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Firms' handling of food workers blasted by union

By Will Oremus

Fortune magazine chose South San Francisco-based biotech firm Genentech as "The Best Company to Work For in 2006," but a local union doesn't see it that way.

The disparity between the salaries and benefits of contracted food service employees and the employees of the high-tech Silicon Valley companies they serve is the subject of a report released today by the union Unite Here's Local 2 and Local 19 chapters, which represent hotel and food service workers in San Mateo and Santa Clara counties.

Genentech's professional employees command six-digit salaries, regularly get free time to work on pet projects, and enjoy perks such as gym memberships and weekly parties.

But a cashier in the company's cafeteria, Milarose Oriel, 53, said in a Wednesday teleconference she can't afford health insurance and is denied time off to refill her prescription for blood pressure medicine, without which she runs the risk of a fatal stroke.

The catch is that although Oriel works at Genentech, she doesn't work for Genentech. Her employer is Guckenheimer, the contractor that provides the company's food service.

In a survey of more than half of the 150 Guckenheimer workers at Genentech, the report found that a quarter rely on government-funded health insurance or are uninsured because they can't afford the company's plan. The report notes that almost half of the county's residents spend more than a third of their income on housing. Food service workers on average earn 69 percent less than the median income for the area.

Guckenheimer representatives did not return calls for comment Wednesday.

The union's survey caught the attention of Barbara Ehrenreich, author of "Nickel and Dimed: On (Not) Getting By in America," who wrote the introduction to the report.

"I have to say it took my breath away to see the difference in treatment," Ehrenreich said in Wednesday's teleconference.

It's not just Genentech or Guckenheimer, said union president Bruce Raynor, who estimated that there are about 6,000 contracted food service workers in San Mateo and Santa Clara counties, many of whom earn less than a living wage. The union's report cites

Adobe, Applied Materials, AMD and Gilead Sciences as major tech firms in the region that contract with Guckenheimer.

Genentech spokesman Geoff Teeter said Guckenheimer has assured the biotech firm that it treats its food service employees with respect and pays competitive wages.

"We are aware that a hospitality workers' union is attempting to recruit Guckenheimer food service employees to join their union," Teeter said. "This really isn't an issue with Genentech -- it's a matter between Guckenheimer and its employees," he said.

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