

# Meatpackers And Major Corporations Complain About The Labor Shortage, Yet Have Repeatedly Resisted Workers' Demands For Fair Wages, Benefits, And Conditions—With Many Lobbying On Wages And Labor Protections During The Pandemic

**SUMMARY:** Across industries in the United States, workers have [quit](#) their jobs, primarily in sectors known for low pay and poor conditions. While many companies lament that "[no one wants to work anymore](#)," many experts argue that Americans are facing a shortage of "[good wages and workers rights on the job](#)," given the "[remarkably bad](#)" way many companies treat their workers.

In particular, the meat industry's leading trade group, the North American Meat Institute (NAMI), has [chafed](#) at the [Biden administration](#) and [members of Congress](#) criticizing industry for inflation and a labor shortage, despite the fact that a recent congressional probe found troubling working conditions at facilities run by the "[big four](#)" meatpackers, with COVID-19 cases and deaths that were up to [three times higher](#) than previously known. In addition to these findings, an Accountable.US review has found other instances of meatpackers' poor treatment of employees:

- NAMI member **Tyson Foods** was found to have had "[29,462 employee \[COVID-19\] infections and 151 employee deaths](#)" at its facilities, with one facility having particularly [lax safety protocols](#)—including "workers [wearing] masks 'saturated' with fluids," a lack of social distancing, and workers being "separated by 'plastic bags on frames' instead of CDC-compliant barriers."
- The CEO Of NAMI member **Pilgrim's Pride** has complained about labor shortages after the company [cut 2,200 jobs](#), was expected to [cut up to 5,600 more](#), and was criticized by a union president for endangering [3,000](#) of the company's workers during the height of the pandemic.
- NAMI member **National Beef Packing Company**, whose CEO complained about employee "[absenteeism](#)" through 2020, was revealed to have [72% more COVID-19 cases and 50% more deaths](#) than previously estimated after the company was already known for a [rash of outbreaks](#) at its plants early in the pandemic.
- NAMI member **Cargill's** CEO [complained](#) about labor shortages shortly after the company had its most [profitable year ever](#) and the company was revealed to have [236% more COVID-19 cases and 150% more deaths](#) than previously estimated, while Cargill workers reported being [forbidden to wear masks](#) and said they were treated "[like disposable parts](#)" during the pandemic.

Additionally, executives in many other industries have complained about the [challenges](#) of the labor market and the consequences it's had on their businesses. These same companies also have a history of mistreating, overworking, and refusing to pay their employees better, even in the face of record profits and shareholder handouts:

- **FedEx's** President and COO [complained](#) the labor shortages were "[the biggest issue](#)" facing the company in 2021, yet the company [fought against unionization efforts and major labor legislation](#), all while [cutting median employee compensation](#) and increasing shareholder dividends by 61% since 2017.
- Despite **Sysco's** executives lamenting about "[labor availability challenges](#)," the company was [accused of "multiple unfair labor practices"](#) and workers in [multiple states](#) went on strike, all while the company was lobbying on the [minimum wage](#) and major [labor rights legislation](#).

- **Best Buy's** CEO complained about seeing a "[dip in job applications](#)" while the company [laid off 5,000 employees](#) as remaining workers "[struggled with understaffing](#)"—additionally, Best Buy consistently [lobbied](#) on major labor legislation in 2021.
- **McDonald's** has fussed over the "[very challenging staffing environment](#)" while employees—who have felt "[belittled' and 'degraded'](#)"—went on strike against [sexual harassment](#) and [poor working conditions](#) while the company prioritized [automation](#) over [raising employee wages](#).
- **Deere & Co.'s** executives blamed delays and disruptions on the "[extremely tight](#)" labor market, yet [resisted](#) increasing union workers' wages and benefits, leaving workers "[fighting over crumbs](#)" while the company reaped [record profits](#), with one employee calling the companies' actions "[corporate greed](#)."
- **A Kellogg's** executive lamented "[widespread shortages of labor](#)" and yet the company [enjoyed a 9.1% increase](#) in profits while workers complained their jobs and "[well-being](#)" had been threatened—resulting in "[one of the longest-running strikes of 2021](#)" in which workers won improved wages and benefits.

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**In January 2022, The North American Meat Institute (NAMI) Criticized The Biden Administration And Congressional Democrats For Failing To Address The Labor Shortage, Meanwhile Its Most Powerful Member Companies, Representing 85% Of Beef Production In The United States, Had 59,147 Worker Infections And 269 Deaths In Their Facilities Through January 2021.**

**January 2022, The North American Meat Institute (NAMI)—The United States' Largest Meatpacking Trade Association Representing 95% Of The Country's Meat Output—Criticized The Biden Administration and Congressional Democrats For "Hold[ing] Press Conferences And Hearings Instead Of Addressing The Labor Shortage And Supply Chain Bottlenecks."**

January 19, 2022: President And CEO Of The North American Meat Institute (NAMI) Julie Anna Potts Criticized President Biden And Presumably Democratic Members Of Congress For "Hold[ing] Press Conferences And Hearings Instead Of Addressing The Labor Shortage And Supply Chain Bottlenecks." "The North American Meat Institute (Meat Institute) today said consumers saw increased meat

prices in 2021 because of labor shortages, greater consumer demand, supply chain problems and other factors experienced by most sectors of the economy. 'Inflation is hurting consumers by erasing the wage gains workers received due to the tight labor market and the pandemic,' said Julie Anna Potts, President and CEO of the North American Meat Institute. 'It is no wonder the Biden Administration and some members of Congress would rather hold press conferences and hearings instead of addressing the labor shortage and supply chain bottlenecks.'" [North American Meat Institute, [01/19/22](#)]

- **On January 19, 2022, NAMI Submitted Testimony On Behalf Of Industry During A Hearing Of The House Judiciary Subcommittee On Antitrust, Commercial, And Administrative Law Regarding The "Effects Of Economic Concentration On Americas Food Supply."** "The Meat Institute submitted additional testimony for a hearing of the House Judiciary Subcommittee on Antitrust, Commercial, and Administrative Law called, Reviving Competition, Part 5: Addressing the Effects of Economic Concentration on Americas Food Supply." [North American Meat Institute, [01/19/22](#)]

**NAMI Is The "United States' Oldest And Largest Trade Association Representing Packers And Processors Of Beef, Pork, Lamb, Veal, Turkey, And Processed Meat Products," With Its Members "Account[ing] For Over 95 Percent Of The United States' Output Of Meat."** "The Meat Institute is the United States' oldest and largest trade association representing packers and processors of beef, pork, lamb, veal, turkey, and processed meat products. NAMI members include over 350 meat packing and processing companies, the majority of which have fewer than 100 employees, and account for over 95 percent of the United States' output of meat and 70 percent of turkey production." [North American Meat Institute, [01/19/22](#)]

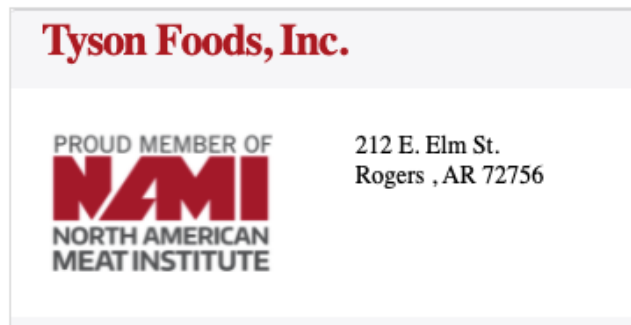
**Although NAMI Claims To Represent "Over 350 Meat Packing And Processing Companies" Representing "Over 95 Percent Of The United States' Output Of Meat," Just Four Companies—Tyson, JBS, Cargill, And National Beef—"Process 85 Percent Of Beef In The United States."**

**NAMI Claims To Represent "Over 350 Meat Packing And Processing Companies" Representing "Over 95 Percent Of The United States' Output Of Meat And 70 Percent Of Turkey Production."**

"NAMI members include over 350 meat packing and processing companies, the majority of which have fewer than 100 employees, and account for over 95 percent of the United States' output of meat and 70 percent of turkey production." [North American Meat Institute, [01/19/22](#)]

**Meanwhile, NAMI Members Tyson, JBS, Cargill, And National Beef—Known As The "Big Four" Of Meatpacking Companies—"Process 85 Percent Of Beef In The United States, Giving Them Immense Economic Control."** "Ranchers and legislators say that the four major meatpacking companies—the 'Big Four,' as ranchers call them—are to blame. Tyson, JBS, Cargill, and National Beef purchase and process 85 percent of beef in the United States, giving them immense economic control." [The American Prospect, [06/09/21](#)]

**Tyson Foods Is A Member Of The North American Meat Institute:**



[North American Meat Institute, accessed [01/20/22](#)]

**JBS USA Is A Member Of The North American Meat Institute:**

**JBS USA**



1770 Promontory Circle  
Greeley , CO 80634  
Phone: (970)506-8000 Fax: (970)506-8323

[North American Meat Institute, accessed [01/20/22](#)]

**National Beef Is A Member Of The North American Meat Institute:**

**National Beef Packing Co., LLC**



12200 N. Ambassador Drive, Suite 500  
P.O. Box 20046  
Kansas City , MO 64163  
Phone: (620)624-1851 Fax: (620)626-0288

[North American Meat Institute, accessed [01/20/22](#)]

**Cargill Is A Member Of The North American Meat Institute:**

**Cargill, Inc.**



65 Green Mtn Road  
Hazleton , PA 18201-6043

[North American Meat Institute, accessed [01/20/22](#)]

**In October 2021, The House Select Subcommittee On The Coronavirus Crisis Released A Report That Found Major Meatpackers, Including Tyson Foods, Had COVID-19 Cases And Deaths That Were "Up To Three Times [Higher Than] Previous Estimates" Through January 2021 – Tyson Foods Had The Most Infections And Deaths Of All Surveyed Companies.**

**October 2021: The House Select Subcommittee On The Coronavirus Crisis Released A Report That Found COVID-19 Cases And Deaths At Major Meatpacking Plants Were "Up To Three Times [Higher Than] Previous Estimates."** "Workers at the leading U.S. meatpacking plants experienced cases and death from COVID-19 that were up to three times previous estimates, according to a report by the House Select Subcommittee on the Coronavirus Crisis seen by Reuters." [Insurance Journal, [10/28/21](#)]

**From The Beginning Of The Pandemic Through January 2021, The Facilities Of Major Meatpackers, Tyson Foods, JBS USA, Cargill, National Beef And Smithfield Foods, Had 59,147 Worker Cases And 269 Deaths.** "The U.S. House of Representatives subcommittee surveyed major meatpackers Tyson Foods, JBS USA, Cargill, National Beef and Smithfield Foods, which together control over 80% of the beef market and 60% of the pork market in the United States. At those companies' plants, worker cases of COVID-19 totaled 59,147 and deaths totaled 269, based on counts through January of this year, according to the report which was released on Wednesday ahead of the subcommittee hearing on the pandemic's impact on meatpacking workers." [Insurance Journal, [10/28/21](#)]

**In October 2021, NAMI Member Tyson Foods Was Found To Have Had "29,462 Employee [COVID-19] Infections And 151 Employee Deaths" At Its Facilities Through January 2021, With One Facility Having Particularly Lax Safety Protocols—including "Workers [Wearing] Masks 'Saturated' With Fluids," A Lack Of Social Distancing, And Workers Being "Separated By 'Plastic Bags On Frames' Instead Of CDC-Compliant Barriers."**

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Tyson Foods Was Found To Have Had "29,462 Employee [COVID-19] Infections And 151 Employee Deaths" Over This Time, The Most Infections And Deaths Of All Surveyed Companies. "Across companies, Tyson saw 29,462 employee infections and 151 employee deaths, JBS saw 12,859 employee infections and 62 employee deaths, Smithfield saw 9,666 employee infections and 25 employee deaths, Cargill saw 4,690 employee infections and 25 employee deaths, and National Beef saw 2,470 employee infections and six employee deaths." [Select Subcommittee on the Coronavirus Crisis, [10/27/21](#)]

**At Least One Tyson Plant—"Where Around 50% Of Workers Contracted The Virus"—Was Found To Have Lax Safety Protocols, Including "Workers [Wearing] Masks 'Saturated' With Fluids," A Lack Of Social Distancing, And Workers Being "Separated By 'Plastic Bags On Frames' Instead Of CDC-Compliant Barriers."**

Tyson Food's Amarillo, Texas Beef Plant—"Where Around 50% Of Workers Contracted The Virus" In 2020—Was Found To Have Incredibly Lax Safety Protocols, Including "Workers [Wearing] Masks 'Saturated' With Fluids," A Lack Of Social Distancing, And Workers Being "Separated By 'Plastic Bags On Frames' Instead Of CDC-Compliant Barriers." "Cases were especially high at certain plants, including JBS's Hyrum, Utah, beef plant and Tyson's Amarillo, Texas, beef plant, where around 50% of workers contracted the virus, according to the report. [...] In May 2020 at Tyson's Amarillo plant, for instance, workers wore masks 'saturated' with fluids, were not socially distanced, and were separated by "plastic bags on frames" instead of CDC-compliant barriers, according to a Centers for Disease Control and Prevention (CDC) memo obtained by the subcommittee." [Insurance Journal, [10/28/21](#)]



