

Grocers to unite if union goes on strike

by Penni Crabtree

In a move that signals escalating tensions, the three major Southern California grocers agreed Wednesday to lock out union employees if a strike is called against any one of the chains.

The threatened action by Albertsons, Ralphs and Vons, which are in contract talks with seven locals of the United Food and Commercial Workers, comes a week after union leaders obtained authorization from grocery workers to call a strike against Albertsons.

The grocery chains' act, close on the heels of the union's strike authorization vote, sounds an uneasy echo of the failed negotiations that led to a 4 1/2-month strike and lockout in 2003-04.

That bitter dispute idled 59,000 Southern California grocery workers and cost the grocery chains an estimated \$2 billion.

Labor contracts that cover 65,000 workers at the chains' 785 stores from San Diego to San Luis Obispo and Bakersfield expire Monday after previously being extended. The contract can be extended further on a day-to-day basis, and either side must give 72 hours' notice to cancel the contract. Only then could union officials call for a strike.

One labor expert said Wednesday's maneuver by the grocers and the union's strike threat are part "saber rattling" but also indicate a "deep divide" in the contract negotiations.

"A game of chicken is dangerous when the stakes are this high," said Harley Shaiken, a University of California Berkeley professor who specializes in labor issues. "Obviously, the companies are taking a hard public line to send a message to the union, but they hardly can be looking forward to a work stoppage, either.

"The union is signaling that they are determined and able to strike if necessary, but they want to avert it if at all possible," Shaiken said. "Everyone knows how difficult a strike would be."

The union and the three grocers are trying to negotiate a new contract through a federal mediator. The key issues are health benefits, wages and a two-tier system imposed by the current contract, which gives new hires significantly lower wages and benefits.

Adena Tessler, a spokeswoman for the grocery companies, said the lockout agreement is a response to the unions' attempt to "pressure one company to agree to uncompetitive contract provisions and gain significant bargaining leverage against the other companies."

"The three companies have no choice but to respond with their own measures," Tessler said. "The companies believe that this agreement is a necessary defensive measure designed to restore balance to the negotiation process."

Union officials temporarily walked away from contract talks Wednesday after the three chains announced the lockout agreement, but they will resume negotiations at a later, unspecified date.

Mike Shimpock, a spokesman for the seven UFCW locals, said the grocers' pact is "illegal," referring to ongoing litigation targeting a similar agreement in the 2003-04 lockout.

Three years ago, California's then-Attorney General Bill Lockyer sued Ralphs, Albertsons and Vons and alleged that their response to the earlier strike violated antitrust laws.

Lockyer charged that a mutual strike assistance agreement the grocers entered into contained anti-competitive profit-sharing components that drove prices higher for consumers.

Attorney General Jerry Brown, who was elected in November as Lockyer left office, is still pursuing the case, which is slated to go to trial in January.

Brown spokesman Gareth Lacy declined to comment on the current labor dispute except to say, "We're encouraging both sides to negotiate in good faith."

Shimpock said the lockout agreement is evidence that the grocery companies are unwilling to negotiate fairly.

"This is a very foolish and risky escalation on the part of the markets," Shimpock said. "They are threatening to punish and lock out employees at Ralphs and Vons, two markets that haven't even considered a strike authorization vote, and deny consumers shopping options."

"If they really wanted to protect their customers and employees, then they would have done what Stater Bros. and Gelson's markets did: negotiate a fair contract with their employees on time," he added. "We do not want a strike; we want a fair contract. Our members have not had a wage increase since 2002, yet Ralphs, Vons and Albertsons are each averaging nearly \$3 billion in profits."

Reaction from consumers Wednesday to the latest round of hardball tactics was mixed.

During the 20-week grocery strike in 2003 and 2004, Irma Robinson said, she honored the picket lines, shopping at other stores such as Trader Joe's.

"It was an inconvenience, but I feel that people have the right to strike," said Robinson, a Pasadena resident who was shopping Wednesday at a Ralphs in Carlsbad while visiting the area. "They have a living to earn."

When the strike ended, Robinson continued to shop at alternative grocery stores for a time before drifting back to her neighborhood supermarket.

If grocery workers picket this year, however, Robinson said she will again shop elsewhere during the strike.

But David and Lorraine Roderick, retired educators shopping Wednesday at a Vons in Carlsbad, said they didn't honor picket lines in the earlier strike and wouldn't this time if a strike occurs.

"I think it's terrible that it is so easy for them to go on strike," said Lorraine Roderick. "I just don't believe in strikes."

Correspondents Dean Calbreath and Mike Freeman contributed to this report.