



JANUARY 4, 2019

Teamsters Anheuser-Busch

Contract Update

A-B Contract Proposal Raises Wages, Provides \$4,000 Bonus, Protects Benefits

Voting Information Will Be Mailed On Or About January 14

Later this month Anheuser-Busch Teamsters will be voting on a last, best and final five-year proposal with the company that raises wages, provides a \$4,000 ratification bonus and protects members' health, welfare and pension benefits, among other improvements.

After clarifying the proposal with the company last month, the Teamsters National Bargaining Committee, made up of local union leaders from across the country, unanimously recommended ratification.

"The committee strongly believes that this proposal will provide continued security for our 4,400 members employed at 12 Anheuser-Busch breweries nationwide," said Greg Nowak, Director of the Brewery and Soft Drink Workers Conference. "The committee worked hard to address our members' priorities, and we believe this proposal delivers for our members and their families."

Here are just some of the highlights (*for more details, see inside*):

Wage Increases: 25 cents/hour in year one, 55 cents/hour in year two, 55 cents/hour in year three, 55 cents/hour in year four and 60 cents/hour in year five for all regular employees, apprentices, probationary employees and weekenders. The 2019 wage increase shall be retroactive to January 1, 2019, provided that the master and all plant agreements are ratified on the first vote.

Ratification Bonus: \$4,000 to all regular employees, apprentices and probationary employees. Please see inside for more details.

Pensions Increases - Defined Contribution and Western Conference Plans: 10 cents/hour in year one, 10 cents/hour in year two, 10 cents/hour in year three, 10 cents/hour in year four and 10 cents/hour in year five.

Pensions Multiplier Increases - Defined Benefit Plans: \$3 in year one, \$1 in year two, \$2 in year three, \$2 in year four and \$2 in year five.

Pension – Merrimack, NH Brewery: The company will continue to participate in the New England Teamsters and Trucking Industry Pension Fund as follows:

- The company contribution rate during the term of the collective bargaining agreement shall be in accordance with the Reentry Agreement and shall remain at \$6.60 per hour, up to a maximum of \$264.00 per week, for each covered employee.
- The company will increase its hourly contribution up to a maximum of \$.10 per hour in contract years four and five, but only to the extent necessary to avoid triggering benefit reductions as outlined in the Reentry Agreement.

Health and Welfare: Actives – No changes to current plan design. (*see employer contribution information inside*).

The vote will be by secret ballot as it always has been, but this time you will vote via the Internet or phone (detailed voting information will be mailed to you) through the BallotPoint Election Services voting system.

All members will receive a standard ballot packet in the mail. But instead of a paper ballot that needs to be mailed, each member will receive an individual access code and simple instructions on how to use the access code to vote by telephone or online.

BallotPoint has specialized in electronic balloting and polling since 1999. Their system is secure and protects the secrecy of each member's vote. In other words, no one will know how you voted!

The Teamsters Union has used BallotPoint extensively over the past four years to conduct contract ratifications. All of the ratifications were conducted without incident or challenges.

A-B SUMMARY OF NATIONAL CHANGES (12-15-18)

While the contractual language of the final offer is being finalized, the members employed by Anheuser-Busch should be informed promptly of the major changes resulting from the national negotiations. The final language will be submitted soon for review and membership ratification.

Term of Agreement: Five (5) years, commencing on March 1, 2019 and expiring on February 28, 2024.

Wage Increases: 25 cents/hour in year one, 55 cents/hour in year two, 55 cents/hour in year three, 55 cents/hour in year four and 60 cents/hour in year five for all regular employees, apprentices, probationary employees and weekenders. The 2019 wage increase shall be retroactive to January 1, 2019, provided that the master and all plant agreements are ratified on the first vote.

Ratification Bonus: The Company will make a \$4,000 ratification bonus payment to each full-time, active employee (Regulars, Apprentices and Probationary hired on or prior to 1/01/19) on the condition that both the Proposed National Master and their Local Supplement are ratified on the initial vote and such results are communicated to the Company by the date agreed upon by the parties.