## **Tyson Foods Only Began Providing Full Paid Sick Leave To Its Front-Line Workers In September 2021 As Part Of A Deal To "Secur[e] Union Support For Its [COVID-19 Vaccine] Mandate."**

**In May 2020, Tyson Foods' Did "Not Provide Full Paid Sick Leave" Despite Having "At Least 4,585 Cases Of COVID-19 And 18 Deaths Linked To Tyson" At The Time.** "Meanwhile, workers say their employers failed to keep them safe. And despite new safety policies, meat-industry giants including Tyson still do not provide full paid sick leave. An analysis by Business Insider found at least 4,585 cases of COVID-19 and 18 deaths linked to Tyson." [Business Insider, [05/11/20](#)]

**September 2021: Tyson Foods Agreed To Offer Its "Front-Line Workers Paid Sick Leave For The First Time" As Part Of A Deal To "Secur[e] Union Support For Its [COVID-19 Vaccine] Mandate."** "Tyson Foods is offering its front-line workers paid sick leave for the first time, part of an agreement that secured union support for its mandate that all U.S. employees get vaccinated against the COVID-19 virus." [Associated Press, [09/03/21](#)]

## **Despite Nearly 2,000 Tyson Workers Testing Positive For COVID-19 In May 2020, Tyson Foods Resumed Meatpacking Operations At 7 Of Its Plants—including 3 That Had Severe Outbreaks—Just Days Later.**

**May 1, 2020: An Indiana Tyson Pork-Processing Plant Was Reported To Have Approximately 890 Employees Test Positive For COVID-19 After The Plant Had Already Been Closed For Deep Cleaning And Sanitizing.** "Around 890 employees at a Tyson Foods pork-processing plant in Logansport, Indiana, have tested positive for COVID-19, a report from NBC News finds. The Indianapolis Star, part of the USA TODAY Network, reported that the Logansport plant had previously suspended operations for a single day, on April 20, for deep cleaning and sanitizing. But after reopening, it quickly closed again, with officials saying it would stay shuttered until all 2,200 workers were tested for the coronavirus and the company deemed the facility safe for workers." [USA Today, [05/01/20](#)]

**May 6, 2020: A Tyson Pork-Processing Plant In Iowa Was Reported To Have 730 Cases Of COVID-19 Out Of Approximately 1250 Employees – Nearly 60 Percent.** "Nearly 60 percent of employees at the Tyson Fresh Meats pork plant in Perry, Iowa, have tested positive for coronavirus, making it one of the hardest-hit meat plants in the U.S. Out of the approximately 1250 employees at Perry, 730 people contracted the virus, the Iowa Department of Health said." [Fox Business, [05/06/20](#)]

- **The Plant Was Reopened In Early May 2020 Following Sanitization And The Adoption Of Safety Precautions.** "The plant was idled and sanitized after employees were tested for coronavirus in late April, a Tyson spokesperson told FOX Business. Operations resumed on Monday with safety precautions including temperature checks, face coverings for workers and workstation dividers." [Fox Business, [05/06/20](#)]

**May 9, 2020: It Was Reported That Tyson Foods Suspended Production At One Of Its Wilkesboro, North Carolina Processing Plants "Amid Reports Of A Coronavirus Outbreak That Is Responsible For The Majority Of Cases In Wilkes County."** "Tyson Foods has suspended production for two days at one of its Wilkesboro plants amid reports of a coronavirus outbreak that is responsible for the majority of cases in Wilkes County. Tyson Foods employs about 3,000 people in Wilkesboro at two plants: a fresh plant, which deals with raw chicken, and a foods service plant." [Raleigh News & Observer, [05/09/20](#)]

- **The Plant, Which Is Usually Closed On Sundays, Was Closed The Following Saturday To Tuesday For "A Deep Cleaning And Sanitizing."** Tyson spokesperson Derek Burleson "said the fresh plant will be closed Saturday and Monday for a deep cleaning and sanitizing and will reopen Tuesday, Burleson said. The plant is typically closed on Sundays [...]." [Raleigh News & Observer, [05/09/20](#)]

**May 12, 2020: 51 Tyson Foods Workers At A Portland, Maine Plant– Over 10 Percent Of The Workforce There– Were Reported To Positive For COVID-19.** "Fifty-one workers at a Tyson Foods poultry plant in Portland, Maine, tested positive for coronavirus after facility-wide testing, and 31 were not showing any symptoms, the company said. The Portland plant employs 403 workers and contractors, meaning that more than 10 percent of the workforce contracted the virus. Cumberland County, where the plant is located, has reported 714 cases of the virus." [Fox Business, [05/12/20](#)]

- **"Tyson's Portland Plant Was Closed For Sanitization May 2 To 4 While Workers Were Tested."** [Fox Business, [05/12/20](#)]

**May 12, 2020: A Tyson Processing Plant In Nebraska Was Reported To Have 212 Cases Of COVID-19 Out Of Approximately 1,467 Employees – Nearly 15% Of Its Workforce.** "Solid numbers, now, on the spread of the virus in one Siouxland Tyson plant. The company, along with the Elkhorn-Logan Valley Public Health Department, confirmed positive tests of 212 employees in its pork plant in Madison, Neb. The facility there has 1,467 employees, all were tested between May 1st & 4th. There is a positive rate of 14.5%. at the plant, confirmed by Tyson Tuesday night, saying in a state the company 'will disclose verified test results at other plants to health and government officials, team members and stakeholders as they become available.'" [Sioux Land News, [05/12/20](#)]

*Following Then-President Trump's Late April 2020 Executive Order Invoking The Defense Production Act, Tyson Resumed Operations In 7 Of Its Plants Despite Ongoing Reports Of COVID-19 Outbreaks*

**April 28, 2020: Trump Invoked The Defense Production Act In Order To Compel Meatpacking Plants To Stay Open Despite Their Ongoing Outbreaks.** "President Trump signed an executive order Tuesday evening compelling meat processors to remain open to head off shortages in the nation's food supply chains, despite mounting reports of plant worker deaths due to covid-19. Trump invoked the Defense Production Act to classify meat plants as essential infrastructure that must remain open." [Washington Post, [04/29/20](#)]

**May 8, 2020: The U.S. Department Of Agriculture Announced That 14 Major Meatpacking Plants, Including 7 Tyson Plants, Would Begin Resuming Operations.** [U.S. Department Of Agriculture Press Release, [05/08/20](#)]

- Tyson Perry, IA (pork)
- Tyson Waterloo, IA (pork)
- Tyson Logansport, IN (pork)
- Tyson Robards, KY (poultry)
- Tyson Portland, ME (further processor)
- Tyson Pasco, WA (beef)
- Tyson Dakota City, NE (beef)
- Aurora Packing, Aurora, IL (beef)
- JBS Green Bay, WI (beef)
- JBS Worthington, MN (pork)
- Smithfield Monmouth, IL (pork)
- Smithfield Sioux Falls, SD (pork)
- Indiana Packers, IN (pork)
- Jennie-O Turkey Store, Willmar, MN (poultry)

[U.S. Department Of Agriculture Press Release, [05/08/20](#)]

**The CEO Of NAMI Member Pilgrim's Pride Has Complained About Labor Shortages After The Company Cut 2,200 Jobs, Was Expected To Cut 5,600 More, And Was Criticized By A Union President For Endangering 3,000 Of The Company's Workers During The Height Of The Pandemic.**

**Pilgrim's Pride Is A Division Of JBS USA, Which Itself Is An "Indirect, Wholly-Owned Subsidiary Of JBS S.A" – The CEO Of JBS USA Sits On The Pilgrim's Pride Board Of Directors.**

**Pilgrim's Pride Is A Division Of JBS USA, Which Itself Is An "Indirect, Wholly-Owned Subsidiary Of JBS S.A."** "Pilgrim's Pride Corporation, the second-largest poultry company in the U.S., is a division of JBS USA, an indirect, wholly-owned subsidiary of JBS S.A., the world's leading animal protein processor." [JBS Press Release, [04/02/15](#)]

- **December 2009: JBS SA, The Parent Company Of JBS USA Holding, Purchased A Majority Stake In Pilgrim's Pride For \$800 Million Following The Company's Bankruptcy.** "U.S. chicken producer Pilgrim's Pride Corp said on Monday it has emerged from bankruptcy protection, just over a year after beginning the process. The company's bankruptcy exit deal includes the sale of a majority stake to Brazilian meat company JBS SA for \$800 million." [Reuters, [12/28/09](#)]

**The JBS USA CEO, Andre Nogueira, Serves On The Pilgrim's Pride Board Of Directors.** "Andre Nogueira is President and Chief Executive Officer of JBS USA®, the North American and Australian subsidiary of JBS SA®, and the second largest global food company in the world. [...] Mr. Nogueira currently serves on the Pilgrim's Pride Corporation® Board of Directors [...]" [JBS USA Leadership, accessed [09/07/21](#)]

**Pilgrim's Pride Cut 2,200 Jobs From 2020 To 2021 And Was Expected To Cut 5,600 More Even As Its CEO Complained About Labor Shortages And Extra Federal Unemployment Aid.**

**April 2021: Pilgrim's Pride Said It Expected To Cut Up To 5,600 Jobs, Even After It Had Cut 2,200 Jobs In The Previous Year.** "Pilgrim's Pride Corp. is seeing a welcome rebound in chicken demand as more restaurants reopen, but a shortage of workers is hurting profit potential and spurring the No. 2 U.S. poultry producer to turn more to robots. The Colorado-based company, a unit of Brazilian meat giant JBS SA, said it expects to invest more than \$100 million over the next year in automation. Such efforts already led to the reduction of 2,200 positions over the last year, and there could be further cuts of as many as 5,600, Chief Executive Officer Fabio Sandri told analysts on Thursday." [Bloomberg, [04/28/21](#)]

**Pilgrim's Pride CEO Fabio Sandri Said The Company Was Considering "'All Options'" To Deal With Labor Shortages.** "Pilgrim's Pride is considering 'all options' to deal with the current labor crunch, Sandri said." [Bloomberg, [04/28/21](#)]

**Sandri Blamed Extra Federal Unemployment Aid For The Company's Staffing Issues.** "'The labor market today seems tighter than the one that we had when we were in full-employment mode,' Sandri said on an earnings conference call. He pointed to extra federal aid to unemployed Americans as one of the reasons behind the shortfall. 'Today we are staffed less than we were even before the pandemic.'" [Bloomberg, [04/28/21](#)]

**In 2020, Pilgrim's Then-Chief Financial Officer Fabio Sandri Said On An Earnings Call A Trump Executive Order To Keep Meat Plants Open Provides Consistent And Sound Guidance For Companies To Rely Upon And That They "Welcome The Consistency"—Sandri Is Now The CEO Of Pilgrim's Pride**



**April 2020: Then-President Trump Ordered "Meat Processing Plants To Stay Open Amid Concerns Over Growing Coronavirus Cases And The Impact On The Nation's Food Supply."** "President Donald Trump took executive action Tuesday to order meat processing plants to stay open amid concerns over growing coronavirus cases and the impact on the nation's food supply. The order uses the Defense Production Act to classify meat processing as critical infrastructure to try to prevent a shortage of chicken, pork and other meat on supermarket shelves. Unions fired back, saying the White House was jeopardizing lives and prioritizing cold cuts over workers' health." [Associated Press, [04/28/20](#)]

**Pilgrim's CFO Said On An April 2020 Earnings Call That They "Believe That This [...] Recent Executive Order Will Provide A Consistent And Sound And Guided Platform For Which We Can Rely Upon As We Navigate Our Business" And That They "Welcome The Consistency."** "Fabio Sandri – Chief Financial Officer [:] With regards to, we'll call it, the new CDC guidelines, we believe that this the recent executive order will provide a consistent and sound and guided platform for which we can rely upon as we navigate our business across the 14 states in which we do business here in the U.S. And we welcome the consistency." [Pilgrims Pride Corp (PPC) Q1 2020 Earnings Call Transcript via Motley Fool, [04/30/20](#)]

**Fabio Sandri Is The President And Chief Executive Officer Of Pilgrim's Pride.** [Pilgrim's Pride, accessed [09/07/21](#)]

**A Local United Food and Commercial Workers (UFCW) Union President Representing 3,000 JBS Plant Workers Commented The Order Ensures "More Workers Get Sick, Jeopardizing Lives, Family's Income, Communities, And Of Course, The Country's Food Supply Chain."**

April 2020: A Local UFCW President Representing "3,000 Workers At The JBS Meat Processing Plant" Commented "The Order 'Will Only Ensure That More Workers Get Sick, Jeopardizing Lives, Family's Income, Communities, And Of Course, The Country's Food Supply Chain.'" "And Kim Cordova, president of UFCW Local 7, which represents 3,000 workers at the JBS meat processing plant in Greeley, Colorado, said the order 'will only ensure that more workers get sick, jeopardizing lives, family's income, communities, and of course, the country's food supply chain.'" [Associated Press, [04/28/20](#)]

