

The New York Times

You're the Boss

The Art of Running a Small Business

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Should a Profitable Company Demand Pay Cuts?

By [YOU'RE THE BOSS EDITORS](#)

This week, our colleague Steven Greenhouse wrote a fascinating [article](#) about a labor dispute in upstate New York. The dispute pits 305 hourly workers at a Mott's apple juice plant against the corporate owner, Dr Pepper Snapple Group.

The workers went on strike to protest the company's demand for wage and benefit givebacks. The company asserts that the givebacks are warranted because the plant's labor costs are excessive compared to average wages in the region.

The full article is worth the read, but what sets this dispute apart from many is this: Dr Pepper Snapple posted a profit in 2009 and increased its dividend by 67 percent in May.

Thoughts?