



# TNC INFO #10

## 12-2012



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*A regular update of IUF TNC activity exclusively for IUF affiliates. More detail can be requested from the individual IUF staff person identified with each entry.*  
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examine women's employment in the banana sector. [For more information affiliates can click here to contact Sue Longley.](#)

## BEVERAGES/BREWERIES

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### BEVERAGES

#### **Coca-Cola**

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Dunkin' Donuts announced a major deal with Coca-Cola on April 2, 2012. It would serve Coca-Cola products in more than 9,400 restaurants in the United States after ending its PepsiCo tie-up. The employees of Coca-Cola Refreshments (Coca-Cola's North American bottling operation) organized in the ***IUF affiliated Retail, Wholesale and Department Store Union (RWDSU-UFCW)*** fought the deal together with the IUF calling on the company to respect their relationship with RDWSU, engage in good faith and avoid any loss of employment and members. Read more [here](#).

In the ***Philippines***, Coca-Cola was the target of mass protest actions by young Filipinos on International Youth Day (August 12). [The Alliance of Progress Labor \(APL\)](#) deployed hundreds of youth activists across the country to organize public meetings and protest actions denouncing the destruction of regular jobs by Coca-Cola.

Following unsuccessful negotiations at global level the IUF started an [urgent action campaign](#) on the 22nd of October asking members and activists to support and help CCBPI workers stand for their rights on wage bargaining, job and union security by sending protest messages. The campaign calls on the company to respect workers' rights in the Philippines by halting the attack on collective bargaining rights and engaging in meaningful negotiations with the unions concerned. Over 7000 protest messages were sent to the company and more international actions are planned in 2013.

## AGRICULTURE

### **Chiquita**

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The ***joint gender working group*** established in April 2011 (see TNC Info # 7) has reached an agreement on a proposal for an annex on sexual harassment to be added to the main IUF/Chiquita agreement and for a pilot project in ***Panama*** to

**The Alliance of Sugar Farmers and Sugar Workers** in the Philippines declared support for the nation-wide campaign calling on Coca-Cola to respect workers' rights. At the same time the Alliance is seeking restitution for lost income resulting from Coca-Cola Philippines smuggling sugar into the country deliberately mis-labelled as "pre-mix" to escape a 38% tariff.

[For more background please click here to read an online news story.](#)

Precarious work, corporate restructuring, and access to organizing and collective bargaining rights dominated the **IUF/Coca-Cola Atlanta meeting which took place on November 1, 2012**. The meeting focussed on outstanding issues notably in the Philippines and Guatemala. IUF affiliates only can [click here for a fuller report on the meeting](#). Affiliates can request a password to access all Alliance material and web links [from Burcu Ayan \(burcu.ayan@iuf.org\)](#)

The next IUF/TCCC meeting will take place on April 10, 2013 in Atlanta.

### **Coca-Cola Workers' Alliance**

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Alliance members recently discussed changes in TCCC's structure. In July 2012, the Coca-Cola Company announced plans to streamline its operating structure and make certain management changes. Effective from January 1, 2013, the company will reduce its operating segments to three, namely Coca-Cola International, Coca-Cola Americas and Bottling Investments Group (BIG).

Affiliates are urged to inform the IUF Secretariat at [burcu.ayan@iuf.org](mailto:burcu.ayan@iuf.org) of any changes or effects on the employment or unions' positions caused by this re-structuring operation.

Some affiliates have reported problems after their respective Coca-Cola bottlers outsourced the distribution services. Affiliates can [click here to fill in the short "Route to Market" survey](#) and also find [here the preliminary results](#) of the IUF survey for the Coca-Cola system. Affiliates with members in the Coca-Cola system can request a password to access all Alliance material and web links from [\*\*Burcu Ayan \(burcu.ayan@iuf.org\)\*\*](mailto:Burcu Ayan (burcu.ayan@iuf.org))

Affiliates can find recent Coca-Cola global developments for the period of March-October 2012 [here](#).