**NAMI Member National Beef Packing Company, Whose CEO Complained About Employee "Absenteeism" Through 2020, Was Revealed To Have 72% More COVID-19 Cases And 50% More Deaths Than Previously Known After The Company Was Already Known For A Rash Of Outbreaks At Its Plants Early In The Pandemic.**

**National Beef Packing Company, The Fourth-Largest Beef Packer In The U.S., Is Owned By Brazilian Food Processing Company Marfrig.**

**National Beef Packing Company Is The Fourth-Largest Beef Packer In The United States.** "The move by National Beef – the fourth largest beef packer in the U.S. – adds another packing plant to the company's portfolio that also includes two other packing plants in Dodge City and Liberal, Kan. The Kansas City, Mo., based company also has further processing facilities located in Kansas City, Kansas; Hummels Wharf, Pennsylvania; Moultrie, Georgia; North Baltimore, Ohio and St. Joseph, Missouri." [Drovers, [03/12/19](#)]

**In 2018, National Beef Packing Company, LLC Announced That NBM US Holdings, A Subsidiary Of Marfrig Global Foods, Would Acquire 51% Of Outstanding Ownership Interests In National Beef Packing Company, LLC.** "National Beef Packing Company, LLC today announced that the owners of National Beef have entered into a membership interest purchase agreement with NBM US Holdings ("NBM"), an

indirect subsidiary of Marfrig Global Foods S.A. under which NBM will acquire 51% of the outstanding ownership interests in National Beef. The operations and management of National Beef will remain unchanged with Tim Klein continuing as National Beef President and Chief Executive Officer upon completion of the transaction. The current owners of National Beef will continue as owners under the new structure." [National Beef, [04/09/18](#)]

**Marfrig Global Foods Is A Brazilian Food Processing Company.** [Bloomberg, accessed [09/07/21](#)]

**Under The New Ownership Structure, Tim Klein Remained The President And CEO Of National Beef Packing Company, LLC.** [National Beef, [04/09/18](#)]

## **National Beef's CEO Complained About "A Level Of Employee Absenteeism Never Before Seen" In 2020, Even As He Touted A 53.5% Increase In Annual Earnings To A Record \$1.4 Billion.**

**In Marfrig's 2020 Annual Report, National Beef CEO Tim Klein Complained That The Company Had Experienced "A Level Of Employee Absenteeism Never Before Seen."** "We lived through, within this context, a level of employee absenteeism never before seen, reflected in significant reductions in production at our bovine meatpacking units during the peak of the pandemic. Similar impacts were felt throughout the bovine meatpacking industry in the United States, provoking an average decline in utilization of installed capacity of 55% across-the-board. [...] Tim Klein [...] CEO of National Beef" [Marfrig, [2020](#)]

- **Marfrig's 2020 Annual Report Covered January 1, 2020 To December 31, 2020.** "From January 1 to December 31." [Marfrig, [2020](#)]

**In 2020, National Beef's EBITDA Earnings Were \$1.4 Billion, An Increase Of 53.5% From 2019, Its Previously Best Performing Year.** "For the year, net sales were US\$ 9.4 billion, with EBITDA earnings at US\$ 1.4 billion, up 10.7% and 53.5%, respectively, in comparison with 2019, previously our best performing year. [...] Tim Klein [...] CEO of National Beef" [Marfrig, [2020](#)]

- **EBITDA Earnings Are "A Measure Of A Company's Overall Financial Performance."** "EBITDA, or earnings before interest, taxes, depreciation, and amortization, is a measure of a company's overall financial performance and is used as an alternative to [net income](#) in some circumstances." [Investopedia, accessed [01/20/22](#)]

## **October 2021: A U.S. House Investigation Found That National Beef's Facilities Had 72% More COVID-19 Cases And 50% More Deaths Than Previously Estimated, And 100% Of Its U.S. Facilities Had COVID-19 Cases.**

**October 2021: A House Select Subcommittee On The Coronavirus Crisis Investigation Found That COVID-19 Cases And Deaths At The Leading U.S. Meatpackers Were Up To Three Times Higher Than Previous Estimates.** "Workers at the leading U.S. meatpacking plants experienced cases and death from COVID-19 that were up to three times previous estimates, according to a report by the House Select Subcommittee on the Coronavirus Crisis seen by Reuters." [Reuters, [10/28/21](#)]

- **The Investigation Found That The 59,000 COVID-19 Cases And 269 Deaths It Uncovered Among The Big Five Meatpackers Was About Three Times Higher Than Previous Estimates.** "While the spread of COVID-19 at meat plants was covered widely by media in the first year of the crisis, the percentage of major packing plants that had multiple cases has not been previously reported. Data from meatpackers Tyson Foods (TSN.N), JBS, Cargill, Smithfield Foods and National Beef made public in October showed 59,000 cases of COVID-19 and 269 deaths among their workers between March 2020 and Feb. 1 2021. Both figures were around three times higher than previous estimates." [Reuters, [01/14/22](#)]

**The Investigation Found That National Beef's Facilities Had 72% More COVID-19 Cases And 50% More Deaths Than Previously Estimated.** "National Beef facilities had 72 percent more coronavirus cases and 50 percent more deaths than previously estimated." [House Select Subcommittee On The Coronavirus Crisis, [10/27/21](#)]

**The Investigation Found That "National Beef Saw 2,470 Employee Infections And Six Employee Deaths."** [House Select Subcommittee On The Coronavirus Crisis, [10/27/21](#)]

**100% Of National Beef's Eight U.S. Plants Experienced COVID-19 Cases, According To A Reuters Analysis Of The House Investigation.** "The analysis showed multiple cases at 218 of the 247 plants owned by the five companies in the United States over the period. That represents 88.2%. For each company individually, the rates ranged from 82% of JBS' 62 U.S. plants - including those owned by its subsidiary Pilgrim's Pride - to 100% of National Beef's eight plants." [Reuters, [01/14/22](#)]

- **January 2022: A Reuters Analysis Of The House Select Subcommittee On The Coronavirus Crisis Probe Found That 90% Of The Five Biggest U.S. Meat Company Plants Had COVID-19 Cases In 2020 And Early 2021.** "Nearly 90% of processing plants owned by five big U.S. meat companies had COVID-19 cases in 2020 and early 2021, a Reuters analysis of public data found, as a congressional committee investigates how meatpackers handled the pandemic. The U.S. House Select Subcommittee on the Coronavirus Crisis began its probe last year amid evidence the plants were major spreaders of COVID-19 and that workers suffered unusually severe outbreaks." [Reuters, [01/14/22](#)]

### **In April 2020, National Beef Company's Iowa Plant Suspended Production Due To A COVID-19 Outbreak In Which Nearly 20% Of Tested Employees Tested Positive**

**In 2020, National Beef's Iowa Premium Plant Suspended Production Due To A COVID-19 Outbreak.** "The Iowa Premium plant in Tama, owned by National Beef, suspended production after the company confirmed that multiple workers had the virus." [Des Moines Register, [04/20/20](#)]

**Out Of 500 Workers Tested In The Iowa Plant Outbreak, 117 Tested Positive For COVID-19.** "On Sunday, the office of Gov. Kim Reynolds said that 177 out of more than 500 National Beef workers tested were positive for coronavirus." [Des Moines Register, [04/20/20](#)]

### **In 2020, National Beef Company's Dodge City, Kansas Plant Also Experienced A COVID-19 Outbreak—The CDC And Workers' Union Requested Policy Changes, But National Beef "Spurned" Advice**

**After A COVID-19 Outbreak At National Beef Company's Dodge City Plant, National Beef "Spurned" Advice From The CDC To Stop Offering Bonus Pay Based On Work Attendance.** "The virus swept through the 2,700-worker plant, making Dodge City, and surrounding Ford County, the coronavirus capital of Kansas. On April 24, when three occupational-health experts from the CDC toured the plant to offer advice, they found that approximately 190 workers were out with Covid-19, 400 more were in home quarantine because of "close contact" with infected people, and 250 hadn't shown up for work. The CDC issued an advisory report based on its tour and recommended that National Beef stop offering workers bonus pay based on attendance, but the company spurned the advice." [Bloomberg Law, [06/18/20](#)]

- **Dodge City Is A City In Kansas.** [Dodge City, accessed [09/07/21](#)]

**National Beef Denied Union Requests To Slow Down Production And Delink Bonus Pay From Attendance.** "Even with fewer workers coming in, the plant denied union requests to slow down the line to accommodate less manpower—it still processes 390 cattle per hour, a decline of just 7% from its normal run

rate. Meanwhile, National Beef has extended the bonus pay through June, rejecting a union request to abide by CDC guidance and delink the extra money from attendance. 'We still have a long way to go before our workers are safe,' says Martin Rosas, president of Local 2 of the UFCW. 'We know OSHA isn't serious about helping them. Unless someone out there starts holding these employers' feet to the fire, they'll never change.'" [Bloomberg Law, [06/18/20](#)]

### **By May 2020, Three Workers At National Beef's Dodge City Plant Had Died Of COVID-19, Triggering An OSHA Investigation—One Of The Workers Who Died Was Told To Keep Working Despite Nearby Co-Workers Being Sick**

**By May Of 2020, Three Workers At National Beef's Slaughterhouse Died Of COVID-19.** "OSHA hasn't issued a single job site requirement for how meatpackers should protect workers. By failing to compel companies to follow CDC guidelines or take any other pandemic measures, OSHA has left meat workers particularly exposed, says Debbie Berkowitz, a nonprofit labor advocate who served as the agency's chief of staff and as a special adviser in the Obama administration. She calls OSHA's pandemic response a "total desertion of duty." By the time the agency showed up at National Beef's slaughterhouse in Dodge City, Kan., in mid-May, three workers were already dead." [Bloomberg Law, [06/18/20](#)]

**In May 2021, OSHA Investigated Three COVID-19 Deaths At National Beef's Dodge City Plant.** "On May 13, after the company's death toll hit three in Dodge City, OSHA Wichita Area Director Ryan Hodge made the 150-mile drive west to inspect the plant. More than 250 plant workers had already been sick with Covid-19. Hodge was in and out of the facility in less than 90 minutes, says Alfonso Figueroa, the United Food and Commercial Workers' site rep, who accompanied the OSHA official inside the plant. A Labor Department spokesman confirmed that OSHA is investigating the deaths at the Dodge City plant but declined to comment on the open probes." [Bloomberg Law, [06/18/20](#)]

**Human Resources At National Beef Reportedly Told Worker Aleja Perez She Had To Continue Working Despite Co-Workers On Either Side Of Her Work Station Getting Sick.** "After co-workers on both sides of her workstation got sick, Aleja Perez, a 56-year-old immigrant from Cuba, asked human resources if she could get tested for Covid-19. She was told she had to keep working if she had no symptoms, says her son, Yunier Santana. He urged her to stop, but she insisted on finishing the week. 'The bonus was the only reason,' says Santana, who works as a truck driver." [Bloomberg Law, [06/18/20](#)]

- **Aleja Perez Later Died Of COVID-19.** [Bloomberg Law, [06/18/20](#)]

**NAMI Member Cargill's CEO Complained About Labor Shortages Shortly After The Company Had Its Most Profitable Year Ever And After Cargill Workers Reported Being Forbidden To Wear Masks And Said They Were Treated "Like Disposable Parts" During The Pandemic.**

### **Shortly After Cargill Had Its Most Profitable Year In Its History, Largely Due To Meat Sales, CEO David MacLennan Complained About Labor Shortages As He Said Prices Would Remain High Through 2022.**

**November 2021: Cargill CEO David MacLennan "Highlighted Labor Shortages As One Of The Biggest Risks Facing The Industry" As He Said Food Prices Would Remain Elevated In 2022 Amid Supply Chain Disruptions.** "Food prices will likely stay elevated in 2022 as disruptions to the global supply chain are set to persist, according to the head of Cargill Inc., who highlighted labor shortages as one of the biggest risks facing the industry. [...] Plants are not running at full capacity, constraining food supplies and creating the potential for further price gains, said David MacLennan, chief executive officer of the agriculture powerhouse." [Bloomberg, [11/17/21](#)]



- **Headline: Cargill CEO Says Global Food Prices to Stay High on Labor Crunch** [Bloomberg, [11/17/21](#)]

**Cargill Had "The Most Profitable Year In Its 156-Year History," With Nearly \$5 Billion In Net Income In Its 2021 Fiscal Year Ending May 2021.** "Commodity powerhouse Cargill Inc. has cashed in on booming agricultural markets with the most profitable year in its 156-year history. The largest private U.S. company, which dominates markets such as corn, had almost \$5 billion in net income during its 2021 fiscal year through the end of May, according to annual financial reports seen by Bloomberg News." [Bloomberg, [08/06/21](#)]

