

Dakkota Integrated Systems: The low-wage sweatshop workers are fighting against

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Work at Dakkota, Ford or in the auto industry? Fill out the form below to get involved with the Autoworkers Rank-and-File Committee Network at your plant.

Auto parts workers at the Dakkota Integrated Systems plants in Chicago are engaged in a heroic fight against the corporation and the United Auto Workers bureaucracy. On Sunday, workers voted down the fourth attempt by the UAW bureaucracy to ram through a sellout contract, defying threats from union officials of a lockout and the loss of their jobs.

The rebellion by the 450 Dakkota workers takes place as rank-and-file opposition throughout the auto industry grows against the escalating attack on jobs, wages and working conditions by the global automakers. Earlier this month, Stellantis announced it would cut 2,450 jobs at its suburban Detroit Warren Truck Assembly Plant by October 8, and the company is also threatening 12,000 jobs at its plants in Italy.

Dakkota workers deserve the support of all UAW members and workers everywhere, particularly workers at Ford Chicago Assembly, which the company is continuing to supply with scab-made parts. On Tuesday, the Dakkota Workers Rank-and-File Committee issued an urgent appeal to Ford workers to take collective action to stop the flow of parts from strikebreakers.

Dakkota workers are taking a stand not just for themselves, but for the rights of all autoworkers. In doing so, they have themselves in a struggle against the collusion of the UAW bureaucracy with the efforts by the auto companies and the US government to shift the cost of the transition to electric vehicle production onto the backs of workers by suppressing wages and slashing jobs.

The sellout agreements signed by UAW President Shawn Fain at the Big Three automakers last year have led to the escalation of this global cost-cutting campaign. A major component of this process is to squeeze every penny in cost savings from the production and delivery of critical automotive components.

Dakkota was founded in 2001 as a joint venture between Rush Group LLC, owned by trucking and auto supply business owner Andra Rush, and Canada-based Magna International Inc. Magna, owned by multi-billionaire Frank Stronach is the largest auto supplier in North America and the fourth largest in the world, employing some 158,000 workers in 27 countries.

Rush had leveraged her background as a member of the Mohawk tribe in Ontario, Canada to win contracts from all the Big Three automakers, establish joint ventures with larger auto suppliers and create a niche for her business model of low-wage sweatshops.

The Rush Group is now one of the “largest Native American and woman-owned enterprises in the United States,” according to the company’s web site.

Detroit Manufacturing Systems

In 2012, Andra Rush established a joint venture with the North American subsidiary of French component supplier Faurecia (now Forvia) and was named president of Detroit Manufacturing Systems. The deal was orchestrated by Ford, which had sold its former Saline, Michigan, parts plant to Faurecia and had required the company to set up a “minority-owned” business to supply a substantial portion of its lower-costing parts.

Rush, whose trucking business had contracts with Ford dating back to the 1980s, was selected to do the job. DMS was awarded hundreds of millions in Ford parts contracts and more than \$8 million in tax abatements from the state of Michigan and Detroit to set up shop.

During his 2014 State of the Union address President Obama praised Rush for “creating” over 700 jobs in Detroit, failing to mention that the workforce was being paid poverty wages to produce her profits. The Democratic president also appointed Rush to the US Manufacturing Council, a business panel that advises US Commerce Secretary.

As one DMS worker told the WSWs *Autoworker Newsletter* at the time:

There’s a lot of dirty messy stuff going on in there. The owner Andra Rush is a minority, she’s Native American, and gets all these tax breaks for bringing jobs to Detroit and hiring minority workers and felons on parole. They have newer management and supervision pushing ‘lean manufacturing.’ It might be good for them, but it doesn’t do anything for us.

And the union representation is complete BS. Aside from a couple exceptions they all mingle with management and have their preferential list. One line has been on layoff for retooling, and they just hired 200 new people instead of calling them (the laid-off workers) back. The pay maxes

out at \$17-18. A lot of the guys laid off were in the \$15 range. They just want to bring in new workers to pay them \$12.

It's like organized crime; that's really what it is. The company gets a tax break, and we are left struggling. I had to move because they raised my rent by \$250.

