

To: R. William Murray

Date: July 18, 1994

From: John J. Tucker

Subject: Teamster Meeting

I believe the meeting that Ron Carey has scheduled with you deals more with the Diamond Walnut strike than it does shareholder issues.

The attached recent flier picked up on the West Coast clearly indicates, "New Teamster Prez says: "Call On Phillip Morris To Stop The Scandal!"

The Diamond Walnut strike has been going on since September 4, 1991; almost three years. Carey has significant internal political problems around this issue with the Union's old guard. The old guard increased the weekly strike benefit to \$200 per week without any provision for funding. This action put Carey in the position if he continued support of the Diamond Walnut strikers to literally bankrupt the strike fund. It has in fact done this and the Teamsters had to borrow several million dollars from the AFL-CIO to pay benefits to striking truck drivers. Attached are two letters from internal Union Presidents challenging his position on Diamond Walnut and Entenmann's. There is significant internal opposition to any boycott of Entenmann's and Union locals having contracts with Entenmann's have been informing their members about Carey's misdirected efforts in the Diamond Walnut dispute. Jimmy Hoffa's son is currently mounting a campaign against Carey for the IBT presidency.

This internal political issue is not something we want to be involved in. Many of the union leaders who are pro-Entenmann's plus many of the Teamsters hierarchy that have been very supportive of Miller are against Carey. Additionally, we do not want to be involved in strikes regarding our suppliers which literally run into the thousands. Furthermore, our cereal business and bakery business will be seriously affected. Diamond Walnut has 48% of the world's supply of walnuts and they have outstanding quality control. We get 88% of our walnuts through Diamond. The loss of them as a supplier would have serious consequences for Entenmann's and General Foods.


I believe it is important to convey to Mr. Carey that the sole and only purpose for the August meeting is shareholder issues and that we will not be prepared to discuss any other issues.

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Attached is a copy of a bio on Ron Carey and a list of the other officers. I have also enclosed a copy of all the contracts we have with the Teamsters -- some 75 in total: Miller 7; Foodservice 13; and KGF 55 with Bakery having 32 of those; and an executive summary on the Diamond Walnut strike.

Let's discuss.



J. J. T.

/md
Attachments

cc: G. C. Bible
M. H. Bring
A. Carney