**Cargill's Profits Were Attributed To CEO David MacLennan's Strategy To "Bet Heavily On Demand For Proteins Such As Beef, Chicken And Fish Since Taking Over In 2013."** "The profit boom vindicates the strategy of Chief Executive Officer David MacLennan, who has sold under-performing businesses and bet heavily on demand for proteins such as beef, chicken and fish since taking over in 2013." [Bloomberg, [08/06/21](#)]

**Cargill, The "Largest Privately Held Company In The United States," Stopped Publicly Releasing Its Financial Results In 2020.** "Cargill broke with a more than two-decade tradition of transparency in 2020 and stopped releasing its results publicly. It still shares financial results with its bankers, bondholders and others." [Bloomberg, [08/06/21](#)]

- **Cargill Was "The Largest Privately Held Company In The United States" As Of June 2020.** "Cargill, the largest privately held company in the United States, said it will continue to publicly disclose annual revenue and the percent of operating cash flow that is reinvested back into the company." [Reuters, [06/03/20](#)]

## **The Profits Of Cargill, Which "Counts 14 Billionaires Among Its Ruling Circle," Were Seen As "A Headache For Consumer Goods Companies And Ultimately Households" As Inflation Rose.**

**High Profits Among Cargill And Other Commodity Interests Were Seen As "A Headache For Consumer Goods Companies And Ultimately Households, Which Face The Highest Food Inflation In A Decade."** "Cargill has profited from surging consumption of meat, corn and soybeans, particularly from China. The strong demand has sent agricultural markets skyrocketing, boosting profits for commodity producers and traders. What's good for Cargill and its peers, however, is a headache for consumer goods companies and ultimately households, which face the highest food inflation in a decade." [Bloomberg, [08/06/21](#)]

**Cargill "Counts 14 Billionaires Among Its Ruling Circle."** "Cargill, which counts 14 billionaires among its ruling circle, is owned by the heirs of William Wallace Cargill, who founded the company in the American Midwest. On top of the family owners, senior management and other employees control a small stake in the company." [Bloomberg, [08/06/21](#)]

## **October 2021: A U.S. House Investigation Found That Cargill's Facilities Had 236% More COVID-19 Cases And 150% More Deaths Than Previously Reported.**

**October 2021: A House Select Subcommittee On The Coronavirus Crisis Investigation Found That COVID-19 Cases And Deaths At The Leading U.S. Meatpackers Were Up To Three Times Higher Than Previous Estimates.** "Workers at the leading U.S. meatpacking plants experienced cases and death from COVID-19 that were up to three times previous estimates, according to a report by the House Select Subcommittee on the Coronavirus Crisis seen by Reuters." [Reuters, [10/28/21](#)]

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reported. Data from meatpackers Tyson Foods (TSN.N), JBS, Cargill, Smithfield Foods and National Beef made public in October showed 59,000 cases of COVID-19 and 269 deaths among their workers between March 2020 and Feb. 1 2021. Both figures were around three times higher than previous estimates." [Reuters, [01/14/22](#)]

**The Investigation Found That "Cargill Facilities Had 236 Percent More Coronavirus Cases, And 150 Percent More Deaths Than Previously Estimated."** [House Select Subcommittee On The Coronavirus Crisis, [10/27/21](#)]

**The Investigation Found That "Cargill Saw 4,690 Employee Infections And 25 Employee Deaths."** [House Select Subcommittee On The Coronavirus Crisis, [10/27/21](#)]

**April 2020: Cargill's CEO Predicted His Headquarters Will Never Be At Full Capacity Again As He Thinks "Some People Are Going To Decide" That They "Like Working At Home" And "Can Be Effective."**

**April 2020: Cargill's CEO Predicts His Headquarters Will Never Be At Full Capacity Again As He Thinks "Some People Are Going To Decide" That They "Like Working At Home" And "Can Be Effective."** "The building I am in today has capacity for twenty-five hundred people. I don't think we'll ever see that many people in the building again. I think some people are going to decide, you know what, I like working at home, I can be effective, I can, you know, get my work done [...] and be perfectly effective." [Bloomberg, [04/28/20](#)]

**In Hazelton, PA, Supervisors Told Cargill Plant Workers That Employees Were Not Contracting The Coronavirus, Then "By April 7, 130 Of The Plant's 900 Employees Had Tested Positive."**

**Supervisors Told Cargill Plant Workers It "Wasn't True" That Employees Were "Falling Ill" With "The Coronavirus," Then "By April 7, 130 Of The Plant's 900 Employees Had Tested Positive."** "Around him, colleagues were falling ill; on the employee grapevine, people said it was the coronavirus. Supervisors said that wasn't true and told workers not to discuss who might be infected. But before long, Covid-19, the illness caused by the virus, ran through entire departments. By April 7, 130 of the plant's 900 employees had tested positive, according to the workers' union, United Food & Commercial Workers International, but neither Cargill nor local officials were disclosing any numbers." [Bloomberg, [05/07/20](#)]

**Cargill's Hazelton Plant Forbade Employees From Wearing Masks And Gave Varying Reasons For Doing So, "From Only Sick People Should Wear Them," To The Supply Should Be "For Health-Care Workers," To That There Was "No Reason To Scare People."**

**Cargill's Hazelton Plant Forbade Masks And Gave Varying Reasons For Doing So, "From Only Sick People Should Wear Them, To The Short Supply Was Needed For Health-Care Workers," To That There Was "No Reason To Scare People."** "Benjamin wasn't the only person forbidden to wear his own mask. Three other workers said they heard supervisors say masks were forbidden. The reasons given varied—from only sick people should wear them, to the short supply was needed for health-care workers, to the explanation given to Benjamin a week before his fatal illness: No reason to scare people." [Bloomberg, [05/07/20](#)]

**On May 6, 2020, The Cargill Meat Processing Plant In Milwaukee "Was Temporarily Idled" By The City's Health Department Due To "An Undisclosed Number Of Employees That Tested Positive For The Virus."**

**On May 6, 2020, A Cargill Meat "Processing Plant Was Temporarily Idled" By "The City Of Milwaukee Health Department Because Of An Undisclosed Number Of Employees That Tested Positive For The**

**Virus.** "The Cargill Meat Solutions processing plant was temporarily idled starting Wednesday at the direction of the City of Milwaukee Health Department because of an undisclosed number of employees that tested positive for the virus." [Brownfield AG News For America, [05/08/20](#)]

## **In May 2020, Bloomberg Reported That Over 900 Of The 2,200 Workers At Cargill's High River Slaughterhouse In Calgary Contracted COVID-19 And That Meat Workers Felt They Were Treated "Like Disposable Parts."**

**May 2020: Meat Workers Reported Being Treated "Like Disposable Parts" At Plants Like "Cargill's High River Slaughterhouse Outside Calgary, Where More Than 900 Of The Beef Plant's 2,200 Workers" Were Infected.** "Meat workers at plants throughout North America say managers treat them like disposable parts. At Cargill's High River slaughterhouse outside Calgary, where more than 900 of the beef plant's 2,200 workers " have been infected. [Bloomberg, [05/07/20](#)]

**Despite Complaints Of A National Labor Shortage, Many Argue That Americans Are Facing A "Good Wages And Workers Rights On The Job" Shortage Due To The Poor Working Conditions Many Workers Are Forced To Accept.**

## **Across U.S. Industries, Businesses Have Been Looking To Hire Workers, Have Complained That "'No One Wants To Work Anymore,'" And A Recent Study Found That Half Of All Workers Felt Their Companies Are Understaffed.**

**By Mid-2021, The Restaurant, Manufacturing, Construction, And Retail Sectors Were All Aiming To Hire But Faced A Labor Shortage.** "A labor shortage is one of the persistent headwinds facing President Joe Biden as he builds support for his economic agenda to invest trillions of dollars in new federal spending to move the country from relief to recovery. From restaurants and retail to manufacturing and construction, signs declaring 'Now Hiring' hang outside businesses most everywhere you look." [CNN, [05/18/21](#)]

**Companies Like Dominos, Uber, And Lyft Have Complained That They Can't Hire Drivers And Fast-Food Franchises Have Lamented That "'No One Wants To Work Anymore.'"** "The chief executive of Domino's Pizza has complained that the company can't hire enough drivers. Lyft and Uber claim to have a similar problem. A McDonald's franchise in Florida offered \$50 to anybody willing to show up for an interview. And some fast-food outlets have hung signs in their windows saying, 'No one wants to work anymore.' The idea that the United States suffers from a labor shortage is fast becoming conventional wisdom." [The New York Times, [05/20/21](#)]

**In November 2021, A CNBC And Momentive Survey Found That Half Of All Workers Say Their Companies Are Understaffed, With 37% Of Workers Making Less Than \$50,000 A Year Having Considered Quitting In The Previous Three Months.** "CNBC, First in Business Worldwide, and Momentive (formerly SurveyMonkey), a leader in agile experience management, today announced the results of their latest Workforce Survey. [...] Half of all workers say their companies are currently understaffed. 43% of those who say their companies are understaffed have themselves considered quitting their job in the last three months. Overall, one third of workers have thought about quitting in the last three months." [CNBC, [11/05/21](#)]

- **The Survey Found That Lower Wage Workers Are The Most Likely To Consider Quitting, With 37% Of Those Making Less Than \$50,000 Having Considered Quitting.** "Lower-wage workers are most likely to consider quitting: [...] 37% of those making under \$50,000 have considered quitting in the last three months, compared to 25% of those making \$150,000+." [CNBC, [11/05/21](#)]

## **Many Have Argued That Americans Are Actually Facing A Shortage Of "Good Wages And Workers Rights On The Job" Due To The Low Wages In The Face Of**

## **Rising Inflation, Little Time Off, And Unstable Hours That Many Workers Are Forced To Accept.**

**January 2022: According To A Momentive Survey, Only 17% Of Workers Say Their Wages Have Kept Up With Inflation Over The Past Year, With Most Workers Receiving Wages That "Lagged Price Increases" Or Received No Raise At All.** "Only 17 percent of workers say they have received raises that kept up with inflation over the past year, according to a survey of 5,365 adults conducted last month for The New York Times by Momentive, the online research firm formerly known as SurveyMonkey. Most of the rest say either that they have received raises that lagged price increases or that they have received no raise at all; 8 percent of respondents said they had taken a pay cut." [The New York Times, [01/04/22](#)]

**Georgetown University Labor Expert Lane Windham Argued That The Labor Shortage Is Really A Shortage Of "Good Wages And Workers Rights On The Job" Rather Than A Lack Of Workers.** "Millions are refusing to go back into low-wage, no-benefits jobs that require they abandon dignity and rights at the workplace door. Their struggle has brewed for 40 years as wages stagnated, benefits vanished and public policy offered working families little reprieve. Employers complain that too few people are returning to work, but America's 'labor shortage' is really a shortage of good wages and workers rights on the job." [The Hill, [09/02/21](#)]

- **"Lane Windham, Ph.D., Is The Associate Director Of Georgetown University's Kalmanovitz Initiative For Labor And The Working Poor And Author Of 'Knocking On Labor's Door: Union Organizing In The 1970s And The Roots Of A New Economic Divide.'" [The Hill, [09/02/21](#)]**

**New York Times Opinion Columnist And Nobel Prize Winner Paul Krugman Wrote That America Treats Its Workers "Remarkably Badly," With Low Wages, Less Time Off Than Other Advanced Nations, And Unstable Hours Which Are Causing Workers To "Rethink" Going Back To "Lousy Jobs."** "What seems to be happening instead is that the pandemic led many U.S. workers to rethink their lives and ask whether it was worth staying in the lousy jobs too many of them had. For America is a rich country that treats many of its workers remarkably badly. Wages are often low; adjusted for inflation, the typical male worker earned virtually no more in 2019 than his counterpart did 40 years earlier. Hours are long: America is a 'no-vacation nation,' offering far less time off than other advanced countries. Work is also unstable, with many low-wage workers — and nonwhite workers in particular — subject to unpredictable fluctuations in working hours that can wreak havoc on family life." [The New York Times, [10/14/21](#)]

- **Paul Krugman Won The Nobel Memorial Prize In Economic Sciences In 2008.** "In 2008, Mr. Krugman was the sole recipient of the Nobel Memorial Prize in Economic Sciences for his work on international trade theory." [New York Times, accessed [01/04/22](#)]

**FedEx's President And COO Lamented That Labor Shortages Were "The Biggest Issue" In 2021, After Years Of The Company Opposing Unionization Efforts And Cutting Median Employee Compensation While Boosting Shareholder Dividends 61%.**

**In Its Q4 2021 Earnings Calls, FedEx's President And COO Said The Company Was "Facing Challenges With Labor Availability" And The Lack Of Labor Remained "The Biggest Issue" In Its Q1 2022.**

