



# the BottlingLine

Issue No. 338 • Winter 2019

## Highlights from the 2019 CCBA Annual Meeting of the Membership



CCBA President Mark Francoeur officially kicks off the meeting!

A record number of associates from 61 Member Bottlers, convened in Atlanta on September 9th and 10th to attend the **2019 Annual Meeting** hosted by your Coca-Cola Bottlers' Association. This year's CCBA meeting theme, *Expanding Our Reach*, reinforced and emphasized the importance of building progressively greater execution capabilities for success in an increasingly complex operating environment.

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## 2020 Schedule

**Voice of the Bottler Meeting**  
Joint meeting with SLGB/CCLT/BPSC  
January 22-23

**Spring Mainstream Meeting**  
Palm Springs, CA  
February 13-14

**CCLT Meeting**  
March 17-18

**CCBA Spring Board Meeting**  
April 15-16

**Coca-Cola Scholars Banquet**  
April 16

**ABA Lobby Day / Fly-In**  
Washington, DC  
TBD

**CCLT Meeting**  
April 21-23

**CCNA Ready to Sell Meeting**  
May 19-20

**CCBA Spring Financial Management Forum**  
Austin, TX  
June 17-19

**CCLT Meeting**  
July 14-15

**CCLT Meeting**  
August 11-12

**NACS Show**  
Las Vegas, NV  
October 11-14

**CCBA Annual Meeting**  
September 14 -15

**CCNA Ready to Execute Meeting**  
September 16-17

**CCBA Fall Board Meeting**  
October 29-30

**CCLT Meeting**  
December 2-4

**Check the CCBA website for schedule updates**





## Highlights from the 2019 CCBA Annual Meeting of the Membership.....(continued from page 1)



*Bottler only dialogue with John Gould, Meredith Mapel, Bruce Hanna, Charlie Bitzer, Mark Francoeur and Ilene Grimes*



*Sandy Williams and Don Mapel share the stage and their perspectives as they retire from CCBA's Board of Governors*



*John Gould congratulates Richard Remeta, Barry Keiss and Stuart Feltman on the occasion of Coca-Cola Santa Fe's centennial anniversary*



*Mark Schortmann, CEO and Jean Claude Tissot, COO(Coca-Cola Southwest Beverages) share an overview of their Organization's road to winning the Market Street Challenge and Candler Cup*



*Coach John Calipari, University of Kentucky, accepts a special calendar print, celebrating the intersection of Coca-Cola, basketball and the year of his birth – from John Gould and Mark Francoeur after sharing his message with Members and answering questions*



*Brent Hastie and Paul Lukanowski shared results and learnings from this year, their perspective on the business and BODYARMOR's marketing and innovation plans*

The CCBA Annual Meeting offers a great opportunity for members to stay informed and engaged on all aspects of our business while connecting with your fellow Bottlers in a collaborative environment!

*The CCBA Officers and Staff appreciate the participation and engagement of all who attended and hope to see even more Members join us next year!*



# THE MARKET STREET CHALLENGE

This was the fourth year of the Market Street Challenge. The Market Street Challenge is a healthy and unifying competition of every Coca-Cola Bottler in the U.S., strategically designed to promote excellence and continuous executional improvement in local Coca-Cola markets.

## The nine finalists for the 2019 Market Street Challenge award were:

- Orangeburg Coca-Cola Bottling Company
- Deming Coca-Cola
- Coca-Cola Bottling Company Northern New England
- Coca-Cola Bottling Company United
- Rock Hill Coca-Cola
- Durango Coca-Cola Bottling Company
- Coca-Cola Beverages Florida
- Coca-Cola Bottling Company of Dickinson
- Clark Beverage Group

## The five Execution Award winners are:

- Coca-Cola Bottling Company UNITED  
*Highest Execution Index*
- Coca-Cola Bottling Company of Dickinson  
*Most Improved Execution Index*
- Durango Coca-Cola Bottling Company  
*Most Improved Share of Visual Inventory*
- Aberdeen Coca-Cola  
*Most Improved Portfolio Availability*
- Coca-Cola Beverages Florida  
*Most Improved In-Store Activation*

And the overall winner of the 2019 Market Street Challenge Award was...

