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Unions and tech: A most unlikely political alliance forms

By **Joe Garofoli** | October 2, 2015 | Updated: October 3, 2015 2:20pm

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Photo: Gabrielle Lurie, Special To The Chronicle

Bauer Intelligent Transportation drivers chat in a parking in Santa Clara, California on Wednesday, September 30, 2015. Bauer's Intelligent Transportation drivers voted on whether or not they would join the Teamsters Union.

To many in the tech industry, unions represent everything they aim to disrupt: calcified, seniority-driven institutions that are slow to innovate.

To many in labor, tech firms are modern-day robber barons, seeking to skirt workplace protections by abdicating responsibility for any workers they haven't already outsourced or automated.

Yet an unlikely alliance is being seeded in Silicon Valley, as unions and some tech firms are realizing they need each other — politically.

As tech companies have gone from garages to corporate campuses, many have come to rely on the service industry — traditionally a labor stronghold. Valley firms need people

to drive the buses that ferry engineers to their walled garden campuses, clean their sprawling open floor plans, cook meals in their lavish cafeterias and guard their doors.

This has given labor an in at a time when it urgently needs members.

The largely nonunion, highly profitable tech sector is ripe with potential recruits. Fifty years ago, roughly 1 in every 3 U.S. workers belonged to a union. But as the nation's manufacturing base has shrunk, now only 11 percent have a union membership. (In California, 16 percent of workers are union members, a figure that's been stable for the past decade.)

A nascent union movement has emerged over the past several months, as tech firms have agreed to contracts with the workers who drive their private shuttle buses. In February, bus drivers for eBay, Zynga, Yahoo, Genentech, Apple and voted to join the Teamsters International union.

Tech firms that play nice with unions could stand to benefit from their relationship.

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LABOR AND TECH



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Photo: Gabrielle Lurie, Special To The Chronicle

Florencio Sinogui, a union organizer, gets into his car after drivers for Bauer Intelligence Transportation lost the vote to join the Teamsters Union, in Santa Clara, California on Wednesday, September 30, 2015.

Led by the 1.4 million-member Teamsters union, some in labor are ready to support friendly tech companies when the corporations face regulators in San Francisco, Sacramento and beyond. Support from the Teamsters will make labor-backed Democrats much more receptive to the needs of a tech company.

“Labor supports their employers in a lot of cases,” said Rome Aloise, Teamsters International vice president. “We fight with them, but we support them — because they’re the creator of jobs, which creates members for us.

“On the other hand, for the ones that don’t pay decent wages and benefits, we’re not going to be supportive of them,” Aloise said.

The roots of the labor-tech relationship deepened over breakfast in a hotel near San Francisco International Airport in August.

There, Aloise met with an executive from eBay, who has asked not to be identified so they could continue to pursue the relationship without disruption from their co-workers. Bringing the two together was David Goodfriend, a Washington attorney and registered lobbyist for eBay who also consults with the Teamsters.

eBay hired the left-leaning Goodfriend to build bridges to Democrats and other progressive groups to help it with national, state and local political interactions. Previously, Goodfriend helped to bring together eBay and the National Association of Letter Carriers in a similar way. eBay is one of the Postal Service's largest customers, with roughly a quarter of all the parcels it handles generated by eBay, worth about \$2.2 billion in postage. Their relationship progressed to the point where eBay's head of government affairs spoke at the letter carrier union's annual meeting last year.

Goodfriend saw the potential for a similar relationship between the Teamsters and eBay, and over eggs and coffee, the union and the company found common ground. Many of the eBay sellers are middle-class folks who supplement their income by hawking goods on the online marketplace. Teamster drivers, like other union members, have been unable to keep up with the soaring cost of living in the Bay Area.

“They started to discover that they're speaking about the same type of person,” said Goodfriend, who is an adjunct law professor at Georgetown University. “The Teamsters said, ‘We want to help you. Where do you need help? Let's talk about (state capitols) Albany (N.Y.), Springfield, (Ill.) and Sacramento.’ And that is really, really valuable to a Silicon Valley company that deals in cyberspace and not brick and mortar.”

Aloise said the Teamsters could also help tech companies in more local fights, perhaps lobbying on their behalf when they confront San Francisco regulators about extending their ability to use Muni bus stops to pick up workers.

Income inequality

Goodfriend and Aloise think that the tech-labor partnership is replicable across the valley as public pressure mounts on income inequality.



Photo: Gabrielle Lurie, Special To The Chronicle

A Bauer Intelligent Transportation worker folds up chairs after drivers lost a vote to join the Teamsters Union, in Santa Clara, California on Wednesday, September 30, 2015.

This month, The Chronicle reported on a tech bus driver who, despite his job shepherding employees to Apple, the world's wealthiest tech company, **lived in the back of a van**. Several tech companies have since raised driver wages by as much as \$9.50 an hour, including Genentech, eBay, Yahoo and, on Tuesday, PayPal. Earlier this year, most drivers made around \$17 to \$20 an hour.

But not all union efforts have been successful. On Thursday, employees of Bauer Transportation, a bus company contracted by tech firms, voted not to form a union.

Labor leaders say they will continue to expand their outreach to the executive suites.

“We have made overtures to a couple dozen CEOs in the last month,” said Derecka Mehrens, executive director of Working Partnerships USA, one of the founding organizations of Silicon Valley Rising, a labor-driven coalition pressing to raise the minimum wage and bring more affordable housing to the region. She declined to say which have been responsive for fear of spooking them.

Alan Hyde, a Rutgers University School of Law professor who writes and lectures about the valley’s labor force, wondered how far the tech-labor partnership could go.

“You can’t outsource drivers or cafeteria workers to India,” said Hyde, the author of “Working in Silicon Valley: Economic and Legal Analysis of a High-Velocity Labor Market.” “But that’s probably where it will end. I don’t think you will see the unionization of programmers or other professional workers. But who knows. I never thought that it would be the Teamsters, of all people, to get a toehold in Silicon Valley.”

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