

Huhtamäki Council News

July 2015



Huhtamäki: An Equal Opportunity Union-Buster

When delegates from Huhtamäki plants around the world gathered in Helsinki on June 1 to form a global trade union network, their stories had one common denominator: Huhtamäki fights its workers' attempts to organize and has poor labor relations worldwide.

At some plants union representatives do not even have the right to enter the facility, and health and safety rights are violated frequently.

Worker representatives from Huhtamäki plants in Australia, Finland, France, Germany, Russia, Sweden, UK and U.S. discussed their unions' poor relationship with the multi-national company.

Extreme Heat, Low Pay

At Huhtamäki's Commerce, Calif., factory, employees have worked hard with the USW to form a union at their plant since June of 2014. Working conditions were harsh. They labored in extreme heat—temperature in the plant can reach 100 degrees or more—and suffered unfair enforcement of the discipline policy while earning low pay.

Workers submitted a letter to management requesting a meeting to resolve the heat and discipline issues. They also wanted written reassurance that Huhtamäki would not retaliate against union supporters. Managers reportedly were spying on union activists.

When they attempted to sit down and talk with management about working issues so that a good solution could be found, management rebuffed them.

The Commerce employees elected a group of worker representatives to meet with the company outside of regular working hours, but management only wanted to talk with each representative separately.

Last February, members of the elected worker committee marched to the human resource manager's

office to deliver a letter demanding the company repair run-down machinery and provide the workers with adequate personnel support and equipment to make the machine repairs.

To show their employees they did not need a union to resolve workplace issues, Commerce managers brought in mega fans and misters, provided water stations and set up water breaks. This is typical corporate behavior to appease the workers and convince them they do not need a union to have a voice in the workplace. Left unsaid is that the company will return to its old ways as soon as the threat of having a union is gone.

Union-Busting in Action

Huhtamäki forced employees to sit in captive audience meetings designed to brainwash workers to not form a union, and the company tried to portray unions negatively by showing an anti-union film in these meetings. Then management posted a policy prohibiting workers to talk about the union during work time and to pass out literature on the need for change. The company passed out anti-union literature to the employees and mailed it to their homes as well.

To top it off, Huhtamäki hired Cruz & Associates, a union-busting firm specializing in the harassment of trade unions, and paid the consultants \$430,000 in 2014. The company refused to agree to retroactive pay in negotiations with Local 449 members in Waterville, Maine, but had plenty of money to waste on a union-buster. Local 449 members are understandably angry.

Harassment, Threats

Although a representative from India could not

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attend the global network meeting, Indian workers at the Taloja factory near Mumbai—that Huhtamäki recently purchased—told Finnish news program, Yle Uutiset, that their managers harassed and pressured them if they wanted to join the Kamgar Congress Union.

Taloja factory management “promoted” about 300 manual workers to become foremen so they could not join the union, but allowed only 24 workers to join a management-favored union.

Some of the Indian workers were on strike from last December to April. Factory management brought in security guards to work at the factory during the strike. According to the union, managers threatened to transfer workers to another part of India against their will if they joined a trade union.

CEO Jukka Moisio told Yle he had not heard of any threats and denied there was pressure following the change of ownership. He said Huhtamäki did not operate that way.

Establishing a Dialogue

Besides establishing a global network, delegates to the June meeting adopted a common set of goals, including steps to improve working conditions and

establishing a dialogue with management at all of the company’s plants.

IndustriALL Global Union and UNI Global Union organized the meeting, and the Finnish Paperworkers Union hosted it.

Petri Vanhala, chair of the Finnish Paper Workers Union, told Yle that he could not remember a time when union members from around the world met to discuss the actions of one Finnish company.

“If problems cannot be solved locally, negotiations are required. The Finnish Paper Workers Union will not accept a situation where workers are not allowed to organize, Vanhala said to Yle.

A First Step

The global network agreed to continue pressuring Huhtamäki until all of its workers’ concerns are addressed.

“This meeting was only the first step in the fight to restore the rights of the workers and trade unions at Huhtamäki plants,” said IndustriALL General Secretary Jyrki Raina. “The struggle will continue as long as the owners of the company will not agree to respect the workers’ rights and start a serious dialogue with their unions.”

Huhtamäki Ignores Own Code of Conduct

Although Huhtamäki has a code of conduct for itself and its group suppliers that recognizes all fundamental International Labour Organization (ILO) principles, including the right of workers to associate, the company does not follow it in countries that have not ratified the ILO conventions.

Huhtamäki Vice President Sami Pauni told the participants at the June global trade union network meeting it follows national law—even if it is weaker—if a country has not ratified the ILO conventions. This is a problem for nonunion Huhtamäki employees because more than 75 percent of them work in countries—such as the U.S.—that have not ratified ILO Convention 87 on freedom of association.

Corporate Denial

Huhtamäki denies its role in causing the workers’ grievances. Last May the company told the Finnish news program, Yle Uutiset, that its operations were not causing workers’ problems.

The company also denies it is preventing its workers from organizing.

CEO Jukka Moisio complained to Yle that his company has been the “target of loud campaigning” by the USW.” He claimed the union attempted to create situations where the workers and the company were in conflict with each other.

When a delegate at the Helsinki meeting asked Huhtamäki Vice President Sami Pauni—he gave a brief presentation about the state of the company—why Huhtamäki spends a lot of money to fight the unions instead of establishing a social dialogue with them, Pauni became annoyed and left the meeting room.

Huhtamäki’s behavior at the meeting frustrated Commerce worker Levi Ross, who participated in the global network meeting on his holiday time.

“I came all the way to Finland hoping to have a serious dialogue with the company, but I feel like they turned their back on me and the workers in Commerce,” Ross said.