**Coca-Cola Northern New England...now Coca-Cola Beverages Northeast!**

A Tiffany-designed trophy and specially commissioned Steve Penley painting will be proudly displayed in the corporate offices of Coca-Cola Beverages Northeast in Bedford, New Hampshire during the coming year.



*Congratulations to the Coca-Cola Beverages Northeast team!*

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## CCBA Board of Governors

While we commemorated the retirement of Will Goodwyn, Hank Flint, Don Mapel and Sandy Williams from the CCBA Board of Governors at our Annual Meeting, we thought we would take another opportunity here. These gentlemen have been influential and proactive partners with the Association and our System. Each has offered unique perspectives and contributions over the years, reinforcing the strength and diversity of our business.



Will Goodwyn  
CCBC UNITED

### Will Goodwyn

While he is **Vice Chairman, Chief Administrative Officer, and Corporate Secretary of Coca-Cola Bottling Company UNITED**, his professional background is legal. Will's retirement from the Board was effective on September 30th. He served for three years on CCBA's Board, and during this time, made significant contributions to the work of the Association and our broader Bottling System, playing a particularly vital part in CCBA's work and negotiations surrounding the System of the Future and territory re-franchising. Will played a huge role in shaping the Comprehensive Beverage Agreement (CBA) and was involved with a multitude of contract negotiations and projects. It is safe to say that there is no one that knows the CBA or is better at working through franchise agreement issues than Will!



Hank Flint is **Vice Chairman of Coca-Cola Consolidated**. Hank's legal background established him as an incredible resource in negotiations with our franchisors. As a past officer & President of CCBA, Hank presided over some of the most interesting times in our Association's history, such as refranchising, the development of the CBA, the integration of Monster and so much more. Hank stepped down from his seat on CCBA's Board of Governors effective April 4th, upon the conclusion of the Spring Board meeting.

We all know that Hank has made enormous contributions to CCBA during his 9 years on CCBA's Board of Governors, and, as CCBA's President in 2015-2016, and of course, he's been a great friend and colleague to all of us.

### Hank Flint



Hank Flint  
Coca-Cola Consolidated

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## Introducing NEW Logos!

Thank you Coke Northeast and Meridian Coca-Cola for sharing your new logos



### Please... Stay in Touch!

Our System is growing and changing in beautiful ways! If you re-design your logo, create a Facebook page or website, move to a new address, or have other news to share, please let us know. Scan the QR code to email us directly



## CCBA Board of Governors.....(continued from page 4)



**Don Mapel**  
Durango Coca-Cola

### Don Mapel

Don is **Chairman of the Board of Directors for Durango Coca-Cola**, retiring as President and CEO last year. Don stepped down from his seat on the Association's Board of Governors after CCBA's 2018 Fall Board Meeting. Don has been a consistent leader within the Mainstream community, possessing a rich history of advocating for Bottler rights dating back decades. He has served as one of the longest standing members of the Industry Issues Committee. Don was an integral part of the PB CBA negotiating committee team, negotiating effectively on behalf of CCBA on key elements of the CBA.

We acknowledge and thank Don for his engagement over the last 16 years as a Board Member. He has been an invaluable asset, sharing his knowledge and experience and serving as a friend and mentor to our collective team over the years.



### Sandy Williams



Sandy is **Chairman of Corinth Coca-Cola Bottling works, Inc.** Sandy's retirement from the Board was effective April 4th, upon the conclusion of the Spring Board meeting. Sandy's retirement from CCBA's Board is truly the end of an era, as he is the longest serving Board member in CCBA history, having joined the Board in 1985!

