



POST-TRAUMATIC SHOPPING

One year after the start of the devastating grocery strike, its aftershocks are still felt across L.

By [Bobbi Murray](#)

There aren't many customers on a Saturday night at 11:30 in the Vons on L.A.'s Eastside, and two checkers on-duty quickly recognize an ex-employee. "I thought you were gonna come back," one says to the young woman in line. The shopper, once employed at the store, shrugs, and says that she was going to, but

"It's better that you didn't," says the checker. She drops her voice slightly to confide that it's just not good here now. All that time out on strike, they didn't get much. And with contract negotiations coming up again in two years She trails off and looks unhappy, then admits that she may not join another picket line if it comes to that.

"I'm too close to retirement," she says.

The grocery strike that jarred Southern California a year ago Monday and dragged on for four-and-a-half months continues to impact the region and beyond. It was the longest strike of its kind in terms of the numbers of workers that struck - some 59,000 - the overall number of workers affected - around 70,000 - and the number of customers affected - an estimated 20 million.

"There are still a lot of angry customers, a lot of angry workers," says Ellen Anreder, a UFCW spokeswoman for five of the seven locals involved in the strike. "It will take a long time to get over it."

Both sides were clearly stunned by the length of the conflict. It's too soon to quantify overall economic impact in the Los Angeles area, according to Jack Kyser, chief economist with the Los Angeles County Economic Development Council. He says the general economic indicators aren't in yet. In March, he says, regional employment figures will reflect any significant increases or decreases in employment in the grocery store industry.

A recent Associated Press story reported that some 15,000 workers either never returned to work or quit after the settlement. "The workers on strike were under extreme financial duress, some of them losing cars or apartments," Kyser says.

The three chains involved in the strike, Safeway, Inc. (which owns Vons), Albertsons, Inc., and Kroger Co. (parent company of Ralphs), certainly took a teeth-rattling financial hit. Combined losses are estimated at

\$700 million in sales, a figure that bumps up to \$1.2 billion when you factor in the please-come-back discounts and offers the chains made to customers lost during the strike. Steven Burd, president and CEO of Safeway, Inc., barely survived an ouster attempt by board members in May. He was seen by many as leading the charge in the strike, pushing the hardest to cut labor costs. He was apparently feeling the pressure produced by a botched expansion deal in which Safeway acquired the Dominicks chain for \$1.8 billion in 1998 and put it back on the market for a fraction of the cost, \$315 million, in November, 2002.

Meanwhile, Ralphs is under federal investigation on charges that the company hired back locked-out workers during the strike. UFCW Local 770 has also filed suit alleging that the workers were hired back under false names and Social Security numbers.

The chains have yet to win back all the customers turned off by picket lines. It's part of the psychological residue of a major strike. Ask any marketing genius about the dynamics of a store that attracts and keeps customers - it's the people, stupid. Or ask the union leaders about keeping the hearts and minds of disaffected workers after a devastating 20 weeks on a picket line. The strike garnered far fewer short-term gains than the sacrifice would seem to warrant. Employees were forced to accept a two-tiered system in which the new hires make substantially less money and, in some job categories, must wait as long as 18 months for medical benefits. And the company contribution for health care was substantially reduced.

"People's morale is down because they are not happy with what employers extracted out of the process," says Michael Straeter, president of local 1442 in Santa Monica, which represents workers in supermarkets west of the San Diego (405) Freeway and down to Redondo Beach.

Acrimony between management and returning workers has been high. There were scattered reports from workers of transfers that appeared to target those who had been day-to-day on picket lines - people working in Highland Park that suddenly found themselves puzzling over the bus schedules to Studio City. (While the wages for many categories were, and continue to be, double-digit, the majority of the workers are part-time, with an annual take-home pay hovering around \$30,000 or lower - thus the bus instead of cars for many.)

UFCW spokeswoman Anreder suggests that while there may have been some retaliation involved in the transfers, it was also true that management had to scramble to put experienced workers back into the most hard-hit stores to get them back on track. Anybody who went into the stores during the strike, she says, could vouch for the disarray within. "It was pretty unsavory," she says.

Relations inside some stores are still tense, some workers say. The settlement allowed the companies to hire some strikebreakers. Imagine standing out on a picket line for months and then coming back to work beside someone who you feel undercut your fight.

While the companies' reputations have clearly suffered, the union has been the target of criticism for being out of touch with the rank-and-file. Some believe the union was unprepared for a protracted struggle. UFCW Local 770 President Rick Icaza had said that he expected the strike to last no more than two weeks.

And it seems that union leaders didn't fully grasp the implications of the vast restructuring that had taken place in the industry over the last several years. Mergers and acquisitions turned some local stores into muscular national chains, and made them vulnerable to shareholder demands to shave costs. Union negotiators previously sat across the table from regional grocers, but in the last round of talks they faced corporations with the resources to withstand the work stoppage. "They starved us out," says local 1442's Straeter.

But he follows that with a startling declaration. "We won that strike, okay?"

You have to take a step or two back - or maybe three - to understand how he might figure that. While Southern California workers may not be happy with the settlement, the fight here seems to be influencing grocery negotiations going on now in Northern California and Washington State.

In those negotiations it appears that employers are thus far backing off on imposing a two-tiered pay system, which would leave Southern California as the only region with the structure in place. And both sides seem reluctant to draw impossible lines in the sand, avoiding the kind of hardships faced in the Southern California strike. "Our people are heroes, even though they might not realize it," Straeter says.

Anreder won't go so far as to call the Southern California strike a win, but says that the union was able to claim some victory. The chains didn't cut their contribution to health care and pensions nearly as much as they initially wanted to, she says, and job protection language in the agreement survived. And the various locals report a more active core of stewards and activists involved in day-to-day union matters.

If the unions seem engaged in making lemonade out of lemons, one supermarket chain beat them hands down for happy talk. "That event is over and done with," quipped Lilia Rodriguez, a spokeswoman for Albertsons, when asked about the strike aftermath. And the financial hit the company took (second-quarter profits dove 36 percent)? "We don't break out those numbers." What about job losses? "We don't want to discuss that," she says firmly. "It's a new day."

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