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BALTIMORE US FOODS TEAMSTERS SPREAD STRIKE TO TWIN CITIES AREA FACILITY

Members of Local 120 Honor Picket Line of Maryland Workers on Strike

(PLYMOUTH, Minn.) – Teamsters working at one of the nation's largest US Foods' distribution facilities here this afternoon refused to cross the extended picket line of Teamsters from Severn, Md., who began an unfair labor practice strike against the company in April.

The 325 drivers, warehouse, yard and maintenance workers and office staff who are members of Local 120 are just the latest group of US Foods workers to honor a picket line supporting the striking Maryland workers. They join US Foods workers in New Jersey, Indiana, Colorado, Michigan, Washington, Illinois, New York and Ohio who took similar action last month. The Maryland workers are on strike to protest allegations that US Foods violated federal law that protects workers' rights.

Other actions also took place across Southern California and in Phoenix in May. In all, more than 2,800 Teamsters employed by US Foods have either gone out on strike or honored workers' picket lines at some point since late April.

US Foods is the nation's second-largest foodservice provider. It is owned by Wall Street private equity behemoths KKR and CD&R, which added nearly \$5 billion of debt to US Foods' books when they bought it in 2007. In an IPO on May 25, US Foods raised \$1.02 billion from investors, announcing it will use the funds to pay off some of its debt.

In January 2016, KKR and CD&R took nearly \$670 million in cash out of the company to distribute to its two owners – half of it borrowed – even though it is already operating under a mountain of debt. Since its purchase by the two private equity firms nine years ago, US Foods has engaged in a systematic campaign of harassment and intimidation against its workers, both union and non-union.

Steve Vairma, Teamsters International Vice President and Director of the Teamsters' Warehouse Division, said, "We have seen a pattern of abusive behavior by US Foods for years. It's no surprise that their workers have no choice but to go on unfair labor practice strikes to protest how they are being treated. US Foods is willing to destroy good jobs and local economies so that its private equity owners KKR and CD&R can wring every last penny out of the company before they try to sell it. I'm proud of our members who are standing up for their rights and of our brothers and sisters who are honoring their picket lines. Teamsters know that an injury to one is an injury to all."

The current labor disputes are not new to US Foods. In February, more than 200 Teamsters at the Phoenix facility went on a four-day unfair labor practice strike. In 2011, an unfair labor practice strike by

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maintenance employees in Streator, III. was extended to more than 10 US Foods facilities across America. More than 2,000 Teamsters honored extended picket lines during the 2011 strike.

US Foods provides 350,000 products and services to 200,000 customers including restaurants, hospitals, schools, military bases and hotels. US Foods has 25,000 employees and 75 distribution facilities. The Teamsters represent 4,300 US Foods employees, with 44 contracts at 29 facilities.

Founded in 1903, the International Brotherhood of Teamsters represents 1.4 million hardworking men and women throughout the United States, Canada and Puerto Rico. Visit <u>www.teamster.org</u> for more information. Follow us on Twitter @Teamsters and "like" us on Facebook at <u>www.facebook.com/teamsters</u>.

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