Sandy has not only been an esteemed member of our Board for 34 years, but also served as an officer and eventually President of CCBA (1989-1990.) Sandy was one of the original architects of the Coca-Cola Scholars Foundation, serving as its Chairman for many years. His contributions to CCBA and our System resulted in his being designated by his fellow Bottlers as a *Living Legend*, when CCBA celebrated its 100th anniversary in 2013.

Whether it is planning a Bottler best practice sharing, such as the annual Waukomis meetings hosted at Corinth, or sharing his deep historical knowledge, Sandy's influence and impact our System cannot be overstated.



**Sandy Williams**  
Corinth Coca-Cola

**We know you join us again, in thanking these Members for their leadership and service on the CCBA Board of Governors.**



*Retiring CCBA Board of Governors, Don Mapel, Sandy Williams, Hank Flint and Will Goodwyn displaying their framed proclamations in honor of their service. That's Kem Hunt joining the photo and holding Sandy's proclamation. (Kem joined CCBA one year later than Sandy assumed his seat on the Board!)*



# The Market Street Challenge.....(continued from page 3)



## President's Quality Award

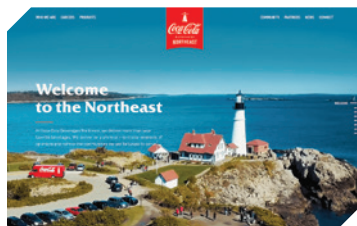
Congratulations to winner of the coveted President's Award for Quality Excellence!

Thanks again to our Annual Meeting Sponsors



South Atlantic Canners – Bishopville, SC  
(Managed by Coca-Cola Consolidated)

Scan the QR code to read the full article, view stage videos and more photos of the CCBA annual meeting and the reception!



Welcome to the Northeast!  
View Coke Northeast's new website at:  
<https://www.cokenortheast.com/>

## Introducing Coca-Cola Beverages Northeast

Coca-Cola Beverages Northeast (Coke Northeast) began as a single bottling operation in Laconia, NH, in 1977. They were known as *The Coca-Cola Bottling Company of Northern New England, Inc.* until this past October, when the Bottling Company rebranded itself to reflect its growing presence in the Northeast. In September 2017, Coke Northeast closed on a refranchising agreement that tripled the size of the company, transforming them into one of the nation's largest Coca-Cola Bottlers. This 42-year old local company had turned the page on a new chapter in its history.

Coke Northeast now operates dozens of facilities, including state-of-the-art production centers in New Hampshire and Connecticut, and serves thousands of customers throughout all of New England, much of New York State, and a portion of Pennsylvania. So, the name Coca-Cola of Northern New England no longer accurately represented the Company's associates or the new customers and communities they were now excited to serve.

What did not change is the impressive and empowered culture that helped Coca-Cola Northern New England become Coca-Cola Beverages Northeast. For the first time since entering into its major refranchising agreement in 2017, Coca-Cola Beverages Northeast is uniting under a shared identity.

A new identity also means a new opportunity for the organization to write their next chapter. Coke Northeast is calling this *Our True North* – a new mission, vision, and values framework for Coca-Cola Beverages Northeast, informed by input from Company associates and the Company's Executive Leadership Team.



Coke Northeast's new logo, the lighthouse, is a beacon of hope, a point of connection, strength and support. A lighthouse casts a wide glow and serves as a landmark in our communities, welcoming us to explore and reach our collective potential. You might also notice the lighthouse icon is a tribute to a classic fountain cup (turned upside down in this case), with the iconic Coca-Cola dynamic ribbon running through it.

And, without further ado---CCBA is excited to 'introduce' Coca-Cola Beverages Northeast, or Coke Northeast for short, as they continue their mission: *to refresh the Northeast with the best selection of great tasting beverages.* Scan the QR code to view the new Coke Northeast website:





We are pleased to formally announce that **Kirk Tyler**, CEO of **Atlantic Coca-Cola Bottling Company**, has been elected as **Chair of the Board of the Coca-Cola Scholars Foundation**. Kirk is only the 6th chair of the Coca-Cola Scholars Foundation Board. He is also chair of the American Beverage Association Board and is a board member of the Iowa College Foundation and Iowa Beverage Association. Kirk is a former CCBA President and remains a Board Member of the Coca-Cola Bottlers' Association. He is also past chair of the Iowa Association of Business & Industry.

