



Brewery & Soft Drink

The Teamster Brewery and Soft Drink News

James P. Hoffa, General President • C. Thomas Keegel, General Secretary-Treasurer • Jack Cipriani, Director

Economic Shell Game

Bush Administration Policies Come Up Empty for Working Families

The Bush administration's recent actions on turning major U.S. ports over to a foreign-owned, anti-union firm are troubling, but par for the course. Americans have every reason to raise concerns about the deal. And, while politicians were talking about what they should do about the situation, Teamsters took to the streets to let it be known they are not happy with the impending deal.

Since the Bush administration took office in 2001, reckless economic policies and anti-worker practices like the ports deal have done extensive, lasting damage to the American economy. It is only through union protection that workers stand a chance in Bush's economic plan.

President Bush has told us to trust him on giving management control of six major U.S.



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Delivering in Delaware

New Agreement for Delaware Beer, Wine and Liquor Drivers

After nine years of wages frozen by the employer and a minimal contribution to a pension plan, members of Local 326 in New Castle, Delaware are back in the game. Earlier this year the members working at NKS distributors and the Tenui Corporation both approved new five-year contracts.

In addition to an increase in wages, the contract included a commitment from the companies to stay in the Teamster pension plan for the next 25 years. NKS and Tenui are owned by members of the same family.

"We really had a challenge ahead of us with these negotiations, but in the end, we were able to restore the Teamster pension plan and secure wage improvements," said Mike Ciabattoni, Vice President of Local 326.

"We had had a good relationship with the company for many years, but in 1996 they froze the wages and dropped the pension contribution to \$1 an hour, with the desire and demand to

switch from the Teamster plan to a company 401(k) plan," Ciabattoni said.

Job Freedoms

NKS and Tenui are beer, wine and spirit distributors that cover the entire state of Delaware. There are about 100 workers between the two firms, which are located side by side in New Castle. NKS also has an operation in Milford, Delaware. At all three locations Local 326 represents the delivery drivers and warehousemen and, at the NKS New Castle operation, truck mechanics.

"During the holidays, it's crazy," said Bob Pietuszka, a 24-year member of Local 326 and a driver at Tenui. "People order a lot more now than they do during the rest of year. Sometimes your day goes up to 30 or more stops. Since we cover the entire state, we can drive up to two-and-a-half hours to get to some of our stops.

"Having the freedom to go out and do my work without any immediate

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A Message From Conference Director Jack Cipriani It's Teamster Time at Miller

We've had some significant victories that have forced a changes at CCE and Coca-Cola. Last year we won new contracts at



our CCE plants which improved wages and benefits for most of our members. This was accomplished after we struck the company during one of the busiest national holidays.

Your solidarity throughout the strike was a tremendous support to the brothers and sisters who toed the strike line every day. Later in the year we won another financial battle with Coke when we convinced other Coke shareholders to support our proposal for executive severance package oversight. This wasn't something the Coke board supported, but they changed their tune after discovering that 40 percent of their shareholders supported our proposal.

This year we have begun bargaining with Miller Brewing, now a subsidiary of South African Breweries, Inc. (SAB). Members at our three facilities, North Carolina, Texas and California, are eager to win improved wages and benefits in their new contracts. We are 100 percent behind them. Already, representatives from the Teamsters Union have visited each plant and spoken with stewards and rank-and-file members in order to find out their bargaining priorities.

I encourage all of you to support your brothers and sisters at Miller. Our campaign slogan is "It's Teamster Time at Miller," to remind the company that we run their breweries and take pride in our work.

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ports to Dubai Ports World, but given Dubai's dismal record on fighting terrorism and anti-union laws it might be impossible for union workers to speak up about security concerns.

Knowing the Truth

The administration has been playing an intricate shell game of statistics on the economy, including the deficit, but they cannot change the fact that working families are not benefiting from the current economic policies. Unless, of course, they are CEOs, big oil or friends of Bush.

The President, his spokespeople or his cabinet members have repeatedly told the American people that his economic policies are bearing fruit. But all workers have to do is look at their paycheck to know the truth.

"A workers' right to join a union has continually been eroded by a corporate takeover of our government," said Jim Hoffa, Teamsters General President. "While members of Congress and corporate bosses high-five each other over the latest trade deal, millions of American workers are forced to seek new, lower-paying jobs or are forced onto the nation's unemployment rolls."

Port Action

In late February, thousands of Teamsters rallied at 20 American ports, decrying the Bush administration's decision to sell access to P&O Ports' U.S. terminal operations to Dubai Ports World. The largest transportation union in the United States, the Teamsters Union represents thousands of members who work in and around our nation's ports.

"We will not stand by and allow our homeland security to be compromised," Hoffa said. "This is a bad deal for workers and a bad deal for the security of America's ports. This deal puts our ports under the control of a country that has

"Americans can already see the picture painted by Bush is in stark contrast to the economic realities facing working families."

—JIM HOFFA

Teamsters General President

served as a conduit for terrorist activity. At a time when we should be beefing up security at our ports, this transaction would leave our port gateways even more exposed."

One consequence of the administration's policies is that the U.S. now has the largest deficits in history. Bush's failure to balance the budget, combined with his stubborn decision to continually extend tax cuts for the wealthiest Americans, is having immediate negative consequences for working people.

