

Another “Classic Coke” Move to Deny and Delay Accountability for Human Rights Violations in Colombia.

Contact: Terry Collingsworth, Executive Director, International Labor Rights Fund
202-347-4100, ext 2 (office); 202-255-2198 (cell)
Counsel for SINALTRAINAL

Dan Kovalik, Associate General Counsel, United Steelworkers Int’l Union
412-562-2158
Counsel for SINALTRAINAL

Coca-Cola and its ally, the International Union of Food Workers (IUF), have announced that they will jointly “request” the International Labor Organization (ILO) to conduct an investigation of Coca-Cola’s operations in Colombia. To the uninformed, this might appear to be progress towards an independent investigation of Coca-Cola’s complicity in violence against trade union leaders at its bottling plants in Colombia. Since 1989, seven union leaders who worked at Coca-Cola bottling plants in Colombia and a plant manager friendly to SINALTRAINAL (National Food Service Workers Union), the major union representing Coca-Cola workers, have been murdered in connection with their union activities and countless others have been threatened with death, kidnapped and tortured.

A recent independent investigation into the alleged human rights abuses at Coke’s bottling plants in Colombia, led by New York City Councilman Hiram Monserrate, verified 179 separate human rights abuses at Coke bottling plants in Colombia. This same investigation found that there were credible allegations that paramilitaries carrying out violence against unionists at Coke bottling plants did so “with the knowledge of and likely under the direction of company managers.”

SINALTRAINAL and 6 individual victims of violence initiated a lawsuit against Coca-Cola and its Colombian bottlers based on the Alien Tort Statute and the Torture Victims Protection Act. The case is pending in federal court in Miami.

The story about Coke’s latest ploy to obtain a favorable investigation is not complicated; these are the objective, verifiable facts:

- Coca-Cola is reeling from its legacy of violence in Colombia. Over 23 U.S. universities, including the University of Michigan, New York University and Rutgers University have cancelled or suspended Coca-Cola’s supply contracts, costing the company millions of dollars in previously guaranteed revenues, but also, and more important, countless students say they will not drink Coke beverages, thereby breaking the cycle of consumption of this optional product that is tainted with the blood of Colombian workers.

Coca-Cola, following the corporate playbook, first denied any responsibility for its

own bottlers in Colombia, asserting that these offshore companies are independent. But that did not pass the straight face test with the public as everyone knows these companies exist to bottle and distribute Coca-Cola products, and Coca-Cola has complete control over its bottling plants.

- Just before its 2005 annual shareholders' meeting, Coke issued a report, in which they claimed, "... a respected, independent third party found no instances of anti-union violence or intimidation at bottling plants."

The Coca-Cola Co. was referring to a bogus report by Cal Safety Compliance Corporation, a Los Angeles-based company. The report was commissioned and paid for by The Coca-Cola Co. Cal Safety's monitoring record has been widely discredited in publications from the *Los Angeles Times* to *Business Week*. According to United Students Against Sweatshops (USAS) "Cal-Safety is not regarded as a credible monitoring organization within the mainstream worker rights advocate community as a result of its track record of missing egregious violations in high profile cases and its flawed monitoring methodology." (See "United Students Against Sweatshops Statement on Cal Safety" at: www.killercoke.org/usascal.htm)

The USAS statement further exposes Cal Safety's poor monitoring track record by describing the results of a thorough investigation into Cal Safety's monitoring methodology by Dr. Jill Esbenshade, presented in the recently released book, "Monitoring Sweatshops." In her research, Esbenshade conducted extensive interviews with Cal-Safety auditors and directly observed the company's labor auditing in practice. Given the problematic practices documented, Cal-Safety's poor track record is perhaps not surprising. In numerous key areas, Cal Safety failed to adhere to minimum accepted standards for competent factory investigation.

Prior to the Cal Safety report, Coca-Cola repeatedly claimed that another group had done an investigation into allegations of human rights abuses by Coke's bottlers in Colombia that totally exonerated both Coca-Cola and its bottlers from any wrongdoing. When students at Carleton College in Minnesota asked who did the report and could they obtain a copy, they were told by a Coca-Cola representative that the report was done by White & Case, but it was unavailable to the public. What the Coca-Cola representative did not reveal is that White & Case is a large international corporate law firm that represents Coca-Cola in the Alien Tort Claims lawsuit regarding human rights abuses at its Colombia bottling plants. Alexis Rovzar, who is an executive partner at White & Case, serves as a director of Coca-Cola FEMSA, Colombia's largest Coca-Cola bottler and a defendant in the lawsuit.