### **Coca-Cola Alliance Steering Committee Meeting, Geneva, December 4-5, 2012**

Coca-Cola Alliance Steering Committee members from USA, Tunisia, Spain, Guatemala and South Africa and unions organized in Coca-Cola operations in Turkey and Brazil came together on

December 4 and 5 to discuss the ongoing work of the Alliance, future working priorities, and proposals for a draft International Framework Agreement. The meeting concluded with strategies to enhance the cooperation between affiliates and planned strategic options and concrete objectives for the Alliance in future.

It is hoped a full meeting of Alliance members can be organized in 2013.

### **Pepsico**

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In USA, RWDSU/UFCW's Local 110 Quaker Oats (PepsiCo) members recently and overwhelmingly approved a four-year deal that increased wages above the inflation rate and added a \$650 lump sum bonus in the first and second year. [Read more here](#).

Members of the IUF-affiliated **Service & Food Workers Union (SFWU)** at PepsiCo's Bluebird Foods plant in Auckland, **New Zealand**, voted against company proposals on reduced overtime pay rates that would threaten unionized jobs in Australia. [Read the full story here](#).

### **PepsiCo Union Network**

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IUF affiliates organized in PepsiCo operations came together and held a **PepsiCo workers' International Consultation** meeting on December 3 and 4 at the IUF in Geneva.

PepsiCo network participants discussed union successes, challenges and developments within the company and how to strengthen the union network following the first Global Strategic PepsiCo meeting in December 2010. The meeting set out a strategic approach to winning global union recognition within the company.

Decisions on how to better communicate and coordinate the PepsiCo Union Network as well as organizing initiatives in 2013 were discussed and agreed. A full meeting of the PepsiCo Union Network was agreed for 2013.

### **BREWERIES**

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The IUF Secretariat is updating its databases and mapping of breweries companies using a [survey you can find here](#). This will allow us to identify concrete issues confronting affiliates, see how affiliates have responded and help us develop organizing and bargaining strategies for the sector.

Visit the <http://www.beerworkers.org/> for more news.

## **AB-Inbev**

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In the **USA**, striking workers at Anheuser-Busch's distribution center in Riverside voted to accept the brewing company's final offer and returned to their jobs in August. [Read more here](#).

The Brazilian transnational corporation AmBev owned by AB-Inbev could be penalized for harassing workers members of the **National Union of Sales Workers of Compañía Cervecería AmBev Perú SAC (SITRAMBEVSAC)**. On July 2, management suspended nine union members and four leaders and has yet to back this action with the evidence called for by the Labor Ministry. [Read here for more](#).

Management and the trade unions in **Belgium** at the Leuven-based drinks company AB InBev have reached agreement on a new collective labour agreement for the company's blue collar workers. [Read here for more](#).

## **Carlsberg**

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The **Carlsberg Bulgaria** brewery in the northeastern city of Shumen will be shut down for two months due to the low consumption of beer in winter. It is still unclear whether the workers will receive salaries for January and February or if they will have to take unpaid leave.

In **Cambodia** NGO allies, ITUC, the IUF and the IUF affiliated unions FNV Bondgenoten from Netherlands, 3F from Denmark, ACV-CSC from Belgium set up a working group to help resolve the working condition and union representation issues around beer promotion women.

This group is organizing regular conference calls and discussing actions to ensure that the beer companies operating in Cambodia respect worker and union rights. The legitimate union, Cambodia Food and Services Workers' Federation (CFSWF) organized in Carlsberg and Heineken is currently not recognized by those companies. The joint working group has sent a letter to all brands calling on them to make sure subsidiaries/suppliers recognize CFSWF.

## **Heineken**

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In March 2012, the IUF Secretariat contacted Heineken corporate management expressing its concern about the strike of members of the IUF-affiliated **FGAT-UGTT in Tunisia**. The FGAT-UGTT launched an indefinite strike on March 21 after fruitless negotiations with Heineken Tunisian management to improve the conditions of

contracted agency workers as well as the health and safety conditions and measures at the Grombalia plant. Following the IUF's approach and in the week following the strike Heineken management from corporate headquarters visited Tunisia and the issues were resolved through an agreement with the union to convert precarious workers to permanent workers in an agreed time frame.