**Thank you Kirk for your leadership and service!**



Coca-Cola Southwest Beverages announced the following changes, effective on January 1st, 2020



**Mark Schortman** will transition from his current position as **President & CEO of Coca-Cola Southwest Beverages** to an **Executive Director** role for **CC-SWB**. Mark's distinguished career in the Coca-Cola System was instrumental in the successful CCSWB integration.

Mark will continue to represent CCSWB as Chairman of Coca-Cola Bottlers' Sales and Services (CCBSS) and serve on local academic and civic organization boards.



**Jean Claude Tissot**, who currently serves as **Chief Operating Officer at CCSWB**, will become the new **President of Coca-Cola Southwest Beverages**.

Jean Claude has collaborated with The Coca-Cola Company for more than 15 years and served as Chief Marketing

Officer at Arca Continental, where he led the integration process with Coca-Cola Southwest Beverages (CCSWB).

**We know you join CCBA in congratulating Mark and Jean Claude!**

## Maui Soda & Ice Works Partners with Maui Ocean Center Marine Institute to Clean UP!



The Maui Ocean Center Marine Institute and Maui Soda & Ice Works, Ltd. sponsored an International Coastal Cleanup beach day on September 21st. The teams were rewarded with a beautiful day at the Kealia Coastal Boardwalk where Maui Soda & Ice Works and employees and their families, along with other members of the community, picked up trash along the coast and North Kihei Road.

Luana Fevella (Brian Fevella's wife), established superhero status when she dove into the ocean and successfully cut a 25 foot fishing net from the reef! As Maui County makes progress and works to create less impact on the environment, Maui Soda & Ice Works is proud to be part of the solution!





### Celebrating 125 Years of Bottling History in Vicksburg, MS

In the summer of 1894, Joseph A Biedenharn planted the seeds for a business that has stood the test of time, by pouring Coca-Cola syrup and carbonated water into a bottle. Little did Mr. Biedenharn know the far reaching and future impact his actions would have!

So how, you might ask, is there yet another Bottler of Coca-Cola that pre-dates the more formal timeline of 1899 (in Chattanooga, TN). Each of our system Bottlers have unique stories to tell, and the story of the Biedenharn family is no exception!

Mr Biedenharn owned a confectionary business with a long soda fountain where carbonated drinks were sold by the glass. During the summer of 1891, he received an order for 30 cases of soda water. Joe, as usual, went to his local Bottling company to have his order filled. During this particular summer however, his order could not be fulfilled, due to July 4th picnics and heavy demand for soda water. The situation got Joe thinking and he quickly decided to begin bottling his own soda water. Joe purchased second hand equipment in St Louis and within 30 days was in the business of bottling and distributing lemon, strawberry and sarsaparilla soda water.

Meanwhile, Coca-Cola was steadily becoming a favorite in soda fountains across the south and Biedenharn's soda fountain was no exception. This popularity of Coca-Cola and its growth (as a fountain drink) across the Vicksburg area, spurred Asa Candler (Yep, that Asa Candler!)



*The FIRST bottle to contain Coca-Cola. Biedenharn Candy Co. Vicksburg, MS*

to visit Joe Biedenharn to discuss Biedenharn becoming a wholesale distributor for Coca-Cola syrup. As fountain syrup sales of Coca-Cola continued to grow, Joe concluded that bottling the drink would increase its popularity with residents living in and outside of Vicksburg. Joe sent two of his first cases of bottled Coca-Cola to Asa Candler in Atlanta – who wrote back that is “was fine”. Bottling sales continued to grow and the Biedenbarns continued to offer other flavored sodas. They often included a few free samples of Coca-Cola in a flavored water delivery, in order to get a dealer interested in purchasing bottled Coca-Cola.



