Meeting 11/18/2016 1:30pm

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1. **Who are we giving our money to/what are we funding through our contract with Sodexo?**
   - **Investment in, and ownership and management of, Private Prisons**
     - ***"In 1994, Sodexo acquired a significant stock investment in the Corrections Corporation of America (CCA), a multi-national for-profit prison company infamous for insufficient and inexperienced staff and insufficient security, facilities, and medical care (due to efforts to save money and increase profits).***[4] CCA's poor management has been cited as the reason for frequent violence between inmates and a high record of escapes. By 2000, Sodexo Alliance (the name has since changed to Sodexo Group) was the largest investor in the company. In March 2000, the Prison Moratorium Project organized universities across the country to expose Sodexo's connection to the CCA. In the campaign, "Not With Our Money," students pressured schools to cut contracts with Sodexho Marriott (now Sodexo Inc.), the university food service subsidiary of Sodexho Alliance, if it did not divest from CCA's operations" (Walker 2002 in Sourcewatch 2015)
     - "After losing contracts with six universities, ***Sodexo announced in 2001 that it would sell all investments in CCA, but at the same time it increased ownership of private prisons in the UK and Australia.*** In 2000, CCA sold Sodexo a 50 percent share of UK Detention Services. Sodexo already owned the other half of the company, so ***Sodexo gained sole ownership of the UK prison company***.[44]**"** (Democracy Now 2001 in Sourcewatch 2015)
     - ***"As of 2012, Sodexo Group is still heavily invested in the private prison industry, managing 115 prisons across Europe and five in Chile***[3]**"** via their subsidiary Sodexo Justice Services (Sodexo 2013 in Sourcewatch 2015)
     - ***Sodexo Justice Services brings the corporation 747 million euro in revenues per year*** (Sodexo Group 2015)
     - "Two outsourcing companies, Sodexo and Interserve, are to be put in charge of more than half of **probation services** in England and Wales under the most far-reaching privatisation in the criminal justice system" (The Guardian 2014)
   - **Food Safety Concerns**
     - "At least nineteen school children fell ill[36] and four were hospitalized following an ***E. coli outbreak at Bethesda Elementary School in Waukesha in 2000.*** This bacteria can cause kidney failure and even death. The families of three children who became seriously ill agreed to a financial settlement with Sodexo, but the details were sealed under a confidentiality agreement. Another family, whose child suffered gastrointestinal issues but was not as harmed as the others, settled a lawsuit for $1,500 with the Waukesha School District and for $15,000 with Sodexo, according to the *Milwaukee Journal Sentinel*.[37]**"** (Hetzner 2004 in Sourcewatch 2015)
     - ***"In 2007, when Sodexo was contracted to provide food services to all Marine Corps mess halls in the United States, the USDA recalled <u>3,000 pounds</u> of chicken that may have been contaminated with Listeria bacteria.*** Some of that chicken had been shipped to Camp Pendleton and the Marine Corps Recruit Depot in San Diego" (Wilce and Bottari 2009)
     - ***"Oregon state health inspectors found serious violations in school districts in which Sodexo operates custodial and food service operations in 2012.*** Inspectors found mouse droppings, moldy milk machines, expired food, inadequate hand washing, broken dishwashers, and dangerous food temperatures.[33]**"** (Leow 2012 in Sourcewatch 2015)
     - ***"Sodexo was implicated in Germany's biggest outbreak of food poisoning, in 2012, when at least 11,200[20] school children in almost 500 schools and daycares were sickened, and at least 32 were hospitalized.*** The outbreak was "very likely" caused by frozen strawberries that Sodexo imported from a subcontractor in China, according to *Reuters*.[21] Many of the patients were diagnosed with noroviruses, a major cause of human gastroenteritis.[22]**"** (Martin and Saythal 2012 in Sourcewatch 2015)
     - ***"Sodexo was implicated in the British horsemeat scandal earlier this year [2013],*** when the company found horse DNA in some of its products and withdrew all frozen beef products from its

catering operations at 2,300 British schools, care facilities, military bases, prisons, office canteens, and sporting venues" (Wilce and Bottari 2009)
    - In 2017 a dead frog was found the Franklin and Marshal salad bar: supplied and managed by sodexo