Huhtamäki Campaign Extends to Customers

Huhtamäki workers at the Commerce, Calif., facility persevere in their quest to form their union by taking their campaign to the company's customers and enlisting the support of the community and union members.

Managers at some USW-represented Huhtamäki facilities are mistakenly telling USW members that the union is trying to destroy the company's business.

Campaign Goal

The goal is to get the company's customers to urge Huhtamäki to comply with their supplier codes of conduct—not jeopardize Huhtamäki's business with these firms.

Some of Huhtamäki's customers have supplier codes of conduct that, if Huhtamäki followed them, would enable Commerce workers to organize freely without harassment.

At the end of June, community allies and activists stood outside Nestle's U.S. headquarters in Glendale, Calif., with a banner that read, "Good Food ('food' crossed out and replaced with 'Jobs') Good Life."

They passed out leaflets and delivered a letter to the company's manager of supplier diversity and development, encouraging Nestle to hold Huhtamäki accountable for its violations of Nestle's supplier code of conduct.

Nestle's supplier code of conduct requires its suppliers—such as Huhtamäki—to comply with standards such as the freedom of association, a safe and healthy work environment, and a workplace free of verbal abuse and harassment.

"People Over Pigs"

In May, District 12 members joined more than 50 activists in a protest outside Chipotle's shareholders meeting in downtown Denver to demand the fast-casual food chain break its silence and hold Huhtamäki accountable to Chipotle's "Food With Integrity" principles.

They held signs reading, "Chipotle: Put People Over Pigs," "We demand respect for all Huhtamäki workers," and "Chipotle: Workers' conditions matter too."

Inside the shareholders meeting, Duane Calloway, a Huhtamäki worker in Commerce, told Chipotle executives: "Chipotle has taken great strides in animal welfare in its supply chain, but it has neglected to improve conditions for workers in that same chain. I know Chipotle can do better, and we deserve better."

Outside the meeting, local supporter Rev. Patrick Demmer said, "If Chipotle wants to say their food is made with integrity, they need to do business with companies that have integrity."

Huhtamäki's Corporate Code of Conduct states that: "Huhtamäki supports the International Labor Organization (ILO) Principles promoting equal opportunities and including fundamental human rights for all employees, fair compensation, freedom of association and the right to bargain collectively in a lawful and peaceful manner."

Huhtamäki workers at the USW-represented plants in Waterville, Maine, and Hammond, Indiana, produce Chipotle's burrito bowls. Six of the company's 21 plants are unionized and the USW represents four of the unionized facilities.

Why Campaign Needed

The poor wages, working conditions and benefits at the non-union plants drag down what the unionized workers are able to obtain from bargaining.

Remember how long it took to get contracts at the USW Huhtamäki facilities last year that were not concession-ridden and also the shift of work and loss of machinery to the non-union sites.

That is why members at the four USW-represented facilities need to support the Commerce workers' effort to unionize and the USW's campaign to pressure Huhtamäki customers to get the company to adhere to their supplier codes of conduct.

More unionized plants make it easier to raise wages, improve benefits and institute excellent working conditions. With low union density, it becomes difficult to bargain good contracts because the union has less power.

We all need as much power as possible because we have Huhtamäki contracts up in 2016, beginning with the Sacramento, Calif., facility.

Good News: More Jobs at Unionized Huhtamäki Plants

More workers are being hired at Huhtamäki's plants in Waterville, Maine, and Sacramento, Calif.

The company planned to hire twice as many workers this summer to handle vacation relief at the Waterville plant. Local 449 attributed this hiring to USW International Vice President Jon Geenen's visit to company officials in Finland about the forced 18-hour days. Those long hours are unheard of in Finland.

Corporate management told Waterville managers they could no longer work people for 18 hours a day and that they had to hire more workers. With the hiring of extra people, some of those hired a couple years ago now have vacation time.

The great demand for Huhtamäki's new school trays has prompted the company to obtain a second warehouse at Waterville to store the big product. The plant, which produces Chipotle's burrito bowls, also has to have a certain number of bowls on hand all the time.

Local 819 at the Sacramento, Calif., plant reported they have 30 new members, and that the company hired 24-25 full-time workers over the past six to eight months. These workers had been temps at the plant. The facility is running 12 machines at full capacity. About 80 percent of the operators are new hires who are learning the machines, so operations are running a little rough, said USW staff representative Fernie Mirelez.

Commerce Workers' Collective Action Brings Some Improvements

In the year since Commerce workers began their organizing campaign, their activism has produced a number of victories.

In July of 2014, Huhtamäki fired a human resources manager who was a problem for the workers, and one month later it fired another manager. By August of 2014 managers no longer felt comfortable giving unfair discipline to the Commerce workers.

Pressure from the workers to organize prompted Commerce management to give workers raises in September of 2014, November of 2014 (company owed thousands of dollars in back pay), January of 2015, and April of 2015. For the first time in years, the Commerce workers who had seniority received raises instead of lump sum payments.

Even though the Huhtamäki workers received raises, they still earn as little as \$9 per hour, and the company still refuses to meet with the Commerce workers' elected representatives to discuss workplace issues and give them a voice in determining

their wages, benefits and working conditions.

HUHTAMAKI'S U.S. EXPANSION MODEL

If you haven't done so already, read the AFL-CIO and USW study: **"Huhtamäki's U.S. Expansion Model, A Low-Wage, Low-Cost, Low-Responsibility Model of Employment."** It gives you the facts and insight into Huhtamäki's mode of business and long-term expansion plans.

**Check out the link to the
Huhtamaki Global Trade Union Network's statement:**

http://www.industrial-union.org/sites/default/files/uploads/documents/2015/huhtamaki_global_trade_union_network_meeting_.pdf