



**Farm
Labor
Organizing
Committee, AFL-CIO**

1221 Broadway Street ♦ Toledo, Ohio 43609 ♦ Phone: 419-243-3456 ♦ Fax: 419-243-5655 ♦ www.floc.com
4354 US Hwy 117 Alt. S ♦ Dudley, NC 28333 ♦ Phone: 919-731-4433 ♦ Fax: 919-731-4441 ♦ www.floc.com

April 22, 2020

Dear Brad Sperber,

I write today to formally withdraw FLOC's participation in the Farm Labor Practices Group (FLPG). In 2011, after almost five years of significant campaigning by FLOC members and allies, Reynolds American CEO Daniel Delen announced at the company's annual meeting that the Reynolds would respond to a report issued by FLOC and Oxfam America recommendations and organize stakeholder gatherings that would include FLOC and other industry actors to discuss farm labor issues. This became the Farm Labor Practices Group that met for the first time in May 2012. During that meeting, Freedom of Association/collective-bargaining was the first of the key issues identified by the group.

Since that meeting in May 2012, no progress has been made on the issue of guaranteeing the right of workers in the tobacco supply chain to freedom of association or the broader issue of improving workers' rights. In fact, after eight years of meetings, the progress made within the tobacco supply chain by brave farmworkers standing up, organizing, and winning the only grievance mechanism in the tobacco supply chain is now at risk.

Over the years, FLOC has identified dozens of instances of grave human rights abuses and highlighted serious flaws with the tobacco procurement system that help perpetuate them. The tobacco industry members of the FLPG have used the stakeholder group to avoid discussing their own policies that contribute to the problem by telling farmworkers to wait for the group consensus to yield results while also claiming that the group cannot discuss issues of grower contracts, prices, and worker wages because of anti-trust regulations.

While significant efforts and resources, likely amounting to millions of dollars, were put into training growers, designing and printing posters, flawed auditing efforts, and developing materials for workers and growers. FLOC has pointed out that many of these trainings occurred on farms of growers who were regularly violating the law. In a recent meeting, grower representatives and US DOL officials agreed that retaliation against workers is both commonplace and difficult to prove under current law, which essentially makes training workers on speaking out a waste of everyone's time.

At countless shareholder meetings of all of the tobacco purchasers in the group, company executives told concerned shareholders that FLOC's concerns were being addressed in the FLPG, so the company had no need to explore real engagement directly with the only tobacco farmworker union in the country.

In 2019, Jackson Farming Company, owned by State Senator Brent Jackson, filed a legal memo stating that it was legal to retaliate against H2A workers by not rehiring them if they complain about legal violations or attempt to collectively bargain. The tobacco companies refused to denounce this and instead opted to form a working group to study the issue. Again in 2019, FLOC flagged serious violations on six tobacco farms in Eastern NC that operated in the supply chains of all FPLPG Members that purchase tobacco. Not one company was willing to work with FLOC to support these workers, 19 of whom, as of the date of this letter, remain blacklisted from a farm in at least three FPLPG members' supply chain. We can provide a detailed list of similar cases upon request.

In 2013 a working group was tasked with granting workers access to a functional grievance mechanism as no progress had been made in plenary discussions. In 2017, after over five years without movement on the issue of freedom of association or the need for functioning grievance mechanisms within the group, the group agreed to put out a Request for Proposals on grievance mechanisms. In 2018 both Phillip Morris International and British American Tobacco leaders touted this achievement as a reason they didn't need to negotiate directly with FLOC promising that this development would lead to significant progress "very soon." Again in 2019, these companies made similar statements. As of April, 2020, no progress has been made on the grievance mechanism and no decision has been made on the proposals.

Over the past few years, tobacco purchasing FPLPG-members have shown concern for the rise of the non-compliant H2A Farm Labor Contractors and praise the efforts in labor relations that FLOC and the NCGA have pioneered, even questioning how the FPLPG might grant access to such a program to more workers and more growers in the state. However, these same companies have spent the past few years cutting contracts with union employers and increasing contracts to growers who use H2ALCs, refusing to even consider prioritizing contracts to grower who do things right.

For all of these reasons, it has become clear that the FPLPG has done more harm than good over the past eight years and we cannot continue to lend our credibility and member resources to the effort. We agree with Japanese Tobacco International that all FPLPG members' efforts are better spent elsewhere and encourage a dissolution of the effort to allow for more productive collaborations. We still welcome the opportunity to have direct discussion with all FPLPG members, particularly the tobacco companies who can work on efforts that will have more impact on tobacco farmworkers without the anti-trust restrictions and lowest-common-denominator politics that have plagued the FPLPG effort.

Sincerely,



Baldemar Velasquez