- **Financial Scandals**
    - "After an attorney general investigation, ***Sodexo paid an eye-popping $20 million in 2010 to settle claims that it overcharged 21 New York school districts and the State University of New York (SUNY) system for food and facilities services from 2004 to 2009.*** New York's case led to a "major investigation" by at least three other state attorneys general, and the U.S. Department of Agriculture's (USDA) Office of Inspector General began a nationwide audit in October 2011 for alleged systematic taxpayer fraud by multiple firms" (Wilce and Bottari 2009)
    - ***"The investigation grew to a national scale*** as school districts across the states discovered their food service contractors pocketing rebates. In May 2012, *CBS News* reported that "Hawaii and California have joined in the fraud investigation. And at a meeting earlier this week, New York's Attorney General briefed his counterparts from 15 more states." Former Sodexo employee, Rick Hughes, revealed that ***Sodexo even rewarded employees that followed this fraud procedure with bonuses"*** (Attkisson 2012 in Sourcewatch 2015)

2. Who are we trusting to manage our workers?

- **History of unjust (and even illegal) labor practices**
    - ***Human Rights Watch Report 2010***
        - "Despite claims of adherence to international standards on workers' freedom of association, ***Sodexo has launched aggressive campaigns against some of its US employees' efforts to form unions and bargain collectively. Sodexo managers have used many of the tactics described above that, while legal under US law, violate international standards requiring non-interference with workers' organizing rights.*** These have included: holding captive-audience meetings in which workers must sit through managers' diatribes against trade unions without being able to hear from union representatives in the workplace at any time, including during breaks or lunch periods; requiring front-line supervisors to carry management's anti-union message into one-on-one conversations with employees; and threatening workers that they can be permanently replaced if they exercise the right to strike for improved wages and conditions. But ***in some instances, Sodexo has crossed the line to anti-union behavior unlawful under both US law and international standards."*** (Human Rights Watch 2010)
        - "Recent developments indicate that Sodexo still resists workers' new organizing attempts. The neutrality agreement between Sodexo and the unions covering organizing procedures at selected company locations ended in 2009.[229] Since then, Sodexo has again expressed hostility toward unions and workers' organizing efforts, and taken steps to thwart union formation" (Human Rights Watch 2010)
        - This report is what ***caused Pomona to suspend their contract with Sodexo in 2011***
    - ***TransAfrica Forum Report 2011***
        - "Sodexo routinely hires poor and undereducated workers who are often geographically isolated, pays them low wages, and at times, reportedly fails to pay in full for hours worked including overtime pay. ***Concerns over perceived Sodexo practices described by workers interviewed for this report include docking the payroll of employees for meals they cannot eat due to the heavy workload and long hours. Sodexo employees also reported being denied breaks during the day.*** The business model Sodexo employs ***keeps workers poor and locks their communities into seemingly endless cycles of poverty***" (TransAfrica Forum 2011)
        - "Sodexo employees interviewed recounted a l***ack of adequate worker protections available to employees during their daily tasks***. They recounted a limited response to diagnosed

health issues and clear differences in treatment between domestic workers and international management staff" (TransAfrica Forum 2011)

- **History of racial discrimination in the workplace**
  - ***In 2005, Sodexo agreed "to pay $80 million to settle a lawsuit brought by thousands of black employees*** who charged that they were routinely barred from promotions and segregated within the company" (Texeira 2005)

3. Why are we contracting Sodexo?

- It seems like no/minimal research has been done about their practices even after concerns have been brought to senior admin (such as in Fall 2015 demands) -- why?
  - Argument that any corporation has some bad practices shouldn't be used to avoid researching the actual practices of Sodexo or to excuse things that are clearly worse than the practices of many major corporations
- → If the only argument is that they allow us to cut costs because of their big purchasing power, that cost cutting is clearly based in unethical practices which violate institutional values of Scripps
  - "In 2010, Sodexo was caught fomenting a race to the bottom in food service, by choosing food suppliers based not on quality but based on <u>which supplier could give them the highest cash rebate</u> for the contract. This <u>iced out small local farmers and other quality food suppliers</u> in favor of big agriculture and big business that could best engage in the kickback scheme" (Wilce and Bottari 2009)
  - Prison Beds incident - ordered by Sodexo maintenance management at Scripps

Sources:

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