If the Proposed National Agreement is not accepted or is not ratified in accordance with the agreement of the parties and that schedule, the terms and conditions of the Proposed National Agreement are deemed rejected and withdrawn. A rejection of a Local Supplement shall be deemed a rejection of the terms and conditions of that Local Supplement only, and shall result in the withdrawal by the Company of the terms and conditions of that Local Supplement and the ratification bonus as to the members of that Local.

Annual Bonus Program: Beginning in 2020, bonus

target values change to a quarterly payout.

- 2020: \$750 target value per quarter
- 2021: \$1,000 target value per quarter
- 2022: \$1,000 target value per quarter
- 2023: \$1,000 target value per quarter

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Wage to Fringe

The union and the company agree that a union local, on behalf of a bargaining unit and on a onetime non-precedent setting basis during the term of this collective bargaining agreement, may request to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit. The economic value will be based on the type of benefit to

which the ten cents (.10) per hour of general wage increase is allocated. The company will approve union local requests based on the parameters discussed in bargaining including but not limited to considering the type of benefit to which the ten cents (.10) per hour value is requested to be applied. Notification to the company must occur no later than ninety (90) days following ratification of the terms of the Tentative Agreement including which year during the term of the contract in which the local union is requesting to allocate ten cents (.10) per hour of its annual general wage increase toward the cost of a fringe or other benefit.

Health and Welfare:

Actives – No changes to current plan design.

Employer Contributions					
2019	2020	2021	2022	2023	2024
\$19,216	\$19,216	\$19,216	\$19,216	\$19,985	\$20,784

Welfare

Employer Contributions					
2019	2020	2021	2022	2023	2024
\$1,336	\$1,336	\$1,336	\$1,336	\$1,389	\$1,445

Buy-up option for life insurance. Paid by the member through payroll deduction

New Hires as of 3/1/2019 – High Deductible/HSA Plan

Employer Contributions					
2019	2020	2021	2022	2023	2024
\$12,500	\$13,000	\$13,500	\$14,061	\$14,623	\$15,208

Welfare

Employer Contributions					
2019	2020	2021	2022	2023	2024
\$1,336	\$1,363	\$1,390	\$1,418	\$1,446	\$1,475

Pre-65 Retirees

Currently, these retirees' cost share of the benefit is 25%

which was achieved through the plan design, i.e., co-pays. Commencing January 1, 2020, and each year of the contract thereafter, annual plan modifications will be made to achieve an additional 5% per year cost shift to retirees. This will be achieved through a combination of plan design changes and retiree contributions.

The current \$50 per month contribution paid by pre-65 dependents of post-65 retirees will no longer be required.

Allegiant Care will now administer the pre-65 plan.

Post-65 Retirees

Any full-time employee who retires on or before March 31, 2019, and who, as of the date of retirement, meets the qualifications for the post-65 retiree annual payment; and any current post-65 retiree and pre-65 retiree upon reaching eligibility for post-65 coverage shall be entitled to the \$1,300 annual stipend for the 10-year guaranteed period. For all others, the annual payment ends on December 31, 2029.

Non-Economic

All 12 breweries will use the same overtime scheduling and charging procedures.

Pre-payment of sick days is eliminated. Sick days will be paid at the time used.

Hair testing is eliminated during a random drug test.

Testing for marijuana is eliminated during a random drug test.

Bump cap policy will be suspended during periods of excessive heat.

Memorandum of Understanding regarding the commitment to keep all breweries open renewed for the term of the agreement.



Teamsters Anheuser-Busch

Contract Update

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January 16 Conference Call

A national conference call—where members can learn the latest information—is scheduled at 8 p.m. (Eastern time) on Wednesday, January 16. To join the call, dial 866-767-0669.

Voting information will be mailed to members on or about January 14 and votes will be counted on or about January 28.