Workers at UK Princes food and beverage production sites to continue strike against global corporation

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12 January 2025

An industrial dispute at the New Princes Group is escalating after the food and beverage company failed to return with an improved pay offer for its UK workforce after the Christmas holidays.

In the latest round of strikes action has taken place at five factories from January 6. More action is scheduled in the next week and sporadically, until January 31.

Established in 1880 as a seafood importing business in Liverpool, Princes is a major corporation, managed from the Netherlands, with sales and marketing offices in Poland, a tuna processing facility in Mauritius, tomato processing infrastructure in Italy and edible oils production in Poland. They produce well-known brands including Branston, Napolina, Crosse & Blackwell, Batchelors', Flora, Olivio, Crisp 'n' Dry, Jucee, with their own brand Princes manufacturing jarred meat and fish products.

Over 800 workers at five sites (Long Sutton, Wisbech, Cardiff, Bradford and Glasgow) voted in a ballot last October to strike after rejecting a 3 percent pay deal for 2024 from the company's new owners, Newlat. Newlat refused to implement a pay offer made to operatives and engineers by previous owners of the group, Mitsubishi Corporation, which was a still paltry 4-7 percent pay rise dependent on their salary.

Unite initially called strike action only at Cardiff before Christmas but the employers' recalcitrance means the action in January was extended to all Princes facilities in the UK. Four further factories in Bradford, Wisbech, Long Sutton and Glasgow will strike.

On January 2, a Unite press release said that without a settlement strikes are "likely to lead to shortages in supermarkets and shops across the country". It cited Unite union leader Sharon Graham saying, "Newlat need to get back round the negotiating table before its customers discover they won't have any products on their shelves. Our members work in back-breaking roles on low pay and want a fair slice of the pie."

Princes announced in August 2024 that Italian based Newlat Food S.p.A had acquired the entire Princes Group from the Mitsubishi Corporation, encompassing all current operations and brands in an agreement valued at £700 million. Newlat paid £650 million in cash, plus a further £50 million from the sale of shares in parent Newlat Group, to the Mitsubishi Corporation.

Newlat is a multinational agro-food corporation producing and distributing a variety of products mainly under its own brands as well as for private labels. It has operations in Italy, Britain, Germany and France, through its subsidiaries Centrale del Latte d'Italia, Symington's, Newlat GmbH and EM Foods.

Following the acquisition of the Princes Group, Newlat Food S.p.A and its group became New Princes Group. The newly formed corporation has a global operating network of nearly 9,000 workers at 31 factories and a "diversified portfolio" across 10 distinct food and beverage categories. The New Princes Group will have an estimated consolidated turnover approaching 3 billion euros and consolidated equity of more than 700 million euros.

New Princes Group's large market share of the European food industry represents a further shift towards food market monopolisation by a handful of corporations. Unite's press release noted that "the Newlat Group expects to achieve sales of 2.8 billion euros during this financial year with profits of approximately 188 million euros."

With the accumulation of large debts to purchase Princes, the Business Desk website noted as the sale was on the verge of completion last May that "Management aims to increase turnover to €5 billion by 2030 and grow profits 'through a combination of cost and structural synergies'", i.e. wage restraint for the workforce and redundancies where roles are replicated within the new corporation.

On January 6, Angelo Mastrolia, chairman of the Board of Directors of Princes, threatened, "It has become increasingly clear that resolving this dispute with Unite is becoming more difficult." This was part of an official statement saying the company intended to keep UK production running regardless of any stoppages, including by preparing for a mass scabbing operation.

Princes claim that union membership across their UK factories is only 45 percent and the dispute largely an invention of unionised workers at a few plants. "The disruption and discontent is being generated by Unite at each location. We thank the other colleagues for their ongoing support in the face of these attempts to disrupt business operations," it stated.

The company said it had "contingency" plans to maintain adequate stock levels: "Contrary to Unite's recent media claims of significant disruption to the UK's food supply, Princes confirms that all affected sites have contingency plans in place and maintain adequate stock levels as a standard practice." It claimed, "there are currently no significant impacts on our product availability."

Princes cite "pricing pressures that must be factored into our financial outlook", as if food corporations have not profited enormously by massively inflating the prices of their goods, especially branded ones, over and above the rising inflation rate.

"At this time," claim Princes, "a higher pay offer is not feasible without jeopardising price competitiveness for our customers and the long-term success of the company, which could pressure production volumes and jobs at the very sites where Unite is causing disruptions."

Workers are in a battle against a major transnational corporation in the Princes Group, with the company's statement a warning that it will have no compunction whatsoever about closing UK facilities and opening other more profitable plants elsewhere in Europe and further afield.

In opposition to Princes, workers must develop their own international strategy, and this means rejecting Unite's plea for negotiations and a "fair slice of the pie". No such thing is on offer from Princes or any other global conglomerate.

Princes statement also complained that it faced "rising employer costs. For instance, changes to the Living Wage will add approximately £1,800 per full-time employee in 2024, and we anticipate further employment cost increases in 2025, such as the rise in Employer National Insurance contributions."

The dispute makes clear the firm is intent on clawing back these costs through wage restraint.

Under conditions in which inflation is mounting, increasing last month for the second successive month, Unite has signalled it would call off action and accept at least part of the workforce getting a 4 percent rise—just above the 3 percent offered. As Unite's Travers said, "Newlat can avoid this strike, which is one of their own making, by coming back to the negotiating table with a new and improved pay deal for our members."

Unite has kept action as limited as possible so far in order not to disrupt all production, in the hope it can secure a seat at the table and reach a deal it can sell to its membership as a "victory". Contrary to Graham's constant boasts of her leadership securing victory after victory for Unite members over pay, many thousands of workers have suffered pay cuts at the hands of Unite's negotiators. Just a few of the disputes and strikes ended with rotten deals are documented by the WSWS, see here and here, and here.

The limiting of industrial action is continuing this week. Workers in Bradford are striking from January 13-15, while those in Wisbech are out from January 16 until January 18. Unite members at Long Sutton will strike even more sporadically with action slated for January 16, 28, 29, 30 and 31. In Glasgow, the action involves engineers only, who will be out from January 13-15. Workers in Cardiff, who were out last week from January 9-11, are not involved at all this week.

Workers at Princes should organise themselves in their own rank-and-file committees and wrest the struggle for decent wages and conditions from the clutches of the Unite bureaucracy. The strike must be extended by reaching out for support to the thousands of their co-workers in New Princes Group operations across Europe and the world.