- Coca-Cola, through its newly-hired Director of Global Labor Relations, Ed Potter, then created a "Commission" consisting of representatives of major universities and prominent worker rights advocacy organizations, including the Worker Rights Consortium (WRC), the Solidarity Center, and United Students Against Sweatshops (USAS). The Commission was tasked with developing a methodology for conducting an

independent investigation of Coca-Cola's complicity with the paramilitaries in Colombia that have targeted for violence the leaders of SINALTRAINAL who were organizing Coca-Cola bottling plants. ***When the Commission actually asserted its independence by kicking Mr. Potter out of the group so that it could indeed be independent from the company, Coca-Cola backed away from the Commission and began creating reasons to delay and obstruct the commission's work.*** Ultimately, Mr. Potter's clever idea was to insist that the attorneys for SINALTRAINAL and the individual victims of violence agree that any findings of the Commission, as well as any evidence uncovered by the Commission, could not be used in the court case. Because this demand would require them to violate the rules of legal ethics, something Mr. Potter knew, the lawyers refused this demand.

- Now, Mr. Potter and his colleagues have a new, clever plan — they announce that they will “request” that the ILO do the “independent” investigation. Well, we should immediately suspect that something is up because Mr. Potter has not asked SINALTRAINAL's lawyers to agree that any findings of the ILO, as well as any evidence uncovered by the ILO's investigation, could not be used in the court case. What does Coca-Cola and Ed Potter know that you don't?
 - ***Ed Potter has been the U.S. employer representative to the ILO for at least 15 years and holds that position today.*** The U.S. employer representative is a very powerful and influential position within the ILO. In addition, CokeFacts.org, a site set up by The Coca-Cola Co. to respond to the Campaign to Stop Killer Coke (www.KillerCoke.org), states: “Ed Potter, our director of global labor relations, serves on the Applications of Conventions Committee within the International Labor Organization...”
 - Further, Coca-Cola recently hired Stan Gacek, who used to work for the AFL-CIO, and was himself for years one of the U.S. labor representatives to the ILO, to help grease the wheels with the ILO and international labor unions. Gacek's large Coca-Cola paycheck permanently disqualifies him from claiming to be independent or to speak for the interests of labor.
 - The ILO has refused for years to create a Commission of Inquiry to examine the unprecedented situation of violence against trade union leaders in Colombia, ***generally due to blocking efforts by Mr. Potter, other employer representatives, and the government of Colombia.*** Mr. Potter's sudden willingness to “request” the ILO to conduct a company-specific study, something the ILO has never done, means that Mr. Potter and Coca-Cola are pretty confident of the results of the study before it has even begun.
 - As SINALTRAINAL has informed us, even before this investigation has gotten off the ground, officials from Coca-Cola FEMSA, which owns almost all of the Coke bottlers in Colombia, have visited the Coke bottling plants in Colombia and told employees that Coca-Cola FEMSA management will hand-select the

employees it will allow to give testimony in any upcoming investigation.

- Finally, the IUF, the “union” that joined Coca-Cola in making the “request” to the ILO, benefited from the violence against SINALTRAINAL in Colombia and has been defending Coca-Cola’s record of human rights violations ever since. When Isidro Gil, the leader of SINALTRAINAL’s union in the Coca-Cola bottling plant in Carepa, was murdered inside the plant by paramilitaries brought in by Coca-Cola management, the company then, in a classic move, found a “company union”, and recognized IUF’s affiliate, SINTRAINAGRO, without an election by the workers. This was the official end of SINALTRAINAL at the plant, and IUF has never raised its voice to inquire about the murder of Isidro Gil that paved the way to Coke’s recognition of IUF’s affiliate.

In short, Coca-Cola won’t agree to any process it can’t control. To this latest ploy, we must say, three strikes and you’re out. Coke bought the Cal Safety report, abandoned the Commission when it asserted its intent to act independent of the company, and now has used its extraordinary power and resources to “request” the ILO to issue a report. Coke did so without disclosing Coke’s direct relationships to the ILO. Everything that happens next, you can be sure, has already been scripted by Coca-Cola, like a television jingle.

We must also not lose sight of the real issue. Regardless of any findings regarding Coca-Cola’s current activities in Colombia, the murder and torture of SINALTRAINAL’s leaders at Coca-Cola bottling plants in Colombia is not in dispute. Those things happened, and the union’s demand that Coca-Cola extend its human rights policy to employees of bottling plants must be met before we can even begin to discuss a process for Coca-Cola to return to the campuses that have done the right thing by booting Killer Coke.