



Legislation Text

File #: Res 2090-2009, **Version:** *

Preconsidered Res. No. 2090

Resolution supporting the continued operation of the Stella D'Oro Biscuit Company in the Bronx and supporting the efforts of Local 50 and the workers at Stella D'Oro Biscuit Company to maintain their jobs and prevent the closure of the Bronx factory.

By Council Member Koppell, the Speaker (Council Member Quinn) and Council Members Jackson, Liu, Comrie, James, Katz, Palma, Sanders Jr., Weprin and Gerson

Whereas, More than 130 workers at the Stella D'Oro Biscuit Company in the Bronx face the permanent loss of their jobs and unemployment as Brynwood Partners, owners of Stella D'Oro, plan to close the Bronx factory in October; and

Whereas, These workers, which include unionized bakers, packers, machine operators and mechanics, went on strike on August 13, 2008 after reaching an impasse in negotiations as company officials tried to force workers to accept a 20% pay cut, elimination of sick days and overtime and other cutbacks; and

Whereas, The employees returned to their jobs on July 7, 2009, a week after an administrative judge with the National Labor Relations Board ordered Brynwood Partners, the current owner of Stella D'Oro, to reinstate and pay back wages to the striking workers, finding that the company had engaged in unfair labor practices; and

Whereas, This brought an end to the 11-month strike, however, Brynwood Partners, a Connecticut-based private equity fund, is now threatening to close the Bronx factory; and

Whereas, According to news sources, Brynwood Partners has received significant tax incentives over recent years to keep its factory operating in the Bronx; and

Whereas, It has been reported that Brynwood Partners' primary strategy has been to increase profit margins by driving down wages and health care costs for a workforce whose earnings range from \$36,000 to

\$50,000 a year; and

Whereas, Local 50 of the Bakery, Confectionery, Tobacco Workers and Grain Millers (BCGTM) International Union, representing the workers at the Stella D'Oro Biscuit Company has filed charges with the National Labor Relations Board under Article 10-J of the National Labor Relations Act in an attempt to stop the company's planned shutdown of the Bronx factory; and

Whereas, Given the actions taken by Brynwood Partners, in which the Pennsylvania State Employees' Retirement System and other pension funds may have investments, state and local officials in appropriate jurisdictions should consider divesting from Brynwood Partners; now, therefore, be it

Resolved, That the Council of the City of New York supports the continued operation of the Stella D'Oro Biscuit Company in the Bronx and supports the efforts of Local 50 and the workers at Stella D'Oro Biscuit Company to maintain their jobs and prevent the closure of the Bronx factory.

LS # 7691
TNN