**During Its Q4 2021 Earnings Call, FedEx's President And Chief Operating Officer Rajesh Subramaniam Admitted That FedEx Was "Facing Challenges With Labor Availability."** "Raj Subramaniam -- *President and Chief Operating Officer* [...] While service is a hallmark of FedEx like many businesses, we are facing challenges with labor availability, which have contributed to recent service levels that do not meet our own high expectations of the quality we expect to deliver to our customers. The inability to hire team members

particularly package handlers has driven wage rates higher and creates inefficiency in our networks as we use over time to cover open shifts and route volume around known constraints, just as a few examples." [The Motley Fool, [06/24/21](#)]

**In Its Following Q1 2022 Earnings Call, Subramaniam Continued To Voice His Concern That "Constrained Labor Markets Remai[n] The Biggest Issue" Facing FedEx And Expected The Impact Of The Labor Shortage To Cost The Company \$450 Million In The Quarter.** "Raj Subramaniam [...] The impact of constrained labor markets remains the biggest issue facing our business as with many other companies around the world and was the key driver of our lower than expected results in the first quarter. As Mike will share in more detail momentarily, we estimate that the impact of labor shortages on our quarterly results was approximately \$450 million, primarily at FedEx Ground. Labor shortages I just had two distinct impacts on our business. The competition for talent particularly for our frontline workers have driven wage rates higher and pay premiums higher. While wage rates are higher, the more significant impact is the widespread inefficiencies in our operation from constrained labor markets." [The Motley Fool, [09/21/21](#)]

### **FedEx, Which Has Long Opposed Unionization Efforts In Its Facilities, Consistently Lobbied On The Protecting Right To Organize Act In 2021, "The Labor Movement's Single Biggest Legislative Priority" And Would Ease Union Organizing.**

**In Q3 2021, FedEx Spent \$2.29 Million Lobbying Congress And Several Executive Branch Agencies On The Protecting The Right To Organize Act of 2021, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [10/20/21](#)]

**In Q2 2021, FedEx Spent \$2.61 Million Lobbying Congress And Several Executive Branch Agencies On The Protecting The Right To Organize Act of 2021, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [07/19/21](#)]

**In Q1 2021, FedEx Spent \$2.08 Million Lobbying Congress And Several Executive Branch Agencies On The Protecting The Right To Organize Act of 2021, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [04/20/21](#)]

**In 2021, The Protecting The Right To Organize Act Was "The Labor Movement's Single Biggest Legislative Priority" Because It Would Protect Workers Attempting To Organize.** "House Democrats have approved a bill that would provide protections for workers trying to organize, a measure that is the labor movement's single biggest legislative priority in this Congress. The bill passed Tuesday with a 225-206 vote, with five Republicans joining Democrats in favor of it. The bill is unlikely to advance in the Senate, given a lack of Republican support for the legislation. Union leaders say the Protecting the Right to Organize Act — PRO Act — would finally begin to level a playing field they say is unfairly tilted toward big business and management, making union organizing drives and elections unreasonably difficult." [NPR, [03/09/21](#)]

**January 2020: The Guardian Revealed Obtained Recordings Of FedEx Meetings From 2015 And 2016 Where "Managers And Union Avoidance Consultants Lectured Workers On Unions As The Teamsters Was Attempting To Organize FedEx Drivers At Several Locations Around The United States."** "FedEx workers hoping to unionize and get better pay and benefits have met with a well-financed barrage of opposition from the company, according to recordings obtained by the Guardian. Workers who charge that their benefits are less than at rival UPS said the company has bombarded them with anti-union messages and forced them to attend anti-union meetings. The Guardian obtained recordings of meetings that were mandatory and required workers to sign in, according to a FedEx employee, held at FedEx facilities in 2015 and 2016, where managers and union avoidance consultants lectured workers on unions as the Teamsters was attempting to organize FedEx drivers at several locations around the United States." [The Guardian, [01/14/20](#)]

**A 2019 Report From The Economic Policy Institute Found That Between 2014 And 2018, FedEx Spent \$837,000 On "Union Avoidance Consultants" And Was One Of The US Employers That Spent The Most**



**On Such Consultants.** "FedEx, the second largest logistics company in the US, spent \$837,000 between 2014 and 2018 on union avoidance consultants, according to a recent report published by the Economic Policy Institute. The report found by examining publicly available forms filed by consultants with the Department of Labor, US employers spend around \$340m annually on union avoidance consultants, with FedEx as one of the top spenders." [The Guardian, [01/14/20](#)]

## **FedEx's Median Employee Compensation Has Decreased By 7.6% Since FY 2018 While The Company Has Increased Its Shareholder Dividend Payments From FY 2017 To FY 2021 By 61%.**

Since FY 2018, FedEx's Median Employee Compensation Has Decreased From \$50,017 To \$46,171 In FY 2021, A 7.6% Decrease:

- In FY 2018, The Median Employee Compensation Was \$50,017. [FedEx Corp. SEC DEF 14A, [08/23/18](#)]
- In FY 2019, The Median Employee Compensation Was \$52,718. [FedEx Corp. SEC DEF 14A, [08/23/19](#)]
- In FY 2020, The Median Employee Compensation Was \$49,059. [FedEx Corp. SEC DEF 14A, [08/21/20](#)]
- In FY 2021, The Median Employee Compensation Was \$46,171. [FedEx Corp. SEC DEF 14A, [08/27/21](#)]

Meanwhile, FedEx Has Steadily Increased Its Spending On Shareholder Dividends Since FY 2017, Which Rose From \$426 Million In FY 2017 To \$686 Million In FY 2021, A 61% Increase.

- In FY 2017, FedEx Paid \$426 Million In Dividends. [FedEx Corp. SEC 10-K, [07/17/17](#)]
- In FY 2018, FedEx Paid \$535 Million In Dividends. [FedEx Corp. SEC 10-K, [07/16/18](#)]
- In FY 2019, FedEx Paid \$683 Million In Dividends. [FedEx Corp. SEC 10-K, [07/16/19](#)]
- In FY 2020, FedEx Paid \$679 Million In Dividends. [FedEx Corp. SEC 10-K, [07/20/20](#)]
- In FY 2021, FedEx Paid \$686 Million In Dividends. [FedEx Corp. SEC 10-K, [07/19/21](#)]

**While Sysco Executives Complained Of "Labor Availability Challenges," The Company Refused To "Offer A Fair Wage Increase" Or "Bargain In Good Faith" With Workers, Leading To Strikes Across The Country, And Has Lobbied On The Minimum Wage During The Pandemic.**

## **Throughout 2021, Sysco Executives Complained About The "Labor Availability Challenges," With Its President And CEO Noting That It Was "The Most Challenging" Labor Market He's Ever Faced.**

In Its Q3 2021 Earnings Call, Sysco's President And Chief Executive Officer Kevin Hourican Complained That Every Industry Is Struggling With "Labor Availability Challenges." "Kevin P. Hourican - President and Chief Executive Officer [...] It's a great question in regards to the labor availability challenges that are being faced across the industry -- frankly, across all industries. You've read obviously about the restaurants themselves and how much they're struggling with filling their jobs. And then drivers, in particular, are in short supply nationwide, and frankly, in multiple countries within which we operate." [The Motley Fool, [05/04/21](#)]

**May 2021: In An Analyst Call, Marie Robinson, Sysco's Executive Vice President And Chief Supply Chain Officer, Lamented That It Was Impossible To Not Bring Up "Labor Shortages And Tightness In Markets."** "You certainly can't have a conversation with any business person across America, certainly, [and]



I think fast coming across the globe, without labor shortages and tightness in markets coming up,' said Marie Robinson, executive vice president and chief supply chain officer of food-distributing giant Sysco, on a May 20 analyst call." [Quartz, [07/30/21](#)]

**In Its Q4 2021 Earnings Call, Sysco's Chief Executive Complained That The "Labor Market Has Been Challenging" And That The Shortage Is "Undoubtedly Putting Some Pressure On Our Cost To Serve."**

"Kevin Hourican -- President and Chief Executive Officer [...] In addition to the challenges we've experienced with product supply, the labor market has been challenging. We mentioned in a previous earnings call that we would hire over 6,000 associates in the second half of fiscal 2021. I am pleased to report that we have successfully achieved our hiring target, but we continue to have hiring needs as the business recovery is happening faster than we had modeled. It is a very tight labor market out there and we are working extremely hard to ensure we can fill all of our warehouse and driver positions. While we are in decent shape nationally, we have hotspots around the country that present challenges. The product and labor shortages situation is undoubtedly putting some pressure on our cost to serve at this time." [The Motley Fool, [08/10/21](#)]

- **The CEO Continued That The Current Labor Market Was "The Most Challenging" Market He's Experienced.** "Kevin Hourican -- President and Chief Executive Officer [...] It's the most challenging labor market I've experienced in my career. That is the fact." [The Motley Fool, [08/10/21](#)]

**August 2021: Sysco Workers Briefly Went On Strike Against The Company After It Refused To "Offer A Fair Wage Increase" Or "Bargain In Good Faith," Even After Its CEO Called Workers "Heroes" Early During The Pandemic.**

**August 30, 2021: Teamsters Local 703, Which Represents Nearly 4,000 Workers In Illinois, Went On Strike Against Sysco Over Its "Refusal To Bargain In Good Faith And Treat Workers With The Dignity And Respect They Deserve."** "Teamsters Local 703 warehouse workers went on strike at Sysco Corporation in Des Plaines beginning Monday, August 30 at 2:00 a.m. over the company's refusal to bargain in good faith and treat workers with the dignity and respect they deserve. Workers at the Des Plaines site have been working without a contract since February 2020. After the COVID-19 pandemic began, a temporary extension was agreed upon to keep the food supply chain moving." [International Brotherhood of Teamsters, [09/01/21](#)]

- **Teamsters Local 703, Which Represents Nearly 4,000 Workers In Chicago And Northern Illinois, Voted To Authorize The Strike With Over 99% Approval.** "Teamsters Local 703 members voted to authorize the strike with over 99 percent approval. [...] Teamsters Local 703 is proud to represent nearly 4,000 hardworking men and women across Chicago and Northern Illinois, working in major industries from grocery and produce to food processing, landscaping, construction, floral and beer delivery." [International Brotherhood of Teamsters, [09/01/21](#)]

**Teamsters Local 703's Vice President Said Sysco "Won't Even Offer A Fair Wage Increase" After Its CEO Referred To His Workers As "Heroes" During The Pandemic.** "One year ago, Sysco's CEO referred to his employees as 'heroes', as the men and women who helped keep America fed. Now they won't even offer a fair wage increase. These are the essential workers that kept hospitals and schoolchildren fed throughout the pandemic's darkest days,' said Teamsters Local 703 Vice President Pat Bruno. 'It's been months of trying, but we've gotten nowhere because Sysco is giving us the run-around whenever we submit a proposal.'" [International Brotherhood of Teamsters, [09/01/21](#)]

**September 2, 2021: Teamsters Local 703's Strike Ended When Workers Reached A Tentative Contract Agreement With Sysco.** "Striking employees at a Sysco warehouse will go back to work after reaching a tentative agreement on a new contract with the food distributor, the union representing the workers said Thursday. Early Monday, 125 members of the Teamsters Local 703 went on strike at the Des Plaines facility, disrupting some food deliveries." [Chicago Tribune, [09/02/21](#)]

**September 2021: 250 Sysco Workers In Kent, WA Authorized A Strike Against The Company Over "Multiple Unfair Labor Practices," Including "Unlawful**

## **Subcontracting, Skimming Of Bargaining Unit Work, And Failing To Provide COVID-Related Information To The Union."**

**September 2021: 250 Drivers And Warehouse Workers From Teamsters Local 117 Unanimously Voted To Authorize A Strike Against Sysco Over "Multiple Unfair Labor Practices" At Its Facility In Kent, Washington.** "Judging from the combative spirit in the room, there was never a doubt how the Sysco strike authorization vote would go down. The only question was whether it would be unanimous. In the end, that's exactly what it was - a 100% yes vote. With that result, the group of 250 Teamster drivers and warehouse workers, employed at the massive food service conglomerate's distribution center in Kent, sent a powerful message of unity and determination to their employer on Saturday. As with many other Teamsters, the pandemic has exposed them to unprecedented health risks while at the time underscoring the essential nature of their work and the service they provide our communities." [Teamsters 117, [09/15/21](#)]

- **Headline: Multiple Unfair Labor Practices may provoke a strike at Sysco** [Teamsters 117, [09/15/21](#)]
- **The Workers Were Employed At Sysco's Distribution Center In Kent, Washington.** "Teamsters employed at the company's distribution center in Kent, WA, house and haul food service products to restaurants, schools, and hospitals throughout Western Washington as well as to major area businesses such as Amazon, Microsoft, and Lumen field." [Teamsters 117, [09/15/21](#)]
- **Teamsters 117 Is "The Second Largest Teamsters Local In The Country," With Over 17,000 Members In The Pacific Northwest.** "Teamsters 117 is one of the most powerful, diverse, and dynamic unions in the Pacific Northwest. With over 17,000 members, we have grown to become the second largest Teamsters local in the country." [Teamsters 117, accessed [01/03/21](#)]