In **Cambodia**, in August and September 2012, Heineken dismissed beer promoting women who promote the Heineken brand. The dismissed workers did not receive the full compensation they were entitled to as well as their annual leave payments. The IUF Secretariat shared a report of compensation calculations and the unpaid amounts with IUF-affiliated FNV Bondgenoten and the union officers of IUF's Dutch affiliate shared the details with Heineken management.

Heineken management agreed that the dismissal procedure has not been in conformity with Cambodian labour law, and agreed to fulfill all their obligations by the end of the year.

## **SABMiller**

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In **Latin America** IUF affiliates are clear that SABMiller works with a model built on "**the harsher the union repression the greater the profit**".

SABMiller-Bavaria consistently represses attempts by its workers to organize in independent trade unions and often promotes the creation of yellow (pro-management) organizations. However workers at the brewing giant in **Colombia** were finally able to unionize in February 2012, within IUF-affiliated SINALTRAINBEC, a union that groups food and beverage industry workers. [Read the full story here](#).

## **CATERING**

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## **Compass**

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**Italian union members** employed by Compass, the UK based catering, cleaning and facilities management company participated in a successful strike on Friday 1 December to protest the Company plans to lay off 824 workers in Italy.

Italian federations CGIL, CISL and UIL cooperated in a campaign to have Compass withdraw their notice of dismissals and they reported high levels of participation in the strike action. The company is awash with cash and has spent £500m this year and plans a further £400m next year in share buy backs to deliver even more money into

shareholders pockets after delivering a 10% increase in dividend this year.

The IUF is giving full support to its Italian affiliates in their demand to have Compass put working families ahead of greater profits. Following the strike a meeting between Compass and our Italian affiliates assisted by the Ministry of Labor, resulted in a withdrawal of the dismissal notices and the start of a negotiation between the Parties.

## IUF DAIRY DIVISION

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On February 3, workers at **Dairy Farmers of America**, a milk processing plant in Adrian, voted for representation with the **United Food and Commercial Workers (UFCW)** to protect job security and give them a voice on the job.

The **National Union of Workers (NUW)** in Australia and the **New Zealand Dairy Workers Union (NZDWU)** both represent dairy workers and both are active participants in the dairy division of the International Union of Food Workers (IUF). The NUW and NZDWU have developed a relationship over the last decade and on Monday 6 February the two unions formally entered into a Cooperation Agreement. [Read more here.](#)

Supported by the IUF, Aldo Lezana, president of the **National Federation of Dairy Sector in Chile (FENATRAL)**, travelled to New Zealand and met with leaders of Fonterra to whom he explained the situation of workers in Chile Soprole. [Read the interview with Aldo Contreras Lezana here.](#)

Over 1,000 workers lost their jobs when nine dairy cooperatives in **Uttar Pradesh** - India's biggest milk producing state - closed in early 2010. After a tough two-year fight the dairies are being forced to re-open. The **PCDF Trade Union**, a member of the **IUF-affiliated Dairy Employees Federation of India (DEFOI)**, represents 2,200 members in 39 small and medium dairies, including the nine that were closed in 2010 without any warning or any prior negotiations. [Read the full story here.](#)

On July 2012, **women dairy workers** in cooperative dairies in the southern state of **Karnataka, India**, won improved maternity protection, including increased paid maternity leave from 135 to 180 days.

IUF affiliated **ATILRA in Argentina** worked with the IUF's **Latin American region's Dairy Department** to produce a detailed analysis of Argentina's dairy industry. [You can read the report \(in English here\).](#)

On October 17, 2012 the **IUF-affiliated Milk Food Factory Workers Union** stepped up its demand for improved working conditions at the

**GlaxoSmithKline (GSK) Horlicks** factory in Nabha in Punjab state in northwest **India**. The union, representing 1,650 members, and supported by the IUF regionally and internationally is demanding 105 new permanent positions be created to reduce excessive workloads in manufacturing and milk collection. [Read more here.](#)

## FISHERIES

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The joint project with the ITF continues. During the ITF Fisheries Conference in February 2012, the programme was extended to 2014.

