

Worker firings lead to union effort at Dave's Killer Bread

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ASSOCIATE EDITOR

The story of Dave's Killer Bread is well-known in Oregon. Printed on every bread bag, it's a tale of redemption. Fresh out of prison and looking back on a 20-year criminal history, ex-con Dave Dahl is given a second chance by his brother, Glenn Dahl. Born again as a baker in the bread business his father founded, Dave develops organic bread recipes with cheeky names like "Good Seed" and "Blues Bread," and hawks them at Portland farmers markets under the slogan, "Just Say No to bread on drugs!"

People pay \$5 a loaf not just because Dave's is great bread, but because they have good will toward the brand founder and his story.

But for a growing roster of ex-employees, that feel-good narrative may be getting a little stale. Workers interviewed for this story say the company's rapid expansion is changing the character of what once felt like a family-run business. Last June, the company hired a professional manager, and began cleaning house. Dozens of workers — many of them ex-cons given their own second chances by Dave Dahl — were terminated. Those who remained were

afraid for their jobs, and one of them made contact with Bakers Local 114, which represents workers at competing bakeries like Franz and Kroger.

Dave's pays above average for a nonunion bakery, says Local 114 Secretary-Treasurer Terry Lansing, but still at least \$3 per hour less than union workers at competing bakeries. And the union bakers have greater job security and better benefits.

As the wave of firings got under way at Dave's, several workers talked about calling the union, but it was Dan Turner who showed up at Local 114's office on Nov. 12, telling Lansing it was time for the union to get involved.

Turner, 48, is also an ex-con, and heard about Dave's from Jacob Adams, a friend from prison. In fact, about a third of the company's 260 employees are felons. Employing ex-offenders — and buying grain from local farmers — has made Dave's Killer Bread a favorite of local politicians and business groups.

The company may employ ex-offenders for altruistic reasons, but there are also sweeteners. A federal tax credit reimburses companies for up to 40 percent of the wages of felons hired within a year of their release — up to \$2,400

per hire.

Hired in July 2010 to bag bread at \$10 an hour, Turner saw a company in the grip of growing pains. NatureBake, the company Dave's late father founded, had about 30 employees when Dave joined it in 2004. But after the Dave's Killer Bread brand debuted at the Portland Farmers Market in August 2005, the company began rising like fast-acting yeast. By April 2010, it had over 120 employees. [Today it has over 260.]

Turner, one month on the job, contacted Local 114 to see if the union might bring order to what he saw as chaos in pay policies and workplace rules. But it didn't seem to Lansing at that time that worker union support was broad enough to succeed, given what he knew about the company.

Back in 2006, NatureBake had been located just 14 blocks from the union's Northeast Portland office. Local 114 president Georgene Barragan got a job there, with the intent of spreading the union gospel and furthering its mission of organizing all bakery workers. But it was not to be. On her first day on the job, an engineer at NatureBake who used to work at a union bakery recognized her and went up to give her a hug.

Barragan's cover was blown, and Glenn fired her on the spot.

Then in June 2008, an unemployed baker who formerly worked at the unionized Kroger bakery went to apply for a job at Dave's Killer Bread, wearing a Kroger jacket. Glenn ascertained that he'd been a union member, asked him if he knew Georgene Barragan, and ordered him off the property. This time, Local 114 filed an unfair labor practice charge: It's illegal to discriminate against an applicant because of current or former union affiliation. Local 114 won the case when the company agreed to post a notice for 60 days and offered the worker a job. But the worker opted not to work where he felt he was unwanted.

So when Turner first contacted him, Lansing thought it'd be tough to unionize Dave's.

But Turner stayed on at the company, and worked his way into a \$17-an-hour job driving a bread truck. When an off-the-job injury sidelined him temporarily, the company gave him a light-duty job in the office. He became a trusted employee, and developed a rapport with the owners. He was given keys to the office and a company gas card, and sometimes was given a

company credit card.

But by the fall of 2011, Turner says worsening conditions at the company drove him to seek out the union again. Employees were given a \$2-an-hour raise, but lost their customary bonuses in the bargain. Pay raises were based on "reviews," but whether, how, and when reviews occurred were up to the manager's discretion, and workers would wait months for promised reviews. New employees would sometimes come in at higher pay rates than experienced employees, and the seeming randomness of the pay system contributed to an impression of management favoritism.

At the company, which won the 2011 Oregon Ethics in Business Award for its "dedication to hiring and mentoring ex-convicts," and "constant focus on employee well-being," employee rules were frequently changed, and workers were disciplined under a new "point system" which they didn't understand or have an opportunity to appeal. New hires now were provided by a temp agency, and didn't become employees of Dave's for 90 days. And now employees were being fired in growing numbers. They needed help,

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