



TEAMSTERS

Dean Foods Bankruptcy Update

Rome Aloise, Dairy Conference Director

April 1, 2020

Yesterday, March 31, Dean Foods announced the successful bidders for its assets. No single entity bid on all of Dean's facilities so multiple entities were selected covering most, but not all of Dean. Dairy Farmers of America (DFA) was selected for their bid on 44 production (and associated distribution operations) facilities and Prairie Farms (PF) on an additional ten facilities. To be clear, Dean Foods will NOT exist at the end of this process.

We believe the DFA bid covers 41 Teamster Local Unions and the Prairie Farms bid covers 8 Local Unions (although for one facility/unit PF is just seeking to buy the customer list). The other few bids were for single facilities or assets.

For the facilities (and related distribution operations) that were NOT on the list of "Bid Assets" it is our understanding that Dean Foods will be in touch with you on their intention to close the facility by the end of April. This is an unfortunate set of events that long predated the current coronavirus induced crisis we are facing. We will continue to look at options for the facilities that were not bid on, but the chances are remote given that no buyer has stepped up throughout this bankruptcy process. To date, the Berkeley Farms production facility in Hayward, CA, represented by Teamsters Local Union 853, was notified by Dean that it will close as of April 30, and over 200 Teamsters will lose their jobs.

The bids by DFA and PF did contain certain conditions that need to be met before the sales will be finalized, including modifications to the existing collective bargaining agreements. To facilitate negotiations with DFA we have formed a national negotiating committee made up of 12 Teamster Local Union representatives and commenced negotiations with DFA today, Wednesday, April 1. We expect to continue those negotiations through the Court scheduled hearing on Friday.

We have reached out to Prairie Farms to initiate the same process.

Our goal is to reach negotiated agreements with DFA, PF and any other bidder, that contain only contract modifications absolutely necessary to ensure they can operate the facilities going forward. Given the timeline of the bid documents, we'll need to conclude negotiations by the end of the week so that you will have the ability to review and vote on the modifications by April 23. We will work with your Local Union to keep you apprised of key developments and dates.

Rest assured that we are doing everything possible to keep your jobs, and maintain the best working conditions, wages and benefits possible.

**For More Information or Questions, Please Reach Out to
Your Local Union and/or visit teamster.org/deanbankruptcy**