



TEAMSTERS LOCAL UNION No. 52

*Bakery, Tea & Coffee, Yeast, Nutmeat, Pretzel & Potato Chip & Catering, Salesmen, Drivers, Warehousemen and Helpers, Cuyahoga, Geauga, Lake, Lorain, Medina, Portage and Summit Counties, Ohio.
Affiliated With International Brotherhood of Teamsters*

March 23, 2018

Mr. Cory Reinhart – Labor Relation
Frito-Lay Inc.
3740 Turfway Road
Erlanger, KY 41018

DAVID D. DUDAS
*Secretary Treasurer
Principal Officer*

HAND DELIVERED Information Request

Dear Cory,

We write to request information.

As you know, the Tax Cuts and Jobs Act was enacted last year with the promise that the permanent tax cuts for corporations would raise wages and prevent the offshoring of jobs. President Trump promised that the decrease in the statutory corporate tax rate will “give the typical American household a \$4,000 pay raise.”¹ His Council for Economic Advisors reported that this permanent \$4,000 raise is a conservative number and that the raise may be as high as \$9,000.² These numbers were repeated by members of Congress throughout the legislative process on this bill.³ Job promises were also made to pass the bill. Speaker Ryan asserted that the bill “prevents American jobs, headquarters, and research from moving overseas.”⁴

These statements set forth a clear legislative intent for the Tax Cuts and Jobs Act: the corporate tax cut was meant to trickle down to workers’ paychecks and bring jobs back to the United States. This tax money was not meant to enrich executives and shareholders, per the bill’s proponents.

We should work together to effectuate these intents. Raising workers’ pay and stopping the offshoring of jobs are central concerns of our union and the employees we represent, and we are deeply concerned that these promises will be forgotten unless we bargain for them.

¹ <http://www.breitbart.com/big-government/2017/10/11/donald-trump-tax-reform-likely-gives-typical-american-household-4000-pay-raise/>

² <https://www.whitehouse.gov/the-press-office/2017/10/16/cea-report-corporate-tax-reform-and-wages-%E2%80%93-theory-and-evidence>

³ See, e.g., 163 Cong. Rec. S7873, H8244, S7518-19, S7535, S6990, S6443 (2017); Speaker Ryan Press Office, “New Report: Tax Reform Will Raise Wages by \$4,000 on Average,” (October 16, 2017), available at <https://www.speaker.gov/general/new-report-tax-reform-will-raise-wages-least-4000-average;>

⁴ <https://www.speaker.gov/general/policy-highlights-tax-cuts-and-jobs-act>

ALLEN THOMPSON
President

ED TURNER
Vice President

JASON MILLER
Recording Secretary

DAVID D. DUDAS II
Trustee

PATRICK J. BLAIR, JR.
Trustee

JOHN P. SKYES
Trustee



The benefits and impact of this change in the law is obviously relevant to our current contract bargaining. In preparation for such bargaining to ensure the tax cut raises wages and stops the offshoring of jobs, we need to understand the total benefit from the tax legislation inuring to the company; the extent to which that benefit is reserved or not to increase workers' wages or create jobs; the extent to which that money has already been diverted or is planned to be diverted to anything other than raising wages or increasing employment at this facility. We therefore request the following information, relevant to all of the foregoing:

- 1. To Understand Where this Tax Money Is and Where It Is Going**
 - a. Please provide the estimated gains to Frito Lay (hereafter "the Company") and its subsidiaries and affiliates from the Tax Cuts and Jobs Act over each of the next five years.
 - b. Please provide the amount of planned capital investment in the United States over each of the next five years, and any documentation showing the extent to which this planned capital investment has changed since passage of the Tax Cuts and Jobs Act. Please provide the same for any planned capital investment outside of the United States.
 - c. Please provide the amount of planned capital investment at Frito Lay Cleveland Sales and Frito Lay Wooster Production Plant over each of the next five (5) years, and any documentation showing the extent to which this planned capital investment has changed since the passage of the Tax Cuts and Jobs Act.
 - d. Please provide a headcount of jobs, by job title, within the Company which will be created in the United States over each of the next five years.
 - e. Please provide a headcount of jobs, by job title, which will be created at Frito Lay Cleveland Sales and Frito Lay Wooster Production Plant over each of the next five (5) years.
 - f. Please provide the number of jobs previously outsourced that will be returned to the bargaining unit and the schedule for their return.
 - g. Please provide the total compensation for executives for the year before and the current year after passage of the Tax Cuts and Jobs Act.
 - h. Please provide the amount spent on any stock buybacks and dividends to shareholders since passage of the Tax Cuts and Jobs Act. Please provide the same amount anticipated for the current year after passage of the Tax Cuts and Jobs Act.
 - i. Please provide copies of your Fourth Quarter 2017 and First Quarter 2018 reports.
 - j. Please provide the amount spent on lobbying or public relations campaigns, including contributions to other entities engaging in such, in support of the Tax Cuts and Jobs Act or its underlying policies in general, since January 1, 2017.

- k. Please provide an accounting of the total amount of profits held overseas, the amount to be repatriated, and the total tax to be paid on that repatriation over each of the next five years.

Please have the information returned to David D. Dudas, Secretary Treasurer of Teamsters Local Union # 52 if you have any questions, please contact me at [REDACTED]

Sincerely,



David D. Dudas
Secretary Treasurer