While Joe indeed bottled Coca-Cola in 1894, he did not become a licensed Coca-Cola Bottler until 1906. The rights to establish Bottlers in the US was sold in 1899 to Ben Thomas and Joseph Whitehead of Chattanooga and this is the date often associated as the beginning of Coca-Cola Bottling history. Importantly, when Asa Candler granted those rights, he did not include portions of Mississippi where he explained to Thomas and Whitehead, Coca-Cola was already being bottled. It was not until 1906, that Charles Veazy Rainwater, secretary-treasurer of the bottler in Atlanta visited with Joe Biedenharn and convinced him to sign a bottling contract and become a licensed Bottler.

Joe Biedenharn and his brothers Ollie, Albert, Harry, Lawrence, Herman and Will expanded their Coca-Cola bottling operations to Monroe, and Shreveport, Louisiana, as well as Texarkana, Wichita Falls, Temple, Uvalde and San Antonio, Texas. The next generation expanded further with plants in Arizona and Wyoming, and like many other Bottling families, evolved with the business. Today, the Randy Mayo family, direct descendants of Ollie Biedenharn, proudly serve territories in McAlester, Oklahoma and Winfield, Kansas. ...And, it all began 125 years ago, in a candy store and soda fountain in Vicksburg, Mississippi.

You can still visit this historical location! In downtown Vicksburg, located in the original Biedenharn soda fountain building, the Biedenharn Coca-Cola Museum is open to the public as an authentically-restored candy store and office area, featuring furnishings and displays of the 1890s. The museum is a collector's nirvana with a reproduction of the equipment first used to bottle Coke, displays of old vending machines and Coca-Cola bottles that stretch 'back to the beginning' - where the bottling process began. The display includes one of the original bottles, which is embossed with the identification "Biedenharn Candy Company, Vicksburg." The museum offers a variety of exhibits such as Coca-Cola history and memorabilia from past to present.



The Biedenharn Coca-Cola Museum is open every day except New Year's Day, Easter, Thanksgiving and Christmas. There is an admission charge for those age-6 and over.



## Ozarks Coca-Cola Territory School Wins a "Don't Quit" Fitness Center!



*Trudy Wright, (Ozarks Coca-Cola), Jake Steinfeld, Chairman, National Foundation for Governors' Fitness councils, Sally Hargis (Ozarks Coca-Cola) and Missouri Governor Mike Parson at ribbon cutting for the "Don't Quit" fitness center at Neosho Middle School*

Missouri Governor Mike Parson, in conjunction with the National Foundation for Governors' Fitness Councils (NFGFC) and the Missouri Department of Elementary and Secondary Education, visited **Neosho Middle School** recently, to take part in the ribbon cutting for a DON'T QUIT! Fitness Center, valued at \$100,000.

The multi-million dollar DON'T QUIT! campaign named Missouri's **Neosho Middle School (Neosho School District)**, **West County Middle School (West St. Francois Co. R-IV)**, and **Premier Charter School (St. Louis)** as the state's most outstanding schools for demonstrating leadership in getting and keeping their students fit. The Coca-Cola Company is the Lead Sponsor for National Foundation for Governors' Fitness Councils (NFGFC). Each year the NFGFC invites school districts in several states to compete for the chance to convert a space in their Middle School to a fitness center, complete with workout equipment. 2019 was Missouri's turn, and Neosho Middle School was the winner. In each school

and state, the Company PAC team invites the respective Bottler to participate in the selected school's ribbon-cutting and celebration. The Coca-Cola Company has been a partner since the program began in 2006, to get kids fit at an early age.

This is an inspiring program to see the students get so excited about the fitness center and a great opportunity to engage with the school Board, local community and state leaders. The program has now awarded fitness centers in 32 states and will make its way into all 50 states in the coming years. Each fitness center is financed through public and private partnerships and does not rely on taxpayer dollars or state funding. In addition, all fitness equipment is manufactured in the United States.



