Delphi in Mexico

Delphi is a global supplier of mobile electronics and transportation systems, including powertrain, safety, steering, thermal, and controls & security systems, electrical/electronic architecture, and in-car entertainment technologies. Its global headquarters are in Troy, Mich. Delphi was part of General Motors, and in 1998 it did incorporate as an independent corporation. Delphi completed its spin-off from GM in May 1999. The company operates approximately 303 facilities around the world, of which 161 are wholly-owned manufacturing sites. Delphi has 177,000 employees in 34 countries.

Delphi is the largest private employer in Mexico with nearly 67,000 employees in almost 40 cities. On Dec. 2005 Delphi had 51 manufacturing sites in Mexico, of which 35 were wholly owned by Delphi and 16 were leased.

In Ciudad Juárez, Chihuahua the company operates its famous Delphi’s Mexico Technical Center. This is a center of components engineering that opened in 1995. More than 2,200 engineers, technicians and support staff work at the Technical Center.

Delphi’s business that operates in Reynosa, Tamaulipas is Delphi Delco Electrónicos de México Operaciones Delnosa. For many years the company had the largest number of employees in that city, but today is number two. At the beginning of 2006 Delphi had approximately 3,500 workers in four maquiladora plants. According to the company, Delphi expected to have more than 6,000 workers again. The product line produced in Reynosa includes instrument panels, HVAC controllers, safety modules, and powertrain electronics.

After an embarrassing financial situation where fraud and books cooking was found, Delphi filed “Voluntary Chapter 11 Business Reorganization” before the Bankruptcy Court in Oct. 2005. The company expects the company to emerge from Chapter 11 by mid-2007 when the court approves a “competitive business plan” for Delphi. Delphi’s Mexican operations are not included in the U.S. bankruptcy filing and are not subject to court supervision or Chapter 11 process.

Delphi and its Workers

Delphi has a Code of Ethics that it does not seem to be available in Spanish language. The code has also the name of “Foundation for Excellence: a Guide to Representing Delphi with Integrity”. This document does not make any reference to the right of workers to organize freely. Even though, one of Delphi’s Principles: Integrity says the company is “dedicated to complying fully with the letter and spirit of the laws, regulations and ethical principles that govern us.” In its Social Responsibility statement, Delphi assures the company is “fully committed to the goal of operating all of our facilities, foreign and domestic, legally, ethically, and responsibly. We have comprehensive corporate policies and practices concerning our conduct designed to ensure that Delphi is a good and responsible corporate citizen globally and that Delphi complies with the laws of the various countries in which we operate.”

But many Delphi workers in the border cities of Matamoros and Reynosa have been direct witnesses of Delphi’s consistent violation of the labor rights of its Mexican workers over the years. And there has been a long history of the rank-and-file’s fighting back supported by the CFO in the border cities of Matamoros and Reynosa. Delphi has harassed and fired dozens of workers that have protested Delphi’s extremely low wages and bad treatment by supervisors and managers.