



## **PRESS RELEASE**

*President Pro Tempore  
Senator Phil Berger*

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Raleigh, N.C. 27601*

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FOR IMMEDIATE RELEASE  
December 7, 2015

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### **Berger, Jones Seek Investigation into MillerCoors' Decision to Close Eden Brewery**

**Raleigh, N.C.** – In an effort to protect local jobs, North Carolina Senate Leader Phil Berger (R-Rockingham) and N.C. Rep. Bert Jones (R-Rockingham) are calling for an investigation into MillerCoors' decision to close its highly efficient and award-winning brewery in Eden – announced just 72 hours before its parent company began engaging in public merger discussions with another major beer maker.

In a letter to U.S. Sen. Thom Tillis (R-N.C.), co-signed by 113 state lawmakers from both parties, Berger and Jones ask the U.S. Senate's Antitrust, Competition Policy and Consumer Rights Subcommittee of the Judiciary Committee to demand answers to a number of troubling questions. The subcommittee plans to meet this Tuesday, December 8.

Berger and Jones requested Tillis ask MillerCoors representatives:

- Why did the company announce it would close Eden's brewery and eliminate hundreds of North Carolina jobs just 72 hours before its parent company began public merger discussions?
- Was this decision made in advance of the merger so the combined companies would not be labeled a monopoly by the United States Department of Justice?
- Given that in the last few years alone MillerCoors has approved new contracts for local brewery workers, signed a 25-year agreement with the City of Eden, and undertaken a 70,000 square foot facility expansion, why would it shut down the brewery after those major investments?

Berger and Jones noted that while giant beer conglomerates are looking out for their own interests, the hardworking people of Rockingham County are legitimately concerned. More than 500 MillerCoors employees could soon be pushed into the unemployment line, another 1,715 North Carolinians who work in related sectors could lose their jobs and hundreds of millions of dollars of the state's gross domestic product could be lost, according to the state Department of Commerce.

**“This merger should not proceed until the people of Rockingham County, and all of North Carolina, receive the answers they deserve – and until reasonable steps are taken to protect these jobs,”** wrote Berger and Jones.

A full copy of the letter may be viewed [here](#).

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**NORTH CAROLINA GENERAL ASSEMBLY**  
**SENATOR PHILIP E. BERGER**  
PRESIDENT PRO TEMPORE  
NORTH CAROLINA SENATE

December 4, 2015

U.S. Senator Thom Tillis  
185 Dirksen Senate Office Building  
Washington, DC 20510

Dear Senator Tillis:

As state representatives for the residents of Eden, N.C., we are deeply disturbed by MillerCoors' decision to close its highly efficient and award-winning brewery there – announced just 72 hours before its parent company began engaging in public merger discussions with another major beer maker. This decision could have a devastating impact on our community and raises troubling questions that we hope you, as a member of the Senate Antitrust, Competition Policy and Consumer Rights Subcommittee, will investigate and demand answers to.

There is no question that Eden's brewery is an effective, profitable facility. Even the MillerCoors website calls it "a state-of-the-art operation" that has reached several milestones in efficiency, like becoming one of the few zero waste-to-landfill breweries and achieving the lowest water-to-beer ratio in the brewery portfolio. These successes played a role in the Eden location being named "brewery of the year" three times since 2011. So it simply doesn't pass the smell test that MillerCoors opted to close its best-performing brewery and lay off hundreds of highly trained employees just days before public merger discussions were announced.

The only conceivable explanation is that its parent company, SABMiller, was working behind the scenes with Molson Coors, its partner in the MillerCoors joint venture, to identify and eliminate assets that would have complicated the looming merger. SABMiller must have known the Department of Justice would deem the combined companies a monopoly. It surely foresaw that it would be required to divest its ownership stake in MillerCoors. And no doubt it acted in concert with Molson Coors to create a package allowing the divestiture to go smoothly – at the expense of hundreds of American jobs.

