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A TEAMSTERS STRIKE IN SANGER, CALIFORNIA

1. The "Contested" Election

Seabrook Foods, Inc. is a Georgia firm which operates a frozen food processing and storage plant in Sanger, California (about 20 miles southeast of Fresno). Seabrook has about 3,000 employees in various plants around the country, and employs about 1500 in Sanger at the peak of the processing season there.

In September 1978, the NLRB held an election at Seabrook's Sanger plant, and the Teamsters Union won the basic unit by a vote of 548-421. Then Seabrook's attorney, Wesley Fastiff, filed 56 objections against the NLRB and 17 against the Teamsters--for alleged election "irregularities." The charges can only be described as ridiculous, and 71 of the total 73 were dismissed by the NLRB. Two were upheld on technicalities, and the NLRB ordered another election--to be held a full year later. The union members voted to strike for recognition instead, and pickets were placed on the plant last October 9. About 150 employees, nearly all being Chicanos, are still striking for recognition. They have forced Seabrook to reduce its volume of activity, but operations continue with imported non-union and supervisory personnel.

2. About the Company

Springs Mills, Inc., of Fort Mill, South Carolina, a textile manufacturer, acquired Seabrook Foods in 1973, and Seabrook acquired the Sanger food processing plant in 1975. The Springs Mills textile empire was developed under the corporate leadership of the Springs family--which had settled down in the vicinity of Charlotte and Fort Mill in 1768, and then began "...buying slaves, working slaves, clothing and nursing slaves, and training slaves."¹ The family started building textile manufacturing plants in the 1880s.

In 1977, Springs Mills/Seabrook reported net profits of \$15.8 million; in 1978 it was \$21.3 million (up 35%); and in 1979 it was \$35 million (up 65%). In addition to annual net profits, the corporation, by 1979, had over \$300 million in "retained earnings"--available for expansion in frozen food production and distribution operations, among other possibilities.

In 1979, the cost of living increased 13.4%. The net profits of Springs Mills/Seabrook increased by 65% in that year, and payments to stockholders were increased by 64%. Seabrook raised the base pay of its Sanger employees by 3% in that year.

3. About the Union

The Teamsters Union represents employees in nearly all of the frozen food plants of Northern California--which are highly concentrated in a big triangular portion of the state, stretching from Santa Maria to Visalia to San Jose. The standard base rate in these plants is \$5.15 an hour. Seabrook pays \$4.15. In addition, the Teamster contracts require higher fringe benefit payments in order to give the employees much better health, welfare and retirement protection. They also provide higher rates for jobs requiring greater skills or longer periods of training or experience.

Sergio Lopez of Teamster Local 912 (Watsonville) is the organizer and leader of the Sanger strike. Officials of Teamsters Local 85 in San Francisco, concerned about the growing use of J.P. Stevens Co. labor relations tactics in Northern California, have organized both financial and moral support for the strikers in Sanger. Financial and manpower assistance has also come from the Western Conference of Teamsters, and to some extent from other Seabrook units organized by Teamsters in Oregon and in New Jersey.

4. The Economic Impact

Springs Mills/Seabrook is capitalizing on the competitive advantage it gains in Sanger by refusing to recognize the Teamsters and by refusing to meet prevailing pay scales and benefits and conditions. These have been established jointly by the Teamsters Union, and by other frozen food producers, in collective bargaining contracts covering most frozen food processing in Northern California.

By undercutting the prevailing standards, Springs Mills/Seabrook can offer a little better price to growers, and thus gain an advantage in its competition with other processors in California's raw product markets. The corporation can also offer a slightly better price for its line of frozen food products, and thus gain another competitive advantage in supplying the big eastern retail chains.

What advantage do Californians gain from the Springs Mills/Seabrook kind of non-union operations? None! If a greater part of the corporation's 65% increase in profits in 1979 had gone to wages and benefits of Sanger employees, that part would then have flowed on through consumer purchases to other merchants and businessmen in the Sanger-Fresno market area, and then to their payrolls, and then to more consumer purchases, and then to more payrolls, and so on. But these amounts that might have stayed in a unionized community instead go east to the consumers of California frozen foods--to the extent their prices are actually lower--and instead go south to the present day members of the Springs family and other stockholders--to the extent that profits continue to soar.

But the most damaging impact of the Sanger strike is one of increasing concern to all California unions. It is the growing use of the J.P. Stevens patterns of labor relations; i.e., finding the loopholes in the law to delay recognition; forcing strikes and then relying on superior economic power to try to destroy the union; and above all, using the economist's catechism of "competition and productivity" to justify an employer-employee relationship which is nothing more than absolute mastery on one side and absolute subjection on the other. It is small wonder that this kind of labor relations originates in textile manufacturing plants built at the turn of the century with capital accumulated by former slave owners. Its growing popularity in California is a major symptom of the broader problems that have begun to characterize the slowdown and the uncertainty in the performance of our state's economy.

- Bruce Poyer

¹Note on sources: The information in this report on the historical background of Springs Mills is from two books by members of the Springs family: (1) Katherine Wooten Springs, The Squires of Springfield, Heritage Printers, Charlotte, N.C., 1965; (2) Elliott White Springs, Clothes Make the Man, J.J. Little & Co., N.Y., 1949. If you would like further information on this strike, or would like to help the union, contact Sergio Lopez, Business Rep., Local 912, P.O. Box 715, Sanger, CA 93657.

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