Coke's image under attack

By Kevin McCauley O'Dwyer's PR Services Report June 2004

Campaign to Stop Killer Coke Director Ray Rogers told O'Dwyer's his organization "plans to threaten the image of Coca-Cola, for which it has spent billions of dollars and decades to create" unless the company changes its labor practices in Colombia.

Rogers, who heads Corporate Campaign, Inc. in New York, is organizing a grassroots drive aimed at colleges, high schools, unions, "progressives" and local governments, charging the Atlanta-based giant with using paramilitary thugs in Colombia to intimidate workers and thwart union activities.

CSKC says seven union leaders of the Colombian food and bottling workers have been murdered, including Isidro Segundo Gil, who was killed inside a Coke plant.

Nearly 70 others have been threatened with death, it claims.

Coca-Cola says the anti-labor charges are "false and outrageous." The company, which has been in Colombia for 70 years, claims it is an "exemplary member of the business community."

The company, on its website, admits that Colombia is a tough place to do business. "The painful truth is that it can be a dangerous place for anyone who lives, works and does business here," reads Coke's "fact sheet."

Amnesty International reports that 60,000 Colombians have been displaced, tortured, kidnapped or have "disappeared" since 1985.

Targets 'exclusive beverage contracts'

Rogers has focused most of his efforts on spreading anti-Coke messages on college campuses. Six colleges so far have booted Coke beverages off their campuses. They are University College, National College of Art and Design and Trinity College in Dublin, Ireland; Bard (New York), Carleton College (Minn.) and Lake Forest (111.).

Rogers said Rutgers University (51,000 students) and University of Massachusetts at Amherst (30,000) are the next biggest schools to consider banning Coke products.

He has received union support from many locals of the United Auto Workers; American Federation of State, County and Municipal Workers, and Communications Workers of America, which have removed Coke vending machines from their facilities.

NYC seeks facts

Rogers also plans to inform New York City officials about Coke's record in Colombia. The idea is to spread word about the fact-finding mission that City Council Member Hiram Monserrate led to Colombia in January.

Monserrate, who represents an area of Queens with a growing Colombian population, headed a delegation of five labor and community activists to Colombia to research labor conditions at Coke plants. He wanted to be sure that NYC, one of Coke's biggest markets, is not underwriting labor abuses.

The Council Member had asked Coke to fund an independent fact-finding mission, but the company refused, according to the final report issued by Monserrate's group called "An Investigation of Allegations of Murder and Violence in Coca-Cola 's Colombian Plants."

Among its findings: "Coca-Cola's employment practices in Colombia, both those within the letter of the law and those in contravention of the law, have had the effect of driving wages, work standards and job security for Coca-Cola workers sharply downward, and simultaneously, of decimating the workers' union. Both trends are reinforced by the appalling human rights violations that workers have suffered at the hands of paramilitary forces."

The Report acknowledges that Coca- Cola "denies any involvement in the threats, assassinations, kidnappings and other terror tactics, but its failure to protect its workers even on company property, its refusal to investigate persistent allegations of payoffs to paramilitary leaders by plant managers, and its unwillingness to share documentation that might demonstrate otherwise leads the delegation to the conclusion that Coca- Cola is complicit in the human rights of its workers in Colombia."

Rogers noted that New York is considering establishing an "official carbonated beverage." That pact will be worth much more to city coffers than the \$126 million deal it cut with Snapple, remarked Rogers. He plans to go to bat for Coke's competition because "Coke's enemies are our friends."

Coca-Cola, on its cokefacts.org website, says its bottling partners — because of Colombia's violent internal conflict — have a heightened focus on the safety and security of all employees, including labor union leaders.

According to the site: "Our bottlers have worked with labor unions and the Colombian government to provide employees and union officials with extensive safety and security benefits — well beyond those specifically required by negotiated collective bargaining agreements."

"Benefits include transportation to and from work, job transfers, security training, shift and job changes to address security concerns, extensive life insurance, and loans to improve the security of union offices and personal homes."

Booted out of annual meeting

Rogers was physically removed from Coke's April 21 annual meeting by six security guards after he loudly criticized CEO Doug Daft.

He was more than miffed when Daft informed shareholders they would have two minutes each to address the meeting while presenting their resolution.

"I didn't think that was fair," said Rogers, "because many shareholders traveled hundreds of miles to Wilmington to attend the meeting."

Rogers didn't wait for the resolution period. "I stood up as the directors were being nominated to the board," he said. Rogers, according to the webcast of the meeting, said: "All the evidence shows the Coca-Cola system is rife with immorality, corruption and complicity in gross human rights violations."

Coke management turned off Rogers' microphone after five minutes, though he continued to speak.

Rogers was then surrounded by six security people, wrestled to the ground and escorted from the meeting, according to a report by the *Atlanta Business Journal*.

"I felt like I was hit in the chest and my back with a sledgehammer," Rogers told O'Dwyer's.

The Washington Post reported that after Rogers was hauled from the meeting Daft muttered to a colleague "We shouldn't have done that."

Rogers can't believe that Coke management would risk losing hundreds of millions of dollars by not doing the right thing in Colombia.

Instead of dealing with Colombia, Rogers said Coke has "spent millions of dollars to create a reality that has nothing to do with reality."

Lori Billingsley, who is Coke's issues director, is countering Rogers' campaign.

O'Dwyer's e-mailed more than a dozen questions to Billingsley. This is her response: "It is unfortunate that false allegations about our business in Colombia have been circulating on college campuses. Our strategy for dealing with this situation is to try to get the facts to all concerned parties."

She attached background informational materials on Colombia, and said: "We provide this information to people through our consumer affairs department, on-campus visits, letters and on our website, www.cokefacts.org."