

TEAMSTERS NEWS

International Brotherhood

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TEAMSTERS OPPOSE COURT APPROVAL OF HOSTESS CEO'S CONTRACT

*Company Wants to Guarantee CEO Salary Despite Cutting
Unionized Workers' Jobs, Benefits*

(WASHINGTON) – The following is a statement from Ken Hall, Teamsters Union International Vice President, in response to Hostess Brands Inc.'s recent bankruptcy court application to fund the salary of the company's CEO in direct contrast to the major cuts the company wants imposed upon its unionized workforce.

"We struggle to understand how Hostess' management team, its board and its advisers think that filing this motion to guarantee CEO Brian Driscoll's employment conditions, at a time when Hostess is seeking to dramatically modify the working conditions of its employees, is a good idea.

"Prior to the bankruptcy filing, the Teamsters Union engaged in months of good-faith negotiations in an effort to work toward a fair and equitable resolution. This occurred despite the fact that the company had unilaterally stopped contributions to employee pensions in August 2011. We have also been extremely clear that shared sacrifice will be required by all parties, including management, employees, owners, and lenders.

"We remain committed to finding a solution but, with the company seeking to reject the labor agreements and filing this motion for CEO Driscoll, we question the company's commitment to reaching an agreement that its employees would ratify.

"We oppose any employment contract that does not follow the principles of shared sacrifice or have the proper incentives for a successful restructuring. Equally importantly, the timing of any such consideration must be in line with the priorities of the bankruptcy process. To that end, the motion filed on behalf of CEO Driscoll should not be considered until the 1113 process is completed and the Teamsters and other key stakeholders can properly evaluate the future of Hostess."

(MORE)

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Founded in 1903, the Teamsters Union represents 1.4 million hardworking men and women throughout the United States, Canada and Puerto Rico, including more than 7,500 route sales representatives, drivers and other employees at Hostess. Visit www.teamster.org for more information. Follow us on Twitter @TeamsterPower