

Indian tire maker Apollo set to buy Cooper Tire

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Apollo Tyres, the largest tire manufacturer in India, is reportedly in the process of acquiring US-based tire maker Cooper Tire and Rubber in a deal valued at between \$600-\$800 million. Earlier this year workers at the Cooper Tire plant in Findlay, Ohio were involved in a bitter three-month-long lockout that ended with their union accepting massive concessions.

The move by Apollo is seen as a means for the tire maker, which does not currently do business in the United States, to gain access to the US market. Apollo currently gets two thirds of its revenue from India.

The betrayal of the Findlay Cooper Tire workers' determined and courageous struggle by the United Steelworkers (USWA) has directly facilitated the takeover attempt by Apollo, which will be free to tear up the Findlay workers' contract and impose its own terms. The five-year agreement accepted by the USWA explicitly does not contain a so-called successorship clause stipulating that a new owner must abide by the current labor contract.

Cooper Tire workers who contacted the World Socialist Web Site said they believed the pending takeover of the company by Apollo Tyres is the prelude to an attack on jobs and pensions, including the likely closure of the Findlay plant.

Lori, a 19-year veteran who took a buyout and left Cooper Tire shortly after the lockout ended, said, "When the union signed the agreement to end the lockout, the successorship clause was left out of the contract for the first time in 20 years. This clause guaranteed that pensions and other protections in the labor agreement would continue if Cooper Tire sold out to another company.

"We asked the union president why the clause was not in the settlement and he lamely said, 'We couldn't get it.' Now with Apollo Tyres buying Cooper Tire

workers are going to get screwed out of their pensions. Apollo uses a merit-based system to pay their workers. I think the clause was left out by design and the USW was in on it. They knew Cooper was going to be sold and they were in cahoots with the company."

Over the past several years Apollo has provoked a series of bitter struggles in India over its demands for concessions. In 2009 Apollo locked out 2,700 workers at its factory in Kalamassery. It ended after the union agreed to increase production and allow some work to be transferred to other factories. Another lockout at the Perambra Kerala factory in 2010 also ended after the union agreed to management demands for productivity increases and the right to hire contract workers.

Cooper Tire locked out more than 1,000 workers at its plant in Findlay last November after workers rejected concessions. The sellout agreement ultimately accepted by the USWA contained most of management's demands. This included a reduction in wages by making it easier to reduce pay scales, which are on a piecework basis. If workers don't produce at least 80 percent of average output they can be bumped down to a lower rate. Within five years the minimum will be brought up to 85 percent.

In addition the contract imposed a so-called student program to hire workers in certain classification at a rate of \$13 an hour with no benefits. The aim of this is to drive out older workers and replace them with low paid new hires. The agreement also allowed Cooper Tire to victimize 10 workers charged with picket line infractions. Three workers were ultimately fired and lost their jobs.

During the lockout the USWA did everything possible to maintain the isolation of the Findlay workers in order to demoralize them and convince them that no resistance was possible. They kept the struggle

separate from that of workers at Cooper's Texarkana, Arkansas plant, pushing through ratification of a contract there while the Findlay workers were still locked out.

While sitting on a strike fund of \$150 million the USWA distributed only a pittance to the locked out workers—some gift cards for groceries.

The concessions accepted by the USWA were in line with the policy of the Obama administration of “insourcing,” that is bringing manufacturing jobs to the US by lowering the wages of American workers to make them competitive with low wage producers overseas. The USWA, has embraced this policy, hoping to make up for the decline in its dues base by enforcing a regime of poverty wages in the factories.

The Socialist Equality Party intervened in the struggle to provide a new perspective and program for the Findlay workers. It called on workers to reject the strategy of the USWA of rabid anti-Chinese nationalism and of relying on the National Labor Relations Board and Democratic Party demagogues such as Dennis Kucinich. Instead it called on workers to mobilize their own independent strength. It fought for the expansion of the struggle and to reach out to broader sections of the working class, such as auto workers and teachers. This included a campaign in Britain by SEP supporters to win support for the Findlay workers among Cooper Tire workers at the Melksham plant.

Jerry White, the Socialist Equality Party candidate for president of the United States, visited the picket line of the locked out workers to express his solidarity and to advance the fight for an independent political struggle by the working class, a break with the Democrats and Republicans and the construction of a mass socialist party.

The SEP warned Cooper Tire workers that if their struggle were left in the hands of the USWA it would be betrayed and defeated. The SEP called for workers to break with the USWA and build rank-and-file committees to carry forward their struggle and fight for the broadest possible mobilization of the working class.

Cooper Tire workers should draw on the lessons of the lockout as they prepare for the next round of their struggle. The SEP calls for the broadest possible mobilization of the working class against any renewed attack on the jobs, wages and pensions of Cooper Tires

workers.

“I used to be pro-union but I see what is going on,” Lori told the WWSWS. “The local union president was taken care of for selling out our struggle. There are other union officials who are paid off by the company so they don't have to work in the plant.

“I believe Apollo is going to shut down manufacturing in Findlay and transform the plant into a research and development facility. We were warning about this throughout the lockout but the union didn't do a thing.”

Doug, another veteran worker who retired six months ago, said, “The pensions are supposed to be guaranteed, but nothing is guaranteed. We'll see, but I worry about what is going to happen. There is no telling what the union gave up to end the lockout and get the workers back in.

“The union claims it didn't know anything about the takeover of the company but that could be bull. Several workers were fired for supposed picket line activity during the lockout. The union has left them high and dry. Some of these guys have years and years at the plant and now they don't have a job. You ask the union about them and they say, ‘We're fighting for them.’ I say if they don't have their jobs back by now—eight months after the lockout ended—they're not going to get them back.

“You can see which way things are going. I grew up in the coal mining areas of Appalachia and conditions are returning to the way they were when I was a kid. I tell younger workers about the days of company housing and company stores and how workers had to fight for everything we have. Sometimes they laughed when I said conditions are going back to those days. But that is what is happening.”

Referring to the elections, Doug added, “You look at these debates and they go back and forth. These guys have handlers who tell them what to say—but they both are a million miles away from ordinary people.”



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