



SOUTHERN *CHRISTIAN LEADERSHIP* CONFERENCE MEMPHIS CHAPTER
S.C.L.C.

2960 Kimball Avenue, Memphis, TN 38114
901.488.4798/sclcmemphis@yahoo.com



January 16, 2014

RE: Lockout of Kellogg Employees

Governor Bill Haslam
1st Floor, State Capitol
Nashville, TN 37243

Dear Governor Haslam:

I am writing to you regarding a very important matter; the lockout of 225 families by Kellogg here in Memphis. This Memphis community has for many years worked diligently through its politicians to attract new business here. The efforts have included tax incentives through various entities created on the city, county and statewide levels. These so-called Payment In Lieu Of Taxes (PILOT) programs have brought certain businesses to the area. The theory behind these incentives is that these corporations will create jobs, increase the number of those that are employed to support families, increase spending in the community and as a result offset the reduction of tax revenue not collected from the corporation under PILOT provisions by other means. If this is done in a manner that allows the business to thrive, the employees to benefit and the community to benefit, then that is a workable process. However, these incentives to these employers are not intended to be one-sided. They are not intended to forgive taxes otherwise due to the community while the corporation disregards their obligations to that community after they receive these incentives.

This lockout of Kellogg employees who have an average of twenty years of service here in this plant is contrary to the expectations for corporations under any circumstances, let alone those benefiting from ongoing PILOT programs. This employer made over two billion dollars last year after all its bills were paid. This dispute is not about an economic need of the multinational corporation, it is about what they want. This corporation's leadership does not know the people who work here and who have put their lives into service for them. Thirty percent of this workforce has thirty years or more with the company. Locking them out and ending their income and their health insurance in an effort to starve them into submission is the company's agenda. Inflicting pain on long term employees, their children and their families is their method. Tax forgiveness under these circumstances is an affront not only to the concept of these PILOT programs, but is even more so a total disrespect to the community and its people.

These tactics are not in the spirit of this community's open arms approach to them. Kellogg still is benefiting from tax forgiveness from our community while to locks out the very taxpayers and their families that gave them the breaks in the first place. As elected political leaders, you answer to those that elected you. I am reaching out to you so we may begin a dialogue on how to end this dispute and return these workers to their rightful place producing cereal for Kellogg instead of being made to stand on the outside of the gate. The answer is not giving in to everything that Kellogg wants. The answer can only come through open dialogue between the parties where the outcome is based on acceptable terms to both parties. Sitting by and allowing this to end on its

own will continue to reap pain on your constituency and this community. Inaction by you as an elected official is a response to this dire situation. Going through the motions without an earnest desire to assist by whatever means is necessary through your good offices is simply a waste of time and energy. But an earnest approach that is determined to find some way to end this dispute in a fashion that is amicable to both parties can produce positive results.

This community is outraged by this lockout and as every day passes more and more of our Memphis area citizens begin to realize and understand that this community deserves as much respect for what they have done for the company as the company believes they are do. I ask each of you to make an earnest attempt to do whatever you can do to assist in bringing this to horrible situation to a meaningful and productive conclusion.

Sincerely,

Dwight Montgomery

Dwight Montgomery, President
SCLC Memphis

lrf/DRM