While these giant beer conglomerates are looking out for their own interests, the hardworking people of Rockingham County are legitimately concerned. More than 500 MillerCoors employees could soon be pushed into the unemployment line, and another 1,715 North Carolinians who work in related sectors may lose their jobs as well. All told, hundreds of

millions of dollars in gross domestic product could be lost, according to the state Department of Commerce.

Given the questionable timing and suspect decision, we encourage you to require answers to the following questions from representatives of MillerCoors:

- Why did you decide to close a state-of-the-art brewery just 72 hours before announcing merger discussions with Anheuser-Busch InBev? Wouldn't it have made more sense to delay such a decision until after you knew the configuration of the newly-merged company?
- Did you know that a merger between Anheuser-Busch InBev and SABMiller would likely force you to divest your interest in MillerCoors? Did you close the plant to avoid handing over a prized asset to a competitor? Or did Molson Coors, your partner in the joint venture, tell you in advance of the divestiture discussions that they did not want the Eden facility?
- In the last few years alone, you've ratified new contracts for brewery workers in Eden, signed a 25-year agreement with the town for payment in lieu of annexation, and made substantial investments in the physical plant, including a 70,000 square foot expansion. Given these major and ongoing investments, why does it make sense to shut down the Eden brewery?

This merger should not proceed until the people of Rockingham County, and all of North Carolina, receive the answers they deserve – and until reasonable steps are taken to protect these jobs. We hope the members of the Senate Antitrust, Competition Policy and Consumer Rights Subcommittee will support this effort.

Sincerely,



Sen. Phil Berger  
President Pro Tempore



Rep. Bert Jones

With the bipartisan support of:

Senate Minority Leader Dan Blue  
Sen. John Alexander  
Sen. Tom Apodaca  
Sen. Chad Barefoot  
Sen. Tamara Barringer  
Sen. Stan Bingham  
Sen. Andrew Brock  
Sen. Harry Brown

Sen. Angela Bryant  
Sen. Ben Clark  
Sen. Bill Cook  
Sen. Warren Daniel  
Sen. Jim Davis  
Sen. Joel Ford  
Sen. Valerie Foushee  
Sen. Rick Gunn

(Continued)

Sen. Kathy Harrington  
Sen. Fletcher Hartsell  
Sen. Ralph Hise  
Sen. Brent Jackson  
Sen. Joyce Krawiec  
Sen. Michael Lee  
Sen. Paul Lowe  
Sen. Tom McInnis  
Sen. Floyd McKissick  
Sen. Wesley Meredith  
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Rep. Chris Whitmire  
Rep. Shelly Willingham  
Rep. Michael Wray  
Rep. Larry Yarborough

CC: Members of the N.C. Congressional Delegation



STATE OF NORTH CAROLINA  
OFFICE OF THE GOVERNOR

PAT McCrORY  
GOVERNOR

December 7, 2015

The Honorable Thom Tillis  
United States Senate  
Washington, DC 20510

Dear Thom:

In advance of the Senate Subcommittee on Antitrust, Competition Policy and Consumer Rights hearing on December 8th, I would like to share my deep concerns for the citizens in and around Rockingham County who are adversely impacted by the corporate decision to close the MillerCoors plant.

Secretary Skvarla and I met with local leadership to begin strategic discussions on next steps to help employees and their families who are being adversely impacted. Our goal is to help these employees and also continue to recruit new jobs to Rockingham County and the Eden region.

At the hearing, I would suggest the following questions:

- 1) What metrics did the companies use in making the decision to close the brewery in Eden?
- 2) Since this is the only brewery they have stated they plan to close, are there any factors the companies can identify as particularly disadvantageous regarding the business climate in North Carolina that led them to make this decision?

A representative from my Washington office will attend the hearing, and we will be following this matter with great interest.

Thank you again for your continued service to the people of North Carolina.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat", written over a horizontal line.

Governor Pat McCrory