



Office of the City Clerk

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Legislation Details (With Text)

File #: SR2017-822

Type: Resolution **Status:** Adopted

File created: 10/11/2017 **In control:** City Council

Final action: 6/27/2018

Title: Call for solidarity with merchants, unions and local affiliates of Mondelez International in protest against decision to transfer bakery production operations from Chicago to Mexico

Sponsors: Curtis, Derrick G.

Indexes: COMMITTEE/PUBLIC HEARINGS

Attachments: 1. SR2017-822.pdf, 2. R2017-822.pdf

Date	Ver.	Action By	Action	Result
6/27/2018		City Council	Adopted	Pass
6/26/2018	1	Committee on Budget and Government Operations	Recommended to Pass	
6/26/2018	1	Committee on Budget and Government Operations	Substituted in Committee	
11/13/2017	1	Committee on Budget and Government Operations		
10/11/2017	1	City Council	Referred	

SUBSTITUTE

RESOLUTION

WHEREAS, Nabisco, formerly known as the National Biscuit Company, prior to March 2016, operated the largest commercial bakery in the world at 73rd Street and Kedzie Avenue on Chicago's Southwest Side. A looming presence in the City's Chicago Lawn and Ashburn communities for more than 70 years, Nabisco's 1,800,000-square-foot production facility in Chicago at that time employed more than 1,200 workers and produced 320 million pounds of snack foods annually, including, among others, Chips Ahoy!, Belvita, Oreos, Ritz Crackers, Honey Grahams, and Wheat Thins, for distribution in North America; and

WHEREAS, At one time, Nabisco employed as many as 4,000 workers at its Chicago bakery. Generations of Chicago-area workers supported their families, purchased homes, paid for the children's education, and joined the ranks of Chicago's middle class, thanks to the good union wages they earned there; and

WHEREAS, In 2015, Nabisco's parent company, Illinois-based Mondelez International, reported gross revenues of almost \$30 billion and gross earnings of \$7.8 billion. The value of Mondelez International's stock increased steadily from the time of its creation in 2012 into 2016; and

WHEREAS, Industry observers noted that Chicago's bakery had contributed mightily to the success of Mondelez International's business enterprise in North America, owing In large part to the ability of its skilled workforce to produce a wide range of products; and

WHEREAS, In July 2015, Mondelez International announced that it planned to move production of its "Power Brands" from its Chicago bakery, which include Oreo Cookies, Chips Ahoy!, Honey Grahams and Ritz crackers, sending nine production lines to its newly built plant in Salinas, Mexico; and

WHEREAS, Despite Nabisco's decades-long connection to Chicago and Mondelez International's considerable financial success here, in 2016 Mondelez International eliminated 600 well-paying union jobs at its Chicago bakery and moved them across the border; and

WHEREAS, The Mayor and members of Chicago's City Council have worked diligently with World Business Chicago, Manufacturing Renaissance, and the Chicago Federation of Labor, and with other dedicated partners, to bring high quality, middle-class jobs to Chicago; and

WHEREAS, Chicagoans hoped that Nabisco and its parent company Mondelez International would actively partner with the City in its efforts to support the hardworking men and women of Chicago by keeping their jobs here and not transferring them to poorly paid workers in low-wage economies, where victimized workers also pay the price for corporate philosophies driven by greed and the relentless pursuit of profit at the worker's expense; and

WHEREAS, A company's lack of allegiance to the workers that made its success possible needs to be publicly acknowledged and should not be rewarded; now therefore,

BE IT RESOLVED, That we, the Mayor and Members of the City Council of the City of Chicago, assembled this twenty-seventh day of June, 2018, in a show of solidarity with the men and women of the Bakery, Confectionery, Tobacco Workers and Grain Millers Local 300, the International Association of Machinists and Aerospace Workers District 8, and the International Union of Operating Engineers Local 399, announce that, effective August 1, 2018, and until such time that Mondelez International reverses its decision to transfer the production it has outsourced from Chicago to Mexico, no new quantities of such products will be made available for purchase in City-owned or City-leased vending machines located at City-owned or City-leased properties, or any portion thereof, used primarily for governmental purposes; and

BE IT FURTHER RESOLVED, That a suitable copy of this resolution be presented to the Chairman and Chief Executive Officer of Mondelez International, as a sign of our dedication to and support of this important issue.

CHICAGO, June 27, 2018

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a proposed Resolution submitted by Alderman Derrick G. Curtis, (18) and others, concerning a request to Mondelez North America Corporation d/b/a/ Nabisco to maintain operations at the facility at 73rd Street and South Kedzie Avenue ; and having been presented with a proposed substitute Resolution by Alderman Curtis, and having had the same under advisement, begs leave to report and recommend that Your Honorable Body adopt the Substitute Resolution transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Carrie M. Austin Chairman