Initial impacts are expected in Papua New Guinea (PNG) and in the Philippines. The IUF allocated some funding for the PNG Project and training to support the organizing plans of the Papua New Guinea Maritime Workers Industrial Union at **Frabelle, Majestic Seafood Corporation, International Food Corporation, RD Tuna Cannery and Fisheries and South Seas Tuna**. Just fewer than 5000 workers have signed petitions for union membership and collective bargaining in PNG.

In a national workshop held in Norway with participation of both ITF and IUF members, industry mapping started and participants agreed to continue developing knowledge of the wider industry and this base-line mapping. They also agreed to support work in Latin America and domestically on Austevoll.

In June and November 2012, 2 national workshops were organized in Madrid that brought together ITF and IUF Spanish members to map the Spanish industry working particularly with Latin America on **Calvo and Pescanova** organizing.

National workshops in Chile & Peru began mapping the industry and agreed to cooperate fully across companies & unions and to participate fully in the programme.

Further meetings for Spain, Norway, Argentina and PNG are being planned to provide updates and ongoing plans for the next phase. On March 7 and 8, a workshop in Buenos Aires with the participation of IUF and ITF affiliates from Norway, Spain, Chile and Peru will focus on agreement in principle for joint/ cross national working arrangements for organizing fisheries companies in Peru and Chile.

# FOOD PROCESSING

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## **Kraft**

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On 11 November, the IUF General Secretary met in Cairo with representatives of **the Egyptian Democratic Labour Congress (EDLC)** and of the local Kraft union to discuss the ongoing conflict and support to the unjustly suspended union officials. Practical support has now been organized to support the families of these dismissed union leaders in Alexandria and also for those union leaders dismissed by Mondelez in Tunisia. [For more read here.](#)

The IUF has written an open letter to the CEO of Mondelez demanding action on the company's rights violations in Tunisia and Egypt. After an initial web-based action calling for these workers' rights at Mondelez to be respected a more sustained and long-term campaign is being developed and will be launched shortly.

In November, the IUF was invited to make a presentation at the evaluation meeting of workers' representatives following the meeting of the **Kraft European Works Council**. The presentation focused on an analysis of the consequences of the corporate split for workers and on the rights violations by Kraft/Mondelez in Tunisia and Egypt.

## **Kraft/Mondelez split**

*"As expected, its workers who are paying the price of the Kraft Foods split", IUF affiliate PRO-GE said in response to Mondelez' announcement, on 30 October, that the Jacobs coffee roasting facility in **Vienna (Austria)** would be closed. "Mondelez is simply continuing what has long been common practice at Kraft Foods: abandoning sustainable corporate policy in favor of short-term stock market gains."*

Then, on November 1st Mondelez announced that **the Mr. Christie's Bakery in Etobicoke, near Toronto (Canada)** would be closed, leaving 550 people out of work.

The company cites "changes in consumer behaviour as well as the current competitive situation and the difficult economic environment" as reasons for the Vienna closure. But the true background is the fact that [Kraft Foods' enormous debt from the acquisition of Danone's biscuit division in 2007 and of Cadbury in 2010, remains, contrary to previous announcements, almost entirely with Mondelez.](#) And this debt will have to be paid off.

In Canada **IUF affiliate BCTGM** voiced concern that most of the production will be transferred to non-union third-party manufacturers and to Mexico, with very little to be transferred to the BCTGM-organized facility in Montreal.

## **Nestlé**

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**The second global meeting** between a team of IUF affiliates and Nestlé corporate management took place on December 6, 2012. It focused on 4 issues identified previously by both the IUF and Nestlé: precarious employment, health & safety, performance pay and threats to collective bargaining and gender balance in shop floor employment.

It was agreed that union/company working groups would initially establish an accurate picture in Nestlé's operations on the use of precarious forms of employment and gender balance in employment practices across Nestlé. Significant differences in position on the remaining two issues (health and safety and performance pay) led each party to express a need to consult further internally with their respective constituencies.