"Americans can already see the picture painted by Bush is in stark contrast to the economic realities facing working families," Hoffa said.

Hope for Union Members

"The economic policies of the current administration are having a negative impact on working families, including union families," said Tom Keegel, Teamsters General Secretary-Treasurer. "Fortunately, because Teamsters have strong contracts, the negative impact is not as bad."

It has been shown time and again that being in a union has a positive impact on workers' paychecks. The median weekly earnings of union members are 28 percent higher than nonunion workers. Nationwide, health insurance premiums are increasing. While only 59 percent of nonunion workers' jobs even have health insurance benefits provided by their employer, 86 percent of union workers do.

"Looking at the numbers, union members in general, and Teamsters in particular, have it better than most Americans," Hoffa said.

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supervision is the best part of performing my job," said Dave Stevens, a 28-year member of Local 326 and a shop steward at NKS. "As long as I follow the company's rules I have a lot of freedom. However, we all recognize that none of what we have would have

been possible without Teamsters Local 326."

Teamster Pension Plan Value

"The key thing about our new contract is the reinstatement of the Teamster pension plan," Steven said. "Thanks to Local 326's negotiators, we now have a 25 year, no-argument commitment. This allows for even the youngest guys in the unit to know that they will have a pension to rely on."

"The news that our Local 326 negotiators settled, in our favor, this nine-year dispute was terrific," said Jack Cipriani, Director of the Teamsters Brewery and Soft Drink Conference. "With the assault on pension plans from employers across the country, our negotiators fought the good fight and never backed down."

"Similar to how the Delaware beer and liquor delivery business is very much of a family enterprise, the drivers, mechanics and warehousemen at Tenui and NKS are our

family," Ciabattoni said. "We have represented them for more than 40 years. We remain committed to their well-being and representing their best interests at the bargaining table. However, we could not have achieved the success in retaining the Teamster pension plan had it not been for the willingness of these dedicated members to persevere over the nine-year period of an implemented contract."

On a sad note, shortly after ratifying the agreement, the senior shop steward on the NKS negotiating committee, Ron Kirby, took a medical leave for treatment of cancer. Unfortunately, on November 27, 2005, Ron lost his battle and passed away.

"Ronnie was a loyal member, a strong and competent steward, but most importantly, a good friend," Ciabattoni said. "His input was vital to our negotiations. It is an understatement to say that Ronnie will be greatly missed."

Teamsters Expand Shareholder Rights at Coke

More Scrutiny for Some Severance Packages

After years of rewarding failed executives with lavish severance packages, the Coca-Cola Company adopted a Teamster-proposed new policy of empowering shareholders to approve some future executive severance agreements.

"In the last decade, Coca-Cola shareholders have seen a revolving door of top executives cash in big rewards while financial performance lagged," said C. Thomas Keegel, Teamsters General Secretary-Treasurer.

The Teamsters have been a leader in the labor movement in winning reforms at McKesson, General Electric and Bank of America.

"The era of rewarding poor performance at Coca-Cola is over," said Carin Zelenko, Director of the Teamsters Capitol Strategies Department.

Here's what Coca-Cola's board paid departing executives while sales and earnings suffered:

- Douglas Ivestor, former Chairman of the Board and CEO, left after only three years as CEO, yet still received a severance package worth \$119 million, including a six-year consulting agreement, office space, a company car, home security service and country club dues.
- Steven Heyer, former Coke President, who was passed over for the CEO job, still walked away with a package worth \$24 million after only three years on the job.
- Douglas Daft, former Chairman of the Board and CEO, was



paid more than \$36 million when he left after only three years on the board in 2004.

According to Bloomberg News, Coke's board of directors recommended a vote against the Teamster resolution, but the company acquiesced after 40 percent of shareholders voted in favor of the proposal. From now on severance payments that exceed 2.99 times an executive's annual salary and bonus will be put to a vote.

Coke is the latest in a string of companies that have recently given shareholders a say in severance packages, reports the Los Angeles Times.

"Instead of investing in the people who work hard every day to produce, package and distribute Coke products, both Coca-Cola and Coca-Cola Enterprises dug deep into corporate funds to reward poor-performing executives on their way out the door," said Jack Cipriani, Director of the Teamsters Brewery and Soft Drink Workers Conference.

A Message from General President James P. Hoffa



The Union Advantage

Over the last hundred years, the American labor movement has transformed the lives of working people. By standing together, America's workers have gone from struggling just to survive to sharing in the American Dream.

We cannot let all those decades of progress be undone by politicians in Washington. Bush and his cronies are playing a shell game with the economy and, in the process, selling out our future. Representatives of both political parties are failing to protect working Americans.

Unions, however, are working harder than ever to safeguard the future for working families. Today's Teamsters Union is a strong voice for fiscal responsibility and secure retirements. It's

what the labor movement is all about.

One of the most important things one can do to protect themselves and their family from a shaky economy is to join a union. That is why joining a union is the best way for working Americans to protect themselves in today's economy. Because our members are protected by collective bargaining agreements, the negative impact of current destructive economic policies is not as great.

Looking at the numbers, union members in general, and Teamsters in particular, have it better than most Americans. With all the games being played in Washington these days, working men and women can't afford to gamble on their futures. Joining a union is the surest path to security in these uncertain times.



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