

American Federation of Labor and Congress of Industrial Organizations



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June 14, 2010

The Honorable Hilda Solis
United States Secretary of Labor
United States Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

Dear Madam Secretary:

I am writing to you about a disturbing situation in upstate New York that I believe goes to the core of some of the problems that continue to confront working people in our current economy. Approximately 300 workers at the Mott's juice and applesauce facility in Williamson, NY, have been forced out on strike. The workers struck when the company demanded wage cuts of \$1.50 an hour for each employee as well as drastic cuts to the health plan and pension plans. What makes this story so instructive is that the workers were forced out on strike not because their company had hit hard times: just the opposite is true.

Motts is a subsidiary of Dr Pepper Snapple Group. The company is extraordinarily profitable. Last year alone they had \$555 million in profits. The workers at Motts have been proud to play a role in making the company so profitable, but instead of looking to maintain good paying jobs in economically stressed upstate New York, the company came to the bargaining table demanding severe cuts and givebacks. When asked why, the company's answer was as simple as it was offensive. Company representatives told the workers that there was no economic necessity for the cuts. They said the only reason for the cuts was that they felt the workers made too much money. As wages fell for other workers in the area and as unemployment rose, the company felt that they could take advantage of tough economic times to squeeze their workforce. Why should they pay decent wages, they argued, when there are plenty of workers who would do their jobs for less? This is despite the fact that Dr. Pepper Snapple CEO Larry Young enjoyed a 113 percent salary increase over the last three years (or 28 percent each year). In 2009, Young's total compensation was \$6,519,378.

Letter to The Honorable Hilda Solis
Page Two
June 14, 2010

Secretary Solis, we know that you are working tirelessly to help working people get their footing as we pull out of this recession. We in the AFL-CIO have been proud to play a constructive role in those efforts. All of us are in this together. Or all of us should be in this together.

Sadly there are companies that are looking to take advantage of tough economic times. The Wall Street values that put us into the economic mess are alive and well at companies like Dr. Pepper Snapple and Mott's. Their actions in Williamson are short sighted, damaging to the community and frankly un-American. If we are to get America working again, if we are to give workers the opportunities they so desperately need, if we are to protect the middle class, we need to confront the damaging values that have infected so much of corporate America. A business model that allows profitable companies like Dr. Pepper Snapple to pay their CEO increasingly lavish salaries while cutting their employees' salaries is economically unhealthy for the company and the nation. We have and will be continuing to inform the 13 million members of the AFL-CIO about how Dr. Pepper Snapple and Motts are behaving towards the hardworking men and women at their Williamson facility.

As the Obama Administration continues to confront the economic challenges facing our nation, I would urge you to address this problem and to call upon corporate America to do its part in helping America's workforce through tough economic times. I would suggest that there is no better place to start than by asking Dr Pepper Snapple to reach a fair settlement with its workers at Motts.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard L. Trumka". The signature is stylized and cursive, written over a horizontal line.

Richard L. Trumka
President

RLT/jh/jlh

Cc: Stuart Appelbaum, President, RWDSU/UFCW
Joseph T. Hansen, President, UFCW