

Food factories closing across Britain

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3 May 2018

Large food factories in Scotland and England face closure over the next few months, threatening thousands with unemployment.

The 2 Sisters chicken processing plant in Cambuslang, South Lanarkshire, a suburb of Glasgow, has been a major employer in the town for 55 years and currently employs 450 workers. The plant is set to close in August.

Pinney's of Scotland's salmon processing factory in the borders town of Annan, also employs around 450 workers and is due to close later this year. Annan's entire population consists of only 10,000 people.

Grimsby's Five Star Fish factory, also owned by 2 Sisters, is set to close. The fish processing factory, which received millions of investment only last year, is already in a 45-day "consultation" prior to closure. Grimsby, in the east central English region of Lincolnshire, despite a drastic collapse of its fishing industry, hosts one of the most concentrated food manufacturing locations in Europe, with over 500 food-related companies in operation, employing thousands of very low paid workers.

2 Sisters is seeking to restore its profits by closing operations deemed loss-making or marginal. The company has also announced the closure of two further plants in England's West Midlands, at Smethwick and Wolverhampton, at a cost of 500 jobs. Some are likely to be taken on at another company plant, which is moving to more intensive seven-day working.

Most of the plants being closed are relatively modern.

Workers' lives are being turned upside down because of the insatiable global hunger of finance capital for profit, which is driving intense and destructive competition across the food industry.

The 2 Sisters plants' current owner is Boparan Holdings, the business empire of "chicken king" Ranjit Singh Boparan. 2 Sisters employs 23,000 workers

across 36 factories in the UK, the Netherlands, Ireland and Poland. Boparan Holdings also owns food producers such as Bernard Matthews, Fox Biscuits, and restaurant chains including the Harry Ramsden fish and chip shops. Boparan and his wife are on the Sunday Times rich list, having extracted £544 million of personal wealth from the labour of their workforce.

In Britain, the company supplies high street food retailers and supermarkets such as Iceland Frozen Foods, Tesco, Lidl and Marks and Spencer (M&S).

One of 2 Sisters' major competitors is Young's Seafood, also based in Grimsby. Young's is being mooted as a potential replacement supplier to M&S for the products processed by Five Star. Young's also own the Pinney's plant facing closure in Annan. Young's, which claims to have been founded in 1805 by a Greenwich fish monger, employs 1,700 workers in Grimsby and 2,000 in Annan, Fraserburgh, and Livingston in Scotland. Work from the company's threatened Annan plant is also likely to move to Grimsby by the end of the year. Young's claim the Pinney's plant is not "financially viable."

Young's has just been put up for sale in its entirety by the clutch of management funds that control it—Lion Capital, Bain Capital and HPS Investment Partners.

London-based Lion Capital, with £4.8 billion in assets worldwide but just 30 staff, specialises in buying and selling brand name food and clothing companies. Lion's current portfolio includes American Apparel, Paige, Kettle, Weetabix, and Findus foods, among others.

Boston-based Bain Capital's assets are worth as much as \$75 billion. As well as controlling a range of venture capital, public and private equity, insurance, and debt-based funds, the company's venture fund owns a wide range of disparate operations in healthcare, tech and consumer products. While Bain are considering selling Young's Seafood, they also have a

finger in bankrupt toy retailer ToysRUs, while its proposed \$18 billion takeover of Japanese Toshiba Memory is being compromised by US President Donald Trump's anti-Chinese protectionism.

HPS, formerly Highbridge Principal Strategies, has over the past eight years invested up to \$13 billion in 175 companies. It also has a stake in ToysRUs among many other companies. Spun off last year from JP Morgan Asset Management, HPS claims \$39 billion of assets under its control.

The bewildering global reach of both 2 Sisters and Young's Seafoods ownership and organisation stands in stark contrast to the extraordinarily narrow focus of those claiming to be defending workers' interests in the threatened factories.

Local and national politicians and trade union representatives in Cambuslang, Annan, Grimsby and Wolverhampton promised initiatives, campaigns, representations and bluster—all based on appeals to 2 Sisters, Young's and other companies to marginally alter their plans based on retaining whichever site they claim to represent.

The Scottish National Party's MSP (member of the Scottish parliament) Clare Haughey promised to write to one of 2 Sister's local rivals in Cambuslang, Uddingston-based Dawnfresh, suggesting they take on 2 Sisters workers if Dawnfresh wins the M&S contract. The Labour Party's James Kelly demanded that instead of a working group, a "full taskforce" be set up to help 2 Sisters workers. Kelly also complained M&S had "failed to step in and save workers serving on their production lines."

In Annan, where the closure will be particularly devastating, Scottish Enterprise Minister Paul Wheelhouse insisted he would leave "no stone unturned" in efforts to retain jobs. Local Labour MSP Colin Smyth again invoked M&S, complaining that "M&S have walked away from any corporate responsibility."

Labour's recently elected leader in Scotland, Richard Leonard, proposed workers be offered the chance to organise their own exploitation. He called for legislation to allow redundant workers preferential terms to buy out their threatened factories, thereby pitting their small savings against the likes of Bain Capital.

The Unite trade union has members in all the

threatened factories. Far from launching a struggle to save jobs, it is above all seeking to prevent any unified struggle emerging from the factory workers. Complementing the role of the politicians, the union's representatives have worked closely with the local factory managements and dignitaries to defend "their" region as an investment base.

Grimsby's Dave Monaghan, speaking for Unite, blandly admitted that the Five Star closure had been expected for two years and "comes as no surprise." Indeed, Unite had two years warning and made no preparation. Scott Walker, the Unite convenor in Cambuslang, demanded nothing more from 2 Sisters management than an extension of the consultation period.

In Annan, faced with mass meetings of workers concerned for their and their town's future, regional Unite organiser Andy MacFarlane presented his efforts as wholly framed by the company's interests. "I don't think anybody's going to kid anybody on that there aren't major challenges in terms of the business decisions that have been made by Young's," he said, sounding the part of a company spokesman.

The closures expose the bankruptcy of all the mainstream parties and trade unions claiming to speak for the factory workers.

New rank-and-file workers' organisations, independent of all the official parties and trade unions, are urgently required. They are posed the task of developing a struggle to subordinate the food industry to the needs of the working population, rather than the profit drive of the global investment corporations.



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