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United States Senate

WASHINGTON, DC 20510 - 3505

September 11, 2019

Richard Kramer
President and CEO
Goodyear Tire and Rubber Co.
200 Innovation Way
Akron, OH 44316

Dear Mr. Kramer:

I am writing to express my ongoing concerns about Goodyear's San Luis Potosí, Mexico, facility and to urge you to take immediate steps to improve the company's compensation and conduct toward your workers in Mexico. I am troubled that the company prevented Members of Congress from touring the facility, even after the Members attempted to schedule the visit in advance. Both the company's decision to locate the factory in Mexico and its blocking of congressional access to the facility make it easy to draw conclusions about the company's mistreatment of its workers at the plant.

Members of the House of Representatives sent you a letter dated July 29, 2019, outlining their concerns regarding the workers at your San Luis Potosí facility and to express disappointment that you would not permit their delegation to tour the facility. In your response, dated August 12, 2019, you describe what appears on paper to be a constructive working relationship with employees at the Mexican factory. Your letter states that the San Luis Potosí workers are represented by a single union with which the company engages in collective bargaining. In addition, your workers get "significant safety and skills training," which you mention was corroborated by the results of a comprehensive Mexican government safety inspection in May 2018. Finally you add that turnover among your employees is less than one percent.

Recent events suggest that the relationship with your employees at the San Luis Potosí plant is not as copacetic as your letter makes it sound. Last April, workers felt compelled to speak out against their unjust working conditions and to demand the withdrawal of the Confederation of Mexican Workers (CTM) union, which has historically been aligned with employers, leading them to undertake a wildcat action. Over 50 workers were fired two months later, all of whom had participated in this action. In your letter, you claim that only 46 workers were terminated last July for jeopardizing safety or product quality. It seems hard to believe that five percent of your workforce, which receives comprehensive safety training, could be fired for violating safety protocols, particularly when your turnover rate is much lower. In addition, since the attempted visit by Members of Congress, workers from your plant report feeling increasingly harassed and monitored at work.

Goodyear must take decisive steps to improve the working conditions and pay for employees at the facility. In a recent meeting with representatives from the Mexican Ministry of Labor,

terminated employees from your San Luis Potosí plant asked the government to help them achieve full reinstatement of and full back pay for all terminated workers. In addition, they asked for measures to be implemented to prevent workers from being harassed in the workplace. Goodyear should accommodate these requests immediately.

Moreover, I ask that you work with the United Steelworkers, which represents workers at your American facilities, to determine whether the CTM is truly the union representative the workers want. Your letter states that you would “abide by the outcome” if your employees chose different union representation. Freedom of association is already in Mexican law, and you do not have to wait for the new Mexican labor reforms to be implemented to follow through on this commitment. You can take steps now to ensure your workers at the plant have the union representative of their choice. Finally, I urge you to increase wages for the workers at the factory. Goodyear’s sales totaled \$15.5 billion in 2018. Given Goodyear’s size and profitability, the company can afford to pay the workers at the San Luis Potosí plant more than \$2 an hour.

As you know, I asked Goodyear to build the San Luis Potosí plant in Ohio, where the company has a long record of success. In addition to pushing for the creation of good-paying jobs in my state, I feared that a Mexico-based plant would lead to the shuttering of U.S. facilities due to significantly lower labor costs across the border. It seems my fears have been realized. Your company recently laid off 170 employees at the Gadsden, Alabama, plant and proposed a buyout at that same facility.

I urge Goodyear to take immediate, concrete steps to improve the pay and working conditions of its employees at the San Luis Potosí plant. American workers should not have to compete against overseas workers who make \$2 an hour and are denied their basic rights to organize and collectively bargain. They are tired of this corporate race to the bottom in which companies prey on low-wage workers overseas to produce goods for the American market at a greater profit.

Sincerely,



Sherrrod Brown
United States Senator