**Teamsters 117 Filed Several Unfair Labor Practice Charges Against Sysco, Alleging "Unlawful Subcontracting, Skimming Of Bargaining Unit Work, And Failing To Provide COVID-Related Information To The Union."** "Our Union has filed multiple unfair labor practice charges with the NLRB alleging that Sysco has engaged in unlawful subcontracting, skimming of bargaining unit work, and failing to provide COVID-related information to the Union. But based on recent negotiations, it might be the Company's bad-faith bargaining that ultimately provokes a strike." [Teamsters 117, [09/15/21](#)]

**November 2021: Teamsters 117 Workers Ratified A "Groundbreaking" New Contract With Sysco That Ensured Wage Increases, And Improvements To Medical, Pension, And Retiree Healthcare Benefits.** "Teamsters at Sysco ratify 'groundbreaking' new contract [...]With a newly-ratified, 3-year contract, life is good now for Lemafa and his co-workers, he says. The agreement, which the group voted overwhelmingly to approve in October, raises wages by \$4/hr and secures vacation improvements, excellent medical and pension benefits, and health care for retirees." [The Stand, [11/04/21](#)]

- **Headline: Teamsters at Sysco ratify 'groundbreaking' new contract** [The Stand, [11/04/21](#)]

## **Sysco Consistently Lobbied On The Protecting Right To Organize Act In 2021— The Bill Was "The Labor Movement's Single Biggest Legislative Priority" And Would Ease Union Organizing.**

**In Q3 2021, Sysco Spent \$50,000 Lobbying Congress On The PRO Act, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [10/25/21](#)]

- **The PRO Act's Full Name Is The Protecting Right To Organize Act.** "But the most significant worker empowerment legislation since the Great Depression is now in the hands of the Senate. That bill, the Protecting the Right to Organize (PRO) Act, is landmark worker empowerment, civil

rights and economic stimulus legislation, and an essential part of any plan to build back better from the COVID-19 pandemic and recession." [AFL-CIO, accessed [01/10/22](#)]

**In Q2 2021, Sysco Spent \$50,000 Lobbying Congress On The PRO Act, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [07/19/21](#)]

**In Q1 2021, Sysco Spent \$50,000 Lobbying Congress On The PRO Act, Among Other Issues.** [FedEx Corporation LD-2 Lobbying Disclosure, [04/20/21](#)]

**In 2021, The Protecting The Right To Organize Act Was "The Labor Movement's Single Biggest Legislative Priority" Because It Would Protect Workers Attempting To Organize.** "House Democrats have approved a bill that would provide protections for workers trying to organize, a measure that is the labor movement's single biggest legislative priority in this Congress. The bill passed Tuesday with a 225-206 vote, with five Republicans joining Democrats in favor of it. The bill is unlikely to advance in the Senate, given a lack of Republican support for the legislation. Union leaders say the Protecting the Right to Organize Act — PRO Act — would finally begin to level a playing field they say is unfairly tilted toward big business and management, making union organizing drives and elections unreasonably difficult." [NPR, [03/09/21](#)]

**Best Buy's CEO Saw A "Dip In Job Applications" After Laying Off 5,000 Employees And Increasing Workload On Remaining Workers, While The Company Spent \$1.2 Million Lobbying On Major Labor Legislation And Other Issues.**

**Best Buy's CEO Blamed A Lack Of Child Care, Health Concerns, Increased Competition, And The Retail Industry's Lack Of Remote Work Options For A "Dip In Job Applications."**

**In An Interview With CNN Business, Best Buy CEO Corie Barry Identified Four Major Reasons For A "Dip In Job Applications."** "The economy is recovering but plenty of pandemic-era problems remain: Working parents are struggling to find adequate child care, and people in jobs that require face-to-face interactions must weigh the health risks of returning to work. Big Retailers are taking notice, Best Buy CEO Corie Barry told CNN Business' Nathaniel Meyersohn during a media call discussing the company's earnings Thursday. Even as sales are ramping up, Best Buy is seeing a dip in job applications — although it does still receive more applications than it has open positions, Barry said. There are four major reasons for this, she added." [CNN, [05/27/21](#)]

- **The First Reason Is That There Is "A Real Lack Of Childcare."** "The first is the ongoing struggle of parents dealing with children at home. 'There is a real lack of childcare that still exists,' Barry said." [CNN, [05/27/21](#)]
- **Secondly, Barry Said That Retail Employees Have Concerns About Their Health.** "Secondly, 'there are still health concerns,' Barry said. 'And people who maybe don't want a career in retail due to health concerns.'" [CNN, [05/27/21](#)]
- **Third, Barry Argued That Retail Workers Have "Turned Into Essential Front-Line Workers" That Cannot Work From Home.** "Third, retail is among the jobs that have changed most heavily over the last year. At many companies staff members were turned into essential front-line workers overnight, as unlike those in other industries they couldn't work from home. Not every retail worker may want to continue to sign up for that as the pandemic continues." [CNN, [05/27/21](#)]
- **Lastly, Barry Said That Companies Like Best Buy Are Facing Increased Competition In Hiring Employees.** "Finally, companies like Best Buy are facing more competition for staff." [CNN, [05/27/21](#)]

## **In February 2021, Best Buy Laid Off 5,000 Employees And Remaining Employees "Struggled With Understaffing," And Employees Were Forced To Choose Between Reducing Their Hours Or Being Laid Off.**

**February 2021: Best Buy Laid Off 5,000 Employees And Planned To Close Stores.** "Best Buy said Thursday that it laid off 5,000 workers this month and is planning to close more stores this year as more consumers buy electronics online." [ABC 7, [02/26/21](#)]

- **After Furloughing 51,000 Employees During The Start Of The Pandemic, Only Two-Thirds Of Associates Were Brought Back.** "Best Buy furloughed 51,000 employees early during the pandemic. After stores reopened, about two-thirds of associates were brought back to work, and remaining furloughed employees were asked to return as seasonal employees for the holidays." [Star Tribune, [02/11/21](#)]
- **A Best Buy Employee Was Forced To Choose Between Reducing His Hours To 15 Hours A Week Or Being Laid Off, And Complained That Best Buy Put Him "Between A Rock And A Hard Place."** "Another Best Buy sales associate, who asked to remain anonymous because he is still working at Best Buy for the next few weeks and does not want to affect his severance pay, said a manager at his Cincinnati-area store told him Wednesday that he could choose to have his hours reduced from full time to about 15 hours a week or be laid off. 'They put me in between a rock and a hard place,' he said." [Star Tribune, [02/11/21](#)]

**During Best Buy's Q3 2021 Earnings Call, CEO Corie Barry Touted The Company's "Flexible Workforce Initiative" Which Began In November 2021 And Gave Store Employees Duties "Outside Their Primary Jobs," With Almost 20% Of Employees "Scheduled In More Than One Department."** "In a call with analysts last quarter, Best Buy CEO Corie Barry said the company was continuing to work on a 'flexible workforce initiative,' which would allow store employees to become certified in tasks outside their primary jobs as a way to help them learn new skills and possibly work additional shifts. At the start of November, more than half of associates were eligible to flex into different work zones and almost 20% of associates were scheduled in more than one department, she said." [Star Tribune, [02/11/21](#)]

- **Best Buy CEO Corie Barry: "During The Quarter, We Continued To Advance Our Flexible Workforce Initiative, Which Allow Store Employees To Become Certified To Perform Tasks Outside Their Primary Job Function."** [Seeking Alpha, [11/24/20](#)]
- **Best Buy CEO Corie Barry: "At The Start Of November, Over Half Of Our Associates Were Eligible To Flex Into Different Work Zones And Almost 20% Of Associates Were Scheduled In More Than One Department."** [Seeking Alpha, [11/24/20](#)]
- **The Restructuring, Which Caused "Roughly A Third Of The Staff To Quit Or Transfer," Led To Some Employees Seeing Their Compensation Reduced Despite Taking On More Responsibilities.** "In an interview with Retail Dive, a Best Buy employee who previously worked at the Magnolia unit described it now as 'defunct' following the reorganization, after which roughly a third of the staff quit or transferred at that employee's store. The employee, who asked not to be named, now works across the store, carries the title premium consultant and has seen his compensation reduced. The restructuring was just one way the company has changed this year and asked its employees to take on more responsibilities." [Retail Dive, [10/15/21](#)]

**October 2021: Retail Dive Reported That Current And Former Best Buy Employees "Struggled With Understaffing" And Are Now "Taking On Ever More Tasks" In The Face Of Staffing Cuts.** "Current and former employees who spoke with Retail Dive say they already struggled with understaffing at their stores. Now with cuts to full-time staff this year, they have lost knowledgeable, invested coworkers from their stores and are feeling more squeezed than ever. [...] Workers are being asked to work across product departments



and fulfillment channels, taking on ever more tasks even as staffing is tight and allotted time to properly learn new areas is slim. At the same time, they are trying to sell to and assist customers in purchasing products that can be complex, confusing and intimidating for customers." [Retail Dive, [10/15/21](#)]

## **Best Buy Spent Over \$1.2 Million Lobbying On The Protecting Right To Organize Act (PRO Act) In 2021 Among Other Issues – The PRO Act Was "The Labor Movement's Single Biggest Legislative Priority" And Would Ease Union Organizing.**

In Q1 2021, Best Buy Spent \$370,000 Lobbying The U.S. House Of Representatives On "H.R.842 - PRO Act Of 2021," "Issues Relating To Impact Of Legislation On Retail," And Other Issues. [Best Buy Co., Inc. LD-2 Lobbying Disclosure, [04/19/21](#)]

In Q2 2021, Best Buy Spent \$640,000 Lobbying The U.S. House Of Representatives On "H.R.842 - PRO Act Of 2021," "Issues Relating To Impact Of Legislation On Retail; Issues Related To Workforce Hiring," And Other Issues. [Best Buy Co., Inc. LD-2 Lobbying Disclosure, [07/19/21](#)]

In Q3 2021, Best Buy Spent \$200,000 Lobbying The U.S. House Of Representatives And The Department Of Commerce On "H.R.842 - PRO Act Of 2021, Issues Relating To Impact Of Legislation On Retail; Issues Related To Workforce Hiring," And Other Issues. [Best Buy Co., Inc. LD-2 Lobbying Disclosure, [10/20/21](#)]

In 2021, The Protecting The Right To Organize Act Was "The Labor Movement's Single Biggest Legislative Priority" Because It Would Protect Workers Attempting To Organize. "House Democrats have approved a bill that would provide protections for workers trying to organize, a measure that is the labor movement's single biggest legislative priority in this Congress. The bill passed Tuesday with a 225-206 vote, with five Republicans joining Democrats in favor of it. The bill is unlikely to advance in the Senate, given a lack of Republican support for the legislation. Union leaders say the Protecting the Right to Organize Act — PRO Act — would finally begin to level a playing field they say is unfairly tilted toward big business and management, making union organizing drives and elections unreasonably difficult." [NPR, [03/09/21](#)]

**While McDonald's Has Complained About The "Challenging Staffing Environment" In The Face Of Employee Strikes Against Sexual Harassment And Low Wages, It Has Continuously Prioritized The Development Of Automation Over Raising Employee Wages.**

## **During Its Q3 Earnings Call, McDonald's CEO Complained About The "Very Challenging Staffing Environment" That Has Put "Pressure On Speed Of Service."**

During Its Q3 2021 Earnings Call, McDonald's President And Chief Executive Officer Chris Kempczinski Lamented That "It's A Very Challenging Staffing Environment." "Chris Kempczinski -- President and Chief Executive Officer [...] But certainly, it's a very challenging staffing environment in the US, a little bit less so in Europe, but still challenging in Europe. [...] But we're also seeing that is just, it's very challenging right now in the market to find the level of talent that you need." [The Motley Fool, [10/27/21](#)]

McDonalds' CEO Admitted That Staffing Has Put "Pressure Around Speed Of Service" And That They Might Dial "Back Late Night" Hours To Accommodate. "Not being fully staffed is impacting McDonald's locations in several ways, Kempcsinski said. 'We might be dialing back late night for example from what we would ordinarily be doing,' he said. 'It's also putting some pressure around speed of service, where we are



down a little bit on speed of service over the last year-to-date and [what] we did in the last quarter." [CNBC, [11/11/21](#)]

## **In Fall 2021, McDonald's Employees Across The Country Went On Strike Due To "Rampant Sexual Harassment" And Reported Feeling "Degraded" Due To Low Wages.**

**October 2021: McDonald's Employees From At Least 10 U.S. Cities Went On Strike To Demand McDonald's "Listen To Workers When It Comes To Fixing Rampant Sexual Harassment In Their Stores."** "The 'Striketober' streak continues as McDonald's employees become the latest group of workers to demand corporate change. Employees at the fast-food giant in at least ten cities across the US, including Chicago and St. Louis, are planning a one-day strike on Tuesday to protest allegations of sexual harassment against employees. During the strike, employees will 'demand that McDonald's stop wasting time and listen to workers when it comes to fixing rampant sexual harassment in their stores,' the workers' rights group Fight for \$15 wrote in a Facebook post on Friday." [Business insider, [10/24/21](#)]

