



Employee Bulletin

November 1, 2011

Dear Colleague:

This is an exciting time to be part of US Foods. We recently launched a dynamic, new brand identity reflecting our strategic focus on creating a better food offering and an easier service experience for customers. Our new brand is the foundation for the company's future growth and it has been well received by both customers and employees across the country.

We also recently announced major capital investments and expansions in Austin, Albuquerque, Port Orange, Columbia, Connecticut and Memphis. We are committed to growing our business, creating new jobs and building a stronger company.

In the midst of this important progress, the officials from the International Teamsters union have re-ignited their corporate campaign against US Foods. The purpose of their campaign is to try and create negative publicity for US Foods and disrupt our business operations and customer relationships. The union's most recent tactic not only puts our union-represented employees in a very difficult position, it threatens the long-term success of our divisions with Teamster-represented employees.

The US Foods Streater Division is currently negotiating a new contract with two (2) sanitation workers represented by the Teamsters. We have held a number of bargaining sessions and are using a federal mediator to help facilitate discussions and reach a fair agreement.

The Teamsters have used our negotiations with the two sanitation workers as a reason to create service disruptions in Buffalo and St. Louis as part of their larger corporate campaign. They've also given US Foods notice of their intent to set up picket lines in Denver and Seattle.

We are disappointed the Teamsters have chosen such a course, one that attempts to undermine our efforts to serve customers, grow the company and create jobs. In fact, it appears the Teamsters' strategy is such that the company, customers and employees must be compromised in order for them to win.

While the vast majority of US Foods employees are not represented by a union, the company respects the right of employees to seek union representation and we have a strong record of good relationships with local unions. We succeed individually and as a company by living our new core value of *customer success*, which means we anticipate customers' needs by being the easiest company to do business with in the industry.

We remain committed to becoming the best foodservice distributor in America. Thank you for your hard work and dedication to success.

Sincerely,

John A. Lederer
President and Chief Executive Officer