On December 13, a special meeting on **Nestlé's high performance work system, NCE**, took place within the context of the Nestlé European Works Council. The meeting focused on threats to workers' health and other issues arising from the imposition of NCE which had been catalogued by the IUF secretariat.

At the request of the NGG and its Rhein-Main regional office, the IUF launched a call for solidarity messages following Nestlé's announcement of job cuts at the Neuselters water bottling plant [\(read more here\)](#).

## **Unilever**

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Following the decisive membership vote at the **Doom Dooma factory in India** on September 19, 2012, in which 75% of the workers chose the IUF affiliate as their collective bargaining representative vs. 12% for the company-supported organization, a Long Term Settlement (CBA) was signed by the IUF affiliate on October 27. After an initial proposal for a possible second verification the company has now assured the IUF it accepts the clear result of the first verification and will work hard to ensure no further verification is proposed.

The **UK National Contact Point (NCP)** responsible for monitoring compliance with the OECD Guidelines for Multinational Enterprises, has been monitoring compliance with the 2010 agreement between the IUF and Unilever which

should have resolved this dispute over union rights and recognition. That process is ongoing.

The IUF is proceeding with the preparations for a **global shop stewards meeting** to be held in Eastbourne, UK March 6-7. This meeting should contribute to the practical work of building a strong, active international union organization in the company.

As part of this process, a successful meeting of **South African Unilever** union officers and shop stewards was held in Johannesburg on November 26 with the participation of the IUF-affiliated FAWU and the chemical workers' union CEPPWAWU affiliated to IndustriALL.

### **Gender/Equality in Unilever**

The IUF has begun carrying out the first-ever survey of the situation of women workers at Unilever. The results should assist unions organizing around equality, precarious work and union rights and strengthen affiliates' organizing and bargaining.

## **HOTEL CHAINS**

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### **Accor**

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The IUF continues to work very closely with Unite Here and SYNOVO, affiliates involved in rights and recognition disputes at Accor Novotel establishments in Ontario, Canada and Cotonou, Bénin. The secretariat is building support for their actions and pressing for a resolution of the complaint lodged with the French National Contact Point for the OECD Guidelines in 2010.

On October 24, the IUF raised directly in a meeting with the Labour Minister of Bénin Accor's violations of national law and the international Guidelines and pressed for direct intervention by the government, which has launched an investigation into the situation.

### **Hilton**

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The IUF's international solidarity campaign to reinstate 22 workers unfairly dismissed at the **Conrad Hilton** in the **Maldives** takes place against the backdrop of a recent senior management change at the hotel. Following this change the IUF continues its campaign and also its engagement with Hilton International to ensure the reinstatement of all 22 dismissed union members

## **MEAT**

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On June 7-8, 2012, 1,200 poultry workers at **Pilgrim's Pride in Russellville, in the US state of Alabama** voted **overwhelmingly** to join the Retail, Wholesale and Department Store Union (RWDSU).

This important organizing win came about despite major efforts by the company to undermine the workers' support for union representation. These included boycott threats to local businesses which were providing meeting rooms to RWDSU organizers and efforts to have organisers removed from their accommodation.

For workers, the key issues were the lack of any grievance mechanism and the ability to participate in decisions affecting working conditions. With union representation, they will now be able to change their workplaces - and their lives - for the better.

Pilgrim's Pride is the US poultry division of Brazilian beef and poultry giant JBS and is the largest chicken producer in the United States.

## **TNC INFO**

**"TNC INFO"** is a publication exclusively for IUF affiliates and governing bodies. It is not available to a broader audience.

**"TNC INFO"** is available to affiliates on the [members-only TNC INFO section](#) of the IUF's web site. Password is ch1213.

The publication regularly brings brief reports of IUF Secretariat activities in relation to the major TNCs which feature in the Secretariat's work. More detail can be obtained from the respective IUF staff person identified for each company.

The secretariat hopes this publication helps to inform affiliates of the work in this specific area undertaken on their behalf and adds to our ability to build union strength inside these companies.

Comments and suggestions about this from affiliates are welcome. The should be sent to [iuf@iuf.org](mailto:iuf@iuf.org)

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