

Labor History: The Mott's/Snapple Strike

By Ed Leavy

It is not uncommon for corporations to make dubious claims about dire financial conditions to justify benefit concessions or pay cuts. Sometimes it is amazing that company spokespeople can keep a straight face while making these claims; even the National Football League, which makes money faster than it would be able to print it, claimed “the need for fiscal responsibility” last year in refusing to meet the referees’ calls for a moderate pay raise. In 2010, the Dr. Pepper Snapple Corporation did not bother with such hypocrisy. They acknowledged they had made a profit of over half a billion dollars. Then they demanded pay cuts and pension givebacks anyway.

Dr. Pepper Snapple’s primary argument was that their Mott plant in Northwestern New York paid significantly better wages than other factories in the economically depressed area. Rather than the Mott plant being the vehicle to lift the local economy, the company viewed the local economy as an excuse to reduce costs. After all, where were the workers going to get another job? The company was brutally direct about conveying their stand. During negotiations, a plant manager told one of the workers on the committee that they were “a commodity like soybeans and oil, and the price of commodities goes up and down.” The union pointed out that key management figure had seen their salaries double in the past year, and many were handed large bonuses. The company did not flinch. “Executive pay is not relevant to discussions about hourly wages for bargaining unit employees. Regardless, we strive to pay all employees a compensation wage or salary based on local market and industry norm,” said DPS spokesperson Chris Barnes. Unsurprisingly, the company executives did not live in Northwestern New York with the workers.

The union of course saw it differently. Stuart Appelbaum of the Retail, Wholesale, and Department Store Union International that represented the workers focused on the class disparities that lied beneath the fight. “When you come right down to it, the situation is much bigger than just some unhappy workers at a Mott’s apple juice plant in upstate New York. This is about a large company doing extraordinarily well demonstrating outrageously greedy behavior. It’s beyond outrageous. It’s un-American.” When negotiations hit an impasse, the two sides submitted last best offers. Dr. Pepper Snapple offered \$1.50-an-hour pay cut and freezes in pension. In May, 2010 the workers went out on strike.

The union had to work hard to ensure that the community would support the strikers. In an area with low wages and high unemployment, the temptation to cross the picket line for work must have been tempting. The union was able to present the issue as a community standing up to corporate greed, however, and the community sided with the workers. As the strike dragged on and harvest time approached, people in the area did begin to worry, as so much of the community’s economy centered on supplying the Mott plant with apples. Finally, in September the 16-week strike ended. Though both sides claimed victory, the workers received moderate pay increases and most of their pension benefits remained intact. As importantly, the strong stand by the workers has discouraged other profitable companies from taking such a truculent stand with its workers and demanded concessions. Admittedly, we see companies like Walmart making sure that its workers never get enough so givebacks are even possible.

We cannot minimize what the union and its workers accomplished. They engaged the community, they stood together, and they said no. They were willing to make sacrifices to reach their goals, not just for themselves but for all workers. We should be inspired by them, and we need to be because the greed of some is unquenchable and growing stronger. In 1965, when the American economy was growing, the average CEO of a Fortune 500 company made 24

times the pay of the average worker. By 1989 it was up to 71 times. Today it is 364 times. Don't expect to see that number as a Snapple fact.

This article was inspired by a speech by Stuart Appelbaum at the CT AFL-CIO convention this September. Thanks to Lori Pelletier and whoever else made the decision to invite him. There are also a number of terrific articles, especially from the New York Times, available on the internet.