*Neosho students celebrating at their assembly*

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## Reyes Holdings Closes on Acquisition of Coca-Cola Bottling Works of Tullahoma



In September, Reyes Holdings, L.L.C. announced that its wholly owned company, Great Lakes Coca-Cola Bottling, closed on the acquisition of Coca-Cola Bottling Works of Tullahoma, Inc., headquartered in Tullahoma, Tennessee.

"We look forward to building upon Coca-Cola Bottling Works of Tullahoma's tradition of excellence as we continue to grow the business while providing unparalleled service to our customers throughout Kentucky and Tennessee," said Chris Reyes, founder and co-Chairman of Reyes Holdings. Jude Reyes, founder and co-Chairman of Reyes Holdings added, "CCBW of Tullahoma – as a successful family owned business for over 100 years – is a great fit for our family of businesses. We are excited to welcome them to the Reyes team."

Coca-Cola Bottling Works of Tullahoma bottles and sells more than 500 different products and packages in 30 counties. In addition to manufacturing Coca-Cola products in Tullahoma, Tennessee, they also distributed from four locations in Tullahoma and Clarksville, Tennessee and Elizabethtown and Owensboro, Kentucky. This acquisition expands the existing territory of Great Lakes Coca-Cola Bottling, which currently operates in Illinois, Iowa, Michigan, Minnesota, Northern Indiana and Wisconsin.

Jeff Laschen, CEO of Great Lakes Coca-Cola Bottling added "Getting to know the team at Coca-Cola Bottling Works of Tullahoma has made us incredibly excited for the future. We look forward to growing our role within the Coca-Cola system and together building upon our existing partnerships with employees, customers, consumers, and local communities." Many CCBW of Tullahoma employees are third and fourth generation. We know you join us in congratulating our colleagues in Great Lakes and Tullahoma.



### Coca-Cola Bottling High Country Breaks Ground on New Plant in Missoula

Coca-Cola Bottling Company High Country and local business leaders broke ground in May on a new facility in Missoula, MT. The 69,000-square-foot facility, originally scheduled to open next spring, is two months ahead of schedule!

Trevor Messinger, President and CEO of Coca-Cola Bottling Co. High Country, said "the old facility here in Missoula has served us well for a long time – served Coke well for a long time; but there's a point in time where you outgrow it and things age, so it's time to renew and reinvest."

The new facility nearly doubles the space of the original plant and includes easier access for delivery trucks. It is also zoned for light industrial use, eliminating the conflicts encountered by their previous facility, as growing residential development built up around it. "The new location should eliminate that conflict," Messinger said.

The new location also offers easy access to the interstate and simplifies High Country's distribution to the Kalispell region. As public demand has evolved, so too have the products carried by CCBC High Country, which now offers around 600 items. Messinger added, "as the beverage business expands and changes and consumer tastes expand and change, we're carrying a lot more products than we used to. We need that space to expand as a beverage company and offer products that consumers want."



The new facility represents a multi-million dollar investment in the community, winning praise from local business leaders. The plant itself will employ around 55 people.

Grant Kier, president and CEO of the Missoula Economic Partnership, said the county's development park was the right fit for the business.

"While High Country's former site served them well for 50 years, we're thrilled to see them investing here as a hub of commerce," Kier said. "It'll be safer for drivers and employees, more energy efficient, and it's going to improve operations for CCBC High Country. It's a great fit and a really good exchange of property -- moving to a place that's more appropriate for the business."

## The Coca-Cola Employee Disaster Relief Fund – Our System's Connection During Crisis

The Coca-Cola System is committed to assisting its employees and communities impacted by storms and other disasters through its Coca-Cola Employee Disaster Relief Fund. This Fund provides resources to enable system employees to begin recovering from a devastating event (storm, earthquake, fire).

The best way for the Coca-Cola System to help colleagues who may be impacted by such an event, is to donate to the Coca-Cola Employee Disaster Relief Fund. Contributions are used to support employees in the Coca-Cola System who are facing financial hardship immediately after a natural disaster. The fund relies on donations from employees, Bottlers, The Coca-Cola Company and The Coca-Cola Foundation.