- **The Strike Was In Response To An Alleged Rape Of A Teenage Employee By Her Manager Along With Other Allegations Of Harassment At McDonald's Restaurants.** "Employees in at least 10 cities including Chicago, St. Louis and Tampa, Florida, intend to strike in response to the alleged rape of a 14-year-old McDonald's worker in Pittsburgh by her manager, and other allegations of harassment at the fast-food giant's restaurants, according to Fight for \$15 and a Union, a group of fast-food and other low-wage workers that's organizing the walkout." [USA Today, [10/22/21](#)]
- **A McDonald's Employee Filed A Class-Action Lawsuit Alleging The Company Had "Created A Hostile Work Environment" And That Employees Wanted A "Union To Prevent It From Happening."** "I do believe that we're in a moment where workers are standing up more for their rights," says Jamelia Fairley, a McDonald's employee in Sanford, Florida, who is a main plaintiff in a class-action lawsuit alleging McDonald's has created a hostile work environment that allows sexual harassment and violates the Civil Rights Act. 'I have met others who have experienced sexual harassment. ... We want a union to prevent it from happening.'" [USA Today, [10/22/21](#)]

**McDonald's Employees Reported Feeling "Degraded" And 'Belittled,'" With Managers Struggling With Retaining Workers And Keeping The Restaurant Running Due To Low Wages.** "Like her staff, she had come to feel 'degraded' and 'belittled' by her bosses and some of the customers. The franchise owner had set the Bradford McDonald's starting wage at \$9.25 an hour, while new workers at his McDonald's less than 20 miles away in Olean, N.Y., where the minimum wage was higher, were earning \$15 an hour. The low pay had made it almost impossible for Stephanie and Dustin to retain workers and keep the restaurant running." [The Washington Post, [11/06/21](#)]

## **Since 2015, McDonald's Has Invested In Automating Its Labor In The Form Of Kiosks And Automated Drive-Thru Lanes, While Its Former CEO Warned That Wage Increases Were Pushing Industry Toward Automation.**

**Starting In 2015, McDonald's Rolled Out Ordering Kiosks And Projected That Most Of Its 14,000 Locations Will Have Kiosks Installed By 2020.** "Not only has the infamous upgrade gone by the wayside, but cashiers at fast-food restaurants are becoming increasingly uncommon. McDonald's started rolling out ordering kiosks at its US locations in 2015, and the chain hasn't looked back since: by 2020, most of its 14,000 locations will have kiosks installed. It plans to add the kiosks to 1,000 stores every quarter for the next two years, according to CNBC." [Business Insider, [07/26/18](#) ]

**June 2021: Former McDonald's USA CEO Ed Rensi Warned That Workers' Struggle For A \$15 Minimum Wage Was Pushing The Industry Toward Automation, While Its Current CEO Confirmed The Company Was Pursuing Automated Ordering Systems.** "Former McDonald's CEO Ed Rensi is warning that the fight

for a \$15 minimum wage is directly contributing to the restaurant industry's push toward automation. Last month, McDonald's announced plans to raise the starting hourly wage range to \$11-\$17 per hour for crew and \$15-\$20 per hour for shift managers. The fast-food chain noted in its wage hike announcement that it planned to hire 10,000 new employees over the next three months. However, McDonald's current CEO Chris Kempczinski confirmed during Alliance Bernstein's Strategic Decisions Conference last week that the company is testing an automated, voice-recognition based drive-thru ordering system at 10 of its Chicago locations." [Fox Business, [06/07/21](#)]

**September 2019: McDonald's Acquired Apprente, Which Was Its Third Tech-Focused Deal That Year, In An Effort To Automate The Drive-Thru.** "McDonald's said Tuesday it has agreed to acquire a company that is trying to automate the drive-thru. It's the fast-food giant's third tech-focused deal this year. Apprente, a Silicon Valley company founded in 2017, uses artificial intelligence to understand drive-thru orders, which could cut down on service times. McDonald's said the technology also could be used someday in its self-order kiosks and mobile app."

**October 2021: McDonald's And IBM Agreed To A "Strategic Partnership" To Develop Technology That Will Help Automate Drive-Thru Lanes.** "McDonald's said Wednesday it has entered a strategic partnership with IBM to develop artificial intelligence technology that will help the fast-food chain automate its drive-thru lanes. As part of the deal, IBM will acquire McD Tech Labs, which was formerly known as Apprente before McDonald's bought the tech company in 2019. McDonald's didn't disclose financial terms for either transaction."

### **McDonald's Has Spent Nearly \$1.5 Million Lobbying Congress And The Executive Branch On Labor Issues In 2021, While It Reportedly Spied On Workers Involved In The Fight For \$15 Movement.**

**February 2021: Sen. Ron Wyden (D-OR) And Reps. Mark Pocan (D-WI) And Donald Norcross (D-NJ) Criticized McDonald's Following A Report That The Company Was Spying On Workers Involved In The Fight For \$15 Movement.** "Rep. Mark Pocan, Sen. Ron Wyden, and Rep. Donald Norcross criticized McDonald's for spying on its workers involved in the movement asking for an increase in the minimum wage. On Wednesday, Motherboard revealed that McDonald's employs a secretive team of intelligence analysts which spies on its workers involved in the Fight for \$15 movement, which advocates for an increase of the minimum wage." [Vice, [02/25/21](#)]

**In Q1 2021, McDonald's Corporation Spent \$630,000 Lobbying Congress And The Labor Department On "Issues Related To The Definition Of Joint Employer, Workforce And Workforce Development, Including Diversity And Inclusion, Franchisees, The National Labor Relations Board, The National Labor Relations Act And The Fair Labor Standards Act," Among Other Issues.** [McDonald's Corporation LD-2 Lobbying Disclosure, [04/20/21](#)]

**In Q1 2021, McDonald's Corporation Paid Brownstein Hyatt Farber Schreck, LLP \$80,000 To Lobby Congress On Labor Issues, Including "Issues Related To Workforce" And "Issues Related To The National Labor Relations Act/National Labor Relations Board."** [Brownstein Hyatt Farber Schreck, LLP LD-2 Lobbying Disclosure, [04/20/21](#)]

**In Q2 2021, McDonald's Corporation Spent \$430,000 Lobbying Congress And The Labor Department On "Issues Related To The Definition Of Joint Employer, Workforce And Workforce Development, Including Diversity And Inclusion, Franchisees, The National Labor Relations Board, The National Labor Relations Act And The Fair Labor Standards Act."** [McDonald's Corporation LD-2 Lobbying Disclosure, [07/20/21](#)]

**In Q2 2021, McDonald's Corporation Paid Brownstein Hyatt Farber Schreck, LLP \$80,000 To Lobby Congress On Labor Issues, Including "Issues Related To Workforce" And "Issues Related To The**

**National Labor Relations Act/National Labor Relations Board.** [Brownstein Hyatt Farber Schreck, LLP LD-2 Lobbying Disclosure, [07/20/21](#)]

**In Q3 2021, McDonald's Corporation Spent \$430,000 Lobbying Congress And Several Executive Branch Agencies On "Issues Related To Workforce And Workforce Development, Diversity And Inclusion, And Franchisees" And "Issues Related To The National Labor Relations Act/National Labor Relations Board."** [McDonald's Corporation LD-2 Lobbying Disclosure, [10/20/21](#)]

**In Q3 2021, McDonald's Corporation Paid Brownstein Hyatt Farber Schreck, LLP \$80,000 To Lobby Congress On Labor Issues, Including "Issues Related To Workforce" And "Issues Related To The National Labor Relations Act/National Labor Relations Board."** [Brownstein Hyatt Farber Schreck, LLP LD-2 Lobbying Disclosure, [10/20/21](#)]

**After Blaming Delays And Disruptions On The "Extremely Tight" Labor Markets, Deere & Co. Tried To Refuse Increasing Union Workers' Wages And Benefits, Leading To A Five Week-Long Strike Of Workers "Fighting Over Crumbs" While The Company Reaped Record Profits.**

**During Its Q3 And Q2 Earnings Calls, Deere & Company Executives Blamed Delays And Disruptions On The "Extremely Tight" Labor Markets And Identified Labor As "One Of The Biggest Challenges."**

**In Its Q2 2021 Earnings Call, Deere & Company's Director Of Investor Relations, Josh Jepsen, Admitted That Labor Is "One Of The Biggest Challenges" On The Supply Side And Logistics Channel.** "I would like to turn the call over to Mr. Josh Jepsen, Director of Investor Relations. [...] I think one of the biggest challenges on the supply side is labor, and it's at our suppliers, but it's also in the logistics channel, whether it's warehousing or truck drivers or port labor. All of those things are a challenge. And then certainly, there's work going on there to improve that, but it's -- that's been one of the bigger constraints when we think about the ability to get supply and produce." [Seeking Alpha, [05/21/21](#)]

**In That Same Call, John Deere's President Of Production And Precision Agriculture Cory Reed Blamed The "Extremely Tight" Labor Markets For Delaying "Efforts To Ramp Up" And For Causing "Frequent Disruptions."** "At this time, I'd like to welcome to the call Cory Reed, President of Production & Precision Ag, for a discussion of the segment results and an update on the global ag environment. [...] Suppliers and logistics providers are currently stretched thin as economies begin recovering from the lows of the pandemic. Furthermore, labor markets are extremely tight, delaying efforts to ramp up. To date, we have experienced frequent disruptions." [Seeking Alpha, [05/21/21](#)]

**During Its Q3 2021 Earnings Call, John Deere's Senior Vice President And Chief Financial Officer Ryan Campbell Lamented About Disruptions Due To Challenges In "A Pretty Wide Variety Of Issues," From "Materials To Labor To Logistics Across The Supply Chain."** "Ryan Campbell — Senior Vice President and Chief Financial Officer [...] We saw more disruptions, more impacts to production, where we were losing days of production, at different facilities at different times throughout the quarter and we think that continues. We don't see that easing up as we get into the fourth quarter and into 2022. So we think that continues. And one of the challenges is that it's a pretty wide variety of issues, it's not one select issue from materials to labor to logistics across the supply chain, which makes it a little more challenging and also a pretty diverse from a geographic perspective. So continue to manage through it, the teams are doing a really good job of producing and being as productive as possible, given the challenges, dealers working really hard taking care of customers, making sure we're getting those products to them. But we don't see that easing up here in the near term. [AlphaStreet, [08/20/21](#)]

## **October 2021: 10,000 Unionized Deere & Company Workers Went On Strike After Rejecting The Company's Deal For "Insufficiently Increasing Wages" And Failing To Improve Benefits, With Workers "Fighting Over Crumbs" While The Company Enjoyed Record-Breaking Profitability.**

**In October 2021, 10,000 Unionized Deere & Company Workers Went On Strike After "Overwhelmingly Rejecting" The Company's Contract Proposal.** "Some 10,000 unionized workers at the agriculture equipment maker Deere & Company went on strike early Thursday after overwhelmingly rejecting a contract proposal worked out with the company by negotiators for the United Automobile Workers union." [The New York Times, [10/14/21](#)]

**Workers Across 14 Facilities Criticized The Proposed Deal For "Insufficiently Increasing Wages, For Denying Traditional Pension To New Employees," And For Failing To Substantially Improve An Incentive Program.** "The strike deadline was announced on Sunday after the union said its members had voted down the tentative agreement reached on Oct. 1 with the company, which makes the John Deere brand of tractors. Union negotiators had said the proposal would provide 'significant economic gains' and 'the highest-quality health care benefits in the industry.' But workers, who are spread out across 14 facilities, primarily in Iowa and Illinois, criticized the deal for insufficiently increasing wages, for denying a traditional pension to new employees and for failing to substantially improve an incentive program that they consider stingy." [The New York Times, [10/14/21](#)]

**A John Deere Worker Criticized The Company For Its Record-Breaking Profitability While Workers Are "Fighting Over Crumbs Here."** "Mr. Laursen cited several sources of leverage for workers: the profitability of Deere & Company — which is on a pace to set a record of nearly \$6 billion this fiscal year — as well as relatively high agricultural commodity prices and supply-chain bottlenecks resulting from the pandemic. 'The company is reaping such rewards, but we're fighting over crumbs here,' he said." [The New York Times, [10/14/21](#)]

- **Headline: Deere Says Last 9 Months Of Earnings Already Have Beat Full-Year Profits Record Set In 2013.** [Des Moines Register, [08/20/21](#)]

**A Regional Director For The UAW Said That While Strikes Are "Never Easy," John Deere Workers "Deserve[d] A Better Share Of The Pie, A Safer Workplace, And Adequate Benefits."** "These are skilled, tedious jobs that UAW members take pride in every day,' said Mitchell Smith, a regional director for the UAW. 'Strikes are never easy on workers or their families but John Deere workers believe they deserve a better share of the pie, a safer workplace and adequate benefits.'" [CNN, [10/14/21](#)]

