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Inside the Hostess Bankery

Written by [bluebarnstormer](#) | Daily Kos



Wonder Bread runs deep in my family. I started at Interstate Bakeries in 1999 in Waterloo, Ia after the birth of my first daughter. I asked my father in law who to talk to for an interview. He had spent his entire adult life there, eventually retiring in 2007. His father drew retirement from the very same bakery.

My wife and her sisters experienced a truly middle class Midwestern upbringing, complete with a safe home environment, college educations, and health insurance. He went to work everyday knowing he would be able to retire and draw his pension. He was even able to pass the job down to his son in law.

I love Wonder Bread. It has supported our family financially and medically for the last 14 years. When my wife wanted to attend graduate school we found a university near a bakery and moved to Lawrence, KS, home of the greatest basketball team in the history of ever. I will miss the overwhelming smell of baking bread and the friendships I built at both bakeries. Including with engineers, truck drivers, supervisors and managers who have also lost their jobs.

Many of them likely blame the Bakers Union, me. Most understand that this was inevitable. There has been no confidence in the leadership of this company at any level of any department for years. We have watched 6 CEO's come and go since 2002 and all of them left the company worse than when they took over. All of them got paid, not just the salaries they agreed to, but bonuses and increases all along the way. Including the current joker, who announced he was leaving with less than a year on the job, before he even submitted this last contract offer to us.

When I received my first paycheck from then Interstate Bakeries in 1999 it had a memo stapled to it. The memo announced that Wonder had just had the most productive quarter in baking history. It stated that the health of the company and brand had never been better. The break room was buzzing with excitement because our contract was soon to be up for renegotiation and this would surely mean smooth sailing. A few weeks later we got the 'oops' letter. Turns out it was all an 'accounting' error and the company was failing miserably.

Conveniently though, CEO Charles Sullivan and the board managed to sell their stock before word got out about the bad news. No jail time of course. In fact, Sullivan was brought back as a consultant after his resignation. Enron happened a few years later and at the bakery we were amazed how much attention they got compared to us.

The company of course used it's 'oops' letter to justify asking for concessions from the Union. We gave nothing and gained nothing that year after a 45 minute strike. The status quo continued and I proudly joined the middle class for the first time in my life. I made \$14 an hour and had insurance. I even went on vacations for the first time. I had great pride in my job, and the products. We bought a new car for the first and only time in my life. In 2003 I transferred to the Lenexa, KS bakery.

In 2005 it was another contract year and this time there was no way out of concessions. The Union negotiated a deal that would save the company \$150 million a year in labor. It was a tough internal battle to get people to vote for it. We turned it down twice. Finally the Union told us it was in our best interest and something had to give. So many of us, including myself, changed our votes and took the offer. Remember that next time you see CEO Rayburn on tv stating that we haven't sacrificed for this company. The company then emerged from bankruptcy. In 2005 before concessions I made \$48,000, last year I made \$34,000. My pay changed dramatically but at least I was still contributing to my self-funded pension.

In July of 2011 we received a letter from the company. It said that the \$3+ per hour that we as a Union contribute to the pension was going to be 'borrowed' by the company until they could be profitable again. Then they would pay it all back. The Union was notified of this the same time and method as the individual members. No contact from the company to the Union on a national level.

This money will never be paid back. The company filed for bankruptcy and the judge ruled that the \$3+ per hour was a debt the company couldn't repay. The Union continued to work despite this theft of our self-funded pension contributions for over a year. I consider this money stolen. No other word in the English language describes what they have done to this money.

After securing our hourly cash from the bankruptcy judge they set out on getting approval to force a new contract on us. They had already refused to negotiate outside of court. They received approval from the judge to impose the contract then turned it over to the Union for a vote. You read that right, they got it approved by the judge before ever showing to the Union.

What was this last/best/final offer? You'd never know by watching the main stream media tell the story. So here you go...

- 1) 8% hourly pay cut in year 1 with additional cuts totaling 27% over 5 years. Currently, I make \$16.12 an hour at TOP rate of pay in the bakery. I would drop to \$11.26 in 5 years.
- 2) They get to keep our \$3+ an hour forever.
- 3) Doubling of weekly insurance premium.
- 4) Lowering of overall quality of insurance plan.
- 5) TOTAL withdrawal from ALL pensions. If you don't have it now then you never will.

Remember how I said I made \$48,000 in 2005 and \$34,000 last year? I would make \$25,000 in 5 years if I took their offer.

It will be hard to replace the job I had, but it will be easy to replace the job they were trying to give me.

That \$3+ per hour they steal totaled \$50 million last year that they never paid us. They sold \$2.5 BILLION in product last year. If they can't make this profitable without stealing my money then good riddance.

I keep hearing how this strike forced them to liquidate. How we should just take it and be glad to have a job. What an unpatriotic view point. The reason these jobs provided me with a middle class opportunity is because people like my father in law and his father fought for my Union rights. I received that pay and those benefits because previous Union members fought for them. I won't sell them, or my coworkers, out.

We may have forced the companies hand but they were going to smack us with it anyway.

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