



1,000-worker IBM strike wins workers more fair compensation deal

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NEW YORK - After IBM offered unfair compensation to workers at a factory affected by the sale of IBM's server business to Lenovo, follow-up worker interviews by China Labor Watch (CLW) have revealed that through days of strikes, workers won a more fair compensation deal from IBM.

After the announcement of the integration between Lenovo and IBM's x86 server department, more than one thousand workers at IBM Systems Technology Company (ISTC) went on strike over the factory's insufficient severance payment offer since March 3. Employees of the factory were originally given two choices: continue working at the plant, "automatically" become Lenovo employees, and receive the same wages as before, or leave the factory with compensation of 6,000 RMB (\$978).

As the massive strikes continued throughout the week, the IBM factory fired 19 strike leaders without offering them any compensation. These workers, most of whom had been working at the factory for many years, are bringing a lawsuit against the factory.

According to worker interviews conducted by China Labor Watch (CLW), the factory announced on March 10 new compensation options that were more favorable to workers. Under this plan, workers who want to remain at the factory have two choices. The first choice is to continue earning previous wages each month while maintaining seniority levels, in addition to receiving a one-time compensation payment of 36,000 RMB (\$5,870). The second choice is to receive wages at Lenovo's new wage standard each month and a one-time compensation payment of 6,000 RMB (\$978), despite the fact that workers are currently unclear about the Lenovo wage level.

For those workers who decide to leave the plant, they will receive one month's wages for each year they have been working, based on their average wage, in addition to a one-time compensation payment of 6,000 RMB (\$978).

Despite initial resistance by IBM, workers' persistence in defending their rights through a prolonged strike was successful in pushing the factory to offer a more reasonable compensation deal.

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