to modernize it and will continue to employ approximately 150 people.

"We have been here since 1963 and intend to stay here as a key west coast regional facility," he said.

Schaeffer said he believes the com-

pany has been totally upfront with workers, union leaders and city officials, giving seven months notice of its intentions, which was "unprecedented" in the Watsonville area.

At the time of this notification, Green Giant also announced its job-retraining program for employees. This \$1.4-million program, which will operate through December, has a goal to place 80 percent of the former employees in new jobs.

"I feel 80 percent is a realistic objective," Schaeffer said. "These are skilled, hard working employees. I know that Norcal-Crosetti and Shaw's are looking for such workers."

In addition, the company has negotiated a severance package worth more than \$2 million with Teamsters Union Local 912, which represented the workers. Schaeffer said he considers that package, which is based primarily on years of service with the company, one of the fairest offered in Central California.

— Keith Muraoka

viewed, none knew precisely what they will do.

Gloria Zamudio, who has worked at the plant for 12 years, said she would sell her house and pack up her three children if she didn't find a new job. Lauro Navarro, who has worked there 13 years, and his wife, Yolanda, who has worked there 14 years, said they would be OK for three or four months. "But after that, I don't know what we'll do," said Lauro.

While the workers said they would be looking for new jobs, most also said

they were "unsure" whether they would participate in the job-retraining program. Pillsbury/Green Giant has set a goal of placing 80 percent of their former employees into new jobs locally.

Councilman Rios was not alone in questioning such projections, calling it "overly optimistic."

Speakers during the demonstration included Mark Friedman, executive director of Plant Closures Project in Oakland; and Martha Martinez of San Antonio, Texas, and a former employee of

Levi Strauss.

Friedman drew wild applause when he told the crowd, "The Pillsbury doughboy grew fat on the labors of people like you. If Pillsbury continues such corporate greed, it may find its doughboy on a consumer-led diet."

Martinez said she came from San Antonio specifically to show her support to workers. She noted that she went through a similar situation last year when Levi's abandoned 1,150 workers and moved its production to Costa Rica.