In August 2018, Rush took the money and ran, selling her majority stake in DMS and handing over the company to another minority owner. While exact figures are hard to find, Rush is a millionaire many times over.

In addition to Dakkota and Rush Trucking, she is a major shareholder and a member of the board of directors at Terex Corporation, a worldwide manufacturer of lifting and material-handling equipment, whose clients include the US Defense Department. As its web site declares, "Whether you're building barracks or reconstructing a nation, widening roads or extending a bridge, repairing phone lines or putting in transformers, Terex has the equipment you need to get the job done."

As of 2017, Rush was a member of the Ford Motor Company Supplier Council and previously served on the supplier advisory boards for General Motors and Chrysler. Other top executives at Dakkota are long time cost cutters for the Big Three automakers.

According to his corporate profile, Dakkota CEO Aaron Rivers is "widely recognized as a distinguished leader in manufacturing and operations, having successful leadership contributions at Chrysler (now Stellantis), TRW, Dana, and ZF. His expertise leveraging lean business systems principles, particularly in Automotive and Aerospace, has been instrumental in driving efficiency and achieving operational excellence."

Dakkota's operations in the US and Canada

Dakkota, based in Brighton, Michigan, says it employs 2,500 people at 14 locations in the US and Canada. Far from uniting these workers, the UAW has separate contracts at the plants, with different expiration dates.

- In Louisville, Kentucky, 100 Dakkota workers rejected the company's "last, best and final offer" in June. Despite the unanimous vote by rank-and-file workers to authorize a strike, which would have immediately brought Ford's nearby Kentucky Truck Plant to a halt, UAW Local 3058 kept workers at four facilities on the job. UAW officials then rammed through a sellout agreement later that month, which maintained poverty level wages.

- In Detroit, Dakkota opened a new plant in May 2022 on the location of the closed Kettering High School on the city's east side. More than 500 workers producing components for Stellantis have a contract that expires in 2025.

- According to the Detroit Works! web site, the company is hiring production operators and material handlers at the Detroit and the nearby suburban Hazel Park locations at the "increased"

wages of \$15-\$15.75 an hour. Detroit-area workers have expressed their solidarity with their striking Chicago brothers and sisters and called for a common fight.

There are also hundreds of Dakkota workers in Lansing and Holt, Michigan; Toledo, Ohio; and other locations who are opposed to poverty wages and intolerable conditions. Like their counter-parts in the assembly plants, Dakkota workers are also facing job cuts.

In November 2023, Dakkota permanently closed its plant in Sterling Heights, Michigan, after Stellantis revoked its contract for Dakkota to produce shocks and struts for Ram trucks.

In June 2024, Dakkota shut down its Tecumseh, Ontario, plant in Canada after the nearby Stellantis Windsor Assembly Plant cancelled its orders. For years, the Unifor auto union colluded in cost-cutting measures to supposedly "save" the plant, including allowing the company to "use of video cameras to record the movements of each worker," according to an *Automotive News* report in 2013. Three months before the closure Unifor Local 444 officials called a bogus strike supposed to secure the transfer of the plant's 138 workers and shut it down less than 24 hours later to make sure production at the Stellantis plant was not disrupted.

Unite auto and auto parts workers in a fight for jobs and higher wages!

The poverty wages and sweatshop conditions at Dakkota, Dana, Lear, Clarios and many other auto parts companies are the direct result of decades of collusion by the UAW bureaucracy.

In 1980, an auto parts worker earned roughly 15 percent lower wages than a worker at a Big Three assembly plant. After a series of deliberately betrayed strikes in the auto parts industry by the UAW bureaucracy, the wage differential rose to 31 percent by 2000.

Once again, the fate of auto and auto parts workers in the US and internationally is inseparably linked. The rebellion by Dakkota workers must be united with the fight against the job cuts at Warren Truck and the defense of the social right of every workers to a good-paying and secure job. That is why workers at the Big Three plants must take up the demand of the Dakkota Workers Rank-and-File Committee to ban the handling of scab parts and to prepare joint industrial action throughout the auto industry.



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