

Mondelez/Nabisco: Selling Out Middle Class U.S. Jobs for Poverty Wage Foreign Jobs!

In July 2015, Nabisco announced it had chosen to invest an additional \$130 million in its new \$400 million plant in Salinas, Mexico, instead of investing that money in its iconic plant in Chicago. As a result, 600 workers in Chicago will lose their jobs. An entire community will be devastated. Nabisco products made in Mexico will be sent back to the United States for American consumers.

GET THE FACTS

1. CHOOSING MEXICO OVER CHICAGO

By making the decision to send production to Salinas, Mexico, Nabisco **is eliminating hundreds of middle class jobs in this heavily African American and Hispanic community in southwestern Chicago**. These workers refused to accept \$46 million in annual concessions, in perpetuity, something the company asked of no other bakery. Thus Nabisco, which already has a plant in Monterrey, Mexico supplying the American market, will take even greater advantage of a low-wage workforce in Mexico.

2. SHIFTING PRODUCTION TO LOW-WAGE COUNTRIES

Nabisco's decision to send production to Mexico continues a decades-long pattern of closing plants in the U.S., Canada and other industrialized countries, eliminating thousands of jobs and shifting that production to low-wage countries like Mexico, India and Bahrain where workers are vulnerable to exploitation. These countries have few, if any, environmental, health & safety, or food safety laws to **protect workers, citizens and the environment**.



3. CORPORATE DECISIONS DESTROY THE MIDDLE CLASS

Over the last 20 years, Nabisco has closed plants in Pittsburgh, Houston, Niles, St. Elmo, Buena Park, Philadelphia and Toronto. Plant closures **devastate communities and families**, as well as state and county tax bases. Making matters worse, in Chicago, in the 1990's Nabisco took \$90 million in subsidies from Illinois taxpayers; twenty years later they are essentially abandoning the taxpayers investment.

4. SAVINGS SHIFTED TO CEO AND INVESTORS

Nabisco's continued corporate policy of closing plants to take advantage of low-wage workers has been a windfall for its top executives and largest shareholders. Over the last eight years, Mondelez CEO Irene Rosenfeld has raked in approximately \$170 million in compensation. Billions more went to the largest investors in dividends and stock buybacks.

5. LOOKING FOR SAVINGS IN ALL THE WRONG PLACES

Closing plants is NOT the best way to generate savings. In fact, analysts following Mondelez believe the best way to generate impactful savings is for the company to cut its portfolio of products, greatly reduce its suppliers and decrease its advertising budget to the industry norm. Instead, Mondelez continues to foolishly ignore this advice.