## **November 2021: After Five Weeks Of Striking, The Union Reached An Agreement With Deere & Co., But Some Workers Believe The Company's High Executive Pay Represented "Corporate Greed" And It Could Increase Worker Pay.**

**In Early November 2021, The Union Workers Rejected Another Deal With Deere & Co., Extending The Nearly Three-Week-Long Strike Further.** "Members of the United Auto Workers union rejected a deal with Deere & Co., extending a nearly three-week-long strike and illustrating the growing willingness of U.S. workers to hold out for better terms. The second rejected deal offered substantial improvements over one that workers turned down before going on strike, and included larger wage increases, no new tiers to retirement benefits and a signing bonus of \$8,500." [Bloomberg Law, [11/03/21](#)]

**On November 17<sup>th</sup>, The Five-Week-Long Strike Ended With The Approval Of A New Contract With About 61% Of Union Workers Approving The Agreement.** "A five-week strike of Deere & Co. ended Wednesday as United Auto Workers members approved a new six-year contract with the agricultural and construction equipment maker and prepared to report for evening shifts. About 61% of voters approved the agreement, which boosts hourly wages by 10% and increases retirement benefits. The company also will



maintain its health insurance program, in which workers do not pay premiums." [Des Moines Register, [11/17/21](#)]

**Some Workers Were Not Satisfied, With One Worker Calling Out Deere's Executive Pay As "Corporate Greed" And Believed The Company Could "Afford To Pay Rank-And-File Workers Better."** "Chuck Smith, a welder, declined to say which way he voted. But he told the Register that the company could afford to pay rank-and-file workers better, even though a Deere spokesperson said the company had 'economically exhausted' its offers. Smith pointed out that even in 2015, a down year by Deere's standards, the company earned a profit of \$1.9 billion. 'Look at what they're paying executives,' he said. 'Look at what they're giving their CEO. It's corporate greed.'" [Des Moines Register, [11/17/21](#)]

**While Kellogg's Executives Complained About The "Widespread Shortages Of Labor," The Company "Rake[d] In Record Profits" While Workers Said It Disregarded Their "Well-Being" And Threatened Their Jobs—Leading To "One Of The Longest-Running Strikes Of 2021," Through Which Workers Won Improved Wages And Benefits**

**During Its Q2 And Q3 Earnings Calls, Kellogg's Executives Complained About The "Widespread Shortages Of Labor" That Resulted In "Absenteeism, High Turnover, Difficulty Maintaining Temporary Labor," And Labor Strikes," Which They Claimed Helped In "Pushing Up Costs."**

**In Its Q2 2021 Earnings Call, Kellogg's Chairman And Chief Executive Officer Steven Cahillane Boasted That The Company's Operating Profit Growth "Offset The Impacts" Of The "Frequent Shortages Of Materials, Freight, And Labor."** "Steven A. Cahillane – Chairman Of The Board & Chief Executive Officer [...]" On operating profit, remember that we were lapping a year ago quarter in which operating profit grew 36%, excluding divestiture impact, an unusually strong quarter elevated by at-home demand, outsized operating leverage and delayed brand investment during the height of the pandemic. On a two -year CAGR basis though, you can see we continued to generate good operating profit growth driven by top line growth, productivity and price/mix. These have been able to offset the impacts of extremely high cost inflation this year as well as the frequent shortages of materials, freight and labor, which are most pronounced in North America." [The Motley Fool, [08/05/21](#)]

**The CEO Blamed Labor, Material, And Freight Shortages For "Pushing Up Costs."** "Meantime, we and the vendors that supply us are having to manage through bottlenecks and shortages of materials, labor and freight, all created by demand-supply imbalances that are also pushing up costs. So 2021 is shaping up to be anything but business as usual, and I'm extremely proud of how our organization continues to persevere and succeed in such challenging conditions." [The Motley Fool, [08/05/21](#)]

**Kellogg's Senior Vice President And Chief Financial Officer Amit Banati Complained That There Were "Widespread Shortages Of Labor" That Impacted "Our Operation In Our Factories" And "The Entire Supply Chain."** "I'm joined this morning by Steve Cahillane, our Chairman and CEO; and Amit Banati, our Chief Financial Officer. [...] If you kind of look at labor shortages, there are widespread shortages of labor, particularly here in the U.S. and that's impacting the freight market. We've seen the spot market in the freight significantly up due to a shortage of drivers. It's impacting our operation in our factories in terms of just labor and it's impacting the entire supply chain. So we are seeing it in our suppliers as well. So it is broad-based." [The Motley Fool, [08/05/21](#)]

**In Its Q3 2021 Earnings Call, Kellogg's CEO Complained That "Acute Shortages In Labor" Were Leading To "Absenteeism, High Turnover, Difficulty Maintaining Temporary Labor," And Labor Strikes, And Admitted To Having To "Recruit Continuously."** "And third, we are seeing acute shortages in labor across all spectrums of the economy. This is resulting in absenteeism, high turnover, difficulty maintaining



temporary labor and, for some of us, even labor strikes. To address this, we've had to recruit continuously, and we've executed contingency plans to sustain as much supply as possible in the face of open positions and work stoppages. Simply put, we are taking important actions to manage through today's unprecedented environment. [The Motley Fool, [11/04/21](#)]

## **September 2021: Kellogg's Announced It Would Cut Over 200 Jobs In Its Battle Creek, Michigan Factory, After Laying Off Another 187 Employees At The Same Plant.**

**In September 2021, Kellogg's Reportedly Told Union Employees In Michigan That It Would Cut Over 200 Jobs By The End Of 2023 On The Same Day It Announced A \$45 Million Supply Chain**

**"Overhaul."** "On the same day that the company announced a \$45 million overhaul of its North American supply chain, Kellogg Co. reportedly told union employees at its Battle Creek, MI factory that the cereal giant will soon cut more than 200 jobs there. The Battle Creek Enquirer reported Sept. 3 that Kellogg told union workers at its factory there — one of 50 worldwide — that the company will trim 174 full-time and 38 salaried positions by the end of 2023 as part of Kellogg's efforts to right-size its labor footprint in its ready-to-eat cereal network (RTEC)." [Food Manufacturing, [09/13/21](#)]

- **Two Years Earlier, Another 187 Employees Were Laid Off From The Same Plant, With Work Being Redirected To Canada And Other US Plants.** "In 2018, 187 workers were laid off the Battle Creek plant, with work being shifted to Canada and other US plants. About two years earlier, over 30 workers were laid off from the plant, with work outsourced to India, according to approved Trade Adjustment Assistance petitions." [Al Día, [10/07/21](#)]

**As A Potential Strike Loomed In 2021, Kellogg's Stopped Hiring Workers, To The Point Where They "Were 100 Workers Under [The Usual Number]," In Order To "Spend Less On Benefits" And Have "Fewer Workers To Man The Picket Lines."** "In 2021, as a potential strike loomed, Kellogg's stopped hiring workers when others retired or quit. The reasoning, the workers say, was twofold: It meant that the company would spend less on benefits and that there would be fewer workers to man picket lines in the case of a strike. 'There's been times during Covid when we were 100 workers under what we should have,' says Osborn, a man with close cropped blond hair and a quiet disposition that runs counter to the image of the burly union leader. He is 47 and has worked for Kellogg's for 18 years, often 12 hours a day, seven days a week." [Rolling Stone, [11/30/21](#)]

**In 2015, Workers Were Forced To Accept A Wage Cut That Divided Workers "Into A Caste System That Benefited Stockholders But Devasted Employees" By Threatening To Close Down Two Factories.** "In 2015, he gave more than just his time. [...] That was the same year Kellogg forced through a wage cut that divided 1,400 workers into a caste system that benefited stockholders but devastated employees. Claiming that cereal sales were down, the company threatened to close down two factories if the union didn't accept a two-tier pay system." [Rolling Stone, [11/30/21](#)]

## **October 2021: 1,400 Union Members In Four States Went On Strike Against The Kellogg's Company Due To The Company Disregarding "The Well-Being" Of Its Workers While "Rak[ing] In Record Profits" And Threatening To Send Jobs To Mexico.**

**On October 5, 2021, The Bakery, Confectionery, Tobacco Workers And Grain Millers International Union (BCTGM) Announced That 1,400 Members In Michigan, Nebraska, Pennsylvania, And Memphis Would Go On Strike Against The Kellogg's Company.** "Bakery, Confectionery, Tobacco Workers and Grain Millers International Union (BCTGM) President Anthony Shelton issued the following statement in support of 1,400 BCTGM members in Battle Creek, Mich. (Local 3G), Omaha, Neb. (Local 50G), Lancaster, Pa. (Local 374G) and Memphis, Tenn. (Local 252G) who are on strike against the Kellogg Company: 'The BCTGM

International Union stands in unwavering Solidarity with our courageous Brothers and Sisters who are on strike against the Kellogg Company." [BCTGM, [10/05/21](#)]

**In A Statement, BCTGM Accused Kellogg's Of Demanding Workers "Give Up Quality Health Care, Retirement Benefits, And Holiday And Vacation Pay" While Threatening To Send Jobs To Mexico If They Do Not Accept The Company's Contract Offer.** "Kellogg's response to these loyal, hardworking employees has been to demand these workers give up quality health care, retirement benefits, and holiday and vacation pay. The company continues to threaten to send additional jobs to Mexico if workers do not accept outrageous proposals that take away protections that workers have had for decades." [BCTGM, [10/05/21](#)]

**The Statement Continued That Kellogg's Was Disregarding "The Well-Being" Of Its Workers While "Rak[ing] In Record Profits."** "Kellogg is making these demands as they rake in record profits, without regard for the well-being of the hardworking men and women who make the products that have created the company's massive profits." [BCTGM, [10/05/21](#)]

- **In The Most Recent Quarter Compared To The Same Period Last Year, Kellogg's Sales Have Grown 5.6% And Profits Have "Shot Up" 9.1%.** "Kellogg's has seen strong demand for its signature breakfast offerings, including Rice Krispies, Raisin Bran and Frosted Flakes, during the coronavirus pandemic. Sales grew 5.6 percent, to \$3.6 billion, in the most recent quarter compared with the same period last year, while profits shot up 9.1 percent." [The Washington Post, [12/21/21](#)]

**BCTGM Local3G President Trevor Bidelman Said That After Hailing Workers As Heroes Through The Pandemic, Kellogg's Doesn't Treat Their Workers "As Well As They Do Their Machinery."** "Trevor Bidelman, president of BCTGM Local3G and a fourth-generation employee at the Kellogg's plant in Battle Creek, Michigan, explained workers are on strike against a proposed two-tier system for current and new employees proposed by Kellogg's. [...] 'This is after just one year ago, we were hailed as heroes, as we worked through the pandemic, seven days a week, 16 hours a day. Now apparently, we are no longer heroes. Very quickly you can go from hero to zero,' added Bidelman. 'We don't have weekends, really. We just work seven days a week, sometimes 100 to 130 days in a row. For 28 days the machines run then rest three days for cleaning. They don't even treat us as well as they do their machinery.'" [The Guardian, [10/07/21](#)]

**December 2021: After "An Overwhelming Majority" Of Workers Rejected Kellogg's Inadequate Contract Proposal, The Company Threatened To Hire "Permanent Replacements For Its Striking Workers"—Only For The Company To Agree To Workers' Demands Weeks Later.**

**On December 7, 2021, "An Overwhelming Majority" Of Kellogg's Union Workers Rejected The Company's Contract Proposal, Extending The Strike.** "Kellogg Company workers rejected a contract offer Tuesday that would have provided 3% raises, so 1,400 workers at the company's four U.S. cereal plants will remain on strike. The Bakery, Confectionary, Tobacco Workers and Grain Millers International Union said an overwhelming majority of workers voted down the five-year offer that also would have provided cost-of-living adjustments in the later years of the deal and preserved the workers' current health care benefits." [Grand Rapids Business Journal, [12/08/21](#)]

**Kellogg's Announced It Would Move Forward With "Hiring Permanent Replacements For The Striking Workers" After Using Salaried And Outside Workers To Keep Plants Operational.** "Kellogg said it now will move forward with plans to start hiring permanent replacements for the striking workers. The company already has been using salaried employees and outside workers to keep the plants operating during the strike." [Grand Rapids Business Journal, [12/08/21](#)]

**December 21, 2021, Kellogg's Workers Approved A New Five-Year Contract, Which Included Wage Increases, Cost-Of-Living Adjustments, And Expanded Benefits, Ending "One Of The Longest-Running Strikes Of 2021."** "Unionized Kellogg's workers in four states have approved a new five-year contract, bringing

a swift end to one of the longest-running strikes of 2021. Employees in four states voted to accept a tentative agreement reached last week, according to company and union representatives. The five-year contract includes across-the-board wage increases and cost-of-living adjustments, as well as expanded health care and retirement benefits. It also provides a pathway for newer employees to reach the company's coveted 'legacy' wage and benefit status, partially addressing a concern that many workers had raised about a two-tiered workforce." [The Washington Post, [12/21/21](#)]