Scan the QR code to **learn more** about the Coca-Cola Employee Disaster Relief Fund:



Scan the QR code to **donate** to the Coca-Cola Employee Disaster Relief Fund:



To donate to the Coca-Cola Employee Disaster Relief Fund you may also **text CEDAF to 71777**.



# Your Family-Owned Business

## Prosper Across Generations®

### Successful Family Directors Are Not Born, They Are Planned and Developed

By Stephanie Brun de Pontet

*The Family Business Consulting Group presented to CCBA Members at our 2018 Annual Meeting. We thought you might find the article below of interest and can provide additional resources and available (free) webinars for you to participate in, as appropriate to your interests. CCBA will be reaching out to ask for your input on this series. In the meantime, please let us know your thoughts on this and if you are interested in reading additional articles or topics related to the complexities of managing a family business.*

*Caleb has been working in his family's business for the past five years. The first two years doing a rotation program which gave him exposure to a wide range of company departments, and for the last three years, he has been cutting his teeth in sales and recently territory management for product distribution. Caleb works hard but is eager to be involved in higher-level decisions and has been advocating for a "seat at the table" – asking to at least sit in board meetings. His mother Susan serves as the Chair of the board and she is uncertain if this is a good idea, though her cousin, the CEO is advocating on Caleb's behalf...*

Even families with well-established professional boards that include capable independent directors, good board processes and value-added meetings will run into challenges around the role of the family with the board of directors. Let's consider some of these issues to highlight the underlying dilemmas and trade-offs that may need to be considered when determining the right path for your own family's board.

#### Ill-prepared family directors and overlapping roles

Most family businesses start with an informal board that may be comprised of all family owners and perhaps a few key non-family executives. While this forum provides a way to update owners on key matters impacting the company, it is rarely the right group of stakeholders to bring the depth of insight, oversight and objectivity that is most valuable from a more formalized board of directors. Often, when leaders recognize that their board would benefit from the perspective of independent outside directors, these individuals are added with little planning done around the role for and preparation of family directors as the board's role and mandate evolves.

As a result, you may end up with family directors who are not clear on their role and how they are expected to contribute. In the case of family directors who also work in the business – it can be challenging to shift perspective from their operating role to that of oversight of management. In fact, this can create awkward situations when you have a younger family member, who sits on the board by virtue of their ownership, engaged in oversight discussions about a senior leader in the business who is "several levels above their pay grade."

A family member who works in the business may bring the qualifications of understanding the business to their role as a director, but that is not sufficient. Navigating this 'dual role' for family directors who also work in the business requires that the family develop guidelines around this complexity and underscores the importance of specific board training and mentoring for operating owners who also serve as directors

#### Two-tiered board

Family owners who are not working in the business also need training so that they can contribute as full members of the board. Too often I see cases where family directors (especially those who do not work in the business) do not feel like they have much to contribute to the conversation at the board level, therefore they rarely engage and eventually are seen more like observers than 'real' board members. This is a complex and touchy subject because it can be the case that the business has recruited accomplished independent directors whose business experience way exceeds that of any family member, making it intimidating (and at times inappropriate) to weigh in on matters far outside the scope of competence of a given family director.

The most important way to address this challenge is to make sure everyone: family, management and independent directors, are clear and aligned on the role and importance of family directors at the board. The owners need to articulate why they want family directors and how those individuals are expected to add value to the board. Independent directors and management need to understand and value this important role so that they make a point of seeking out family directors on key topics or matters that the family has deemed of special importance to the owners. In addition, the Chair and/or lead independent director needs to intentionally bring these family directors into the conversation as appropriate, and provide coaching or mentoring to these directors if they feel they are not participating as much as they might. Finally, as a family director, in addition to regular board meeting preparation, you have a special responsibility to ensure you get the training and coaching you need to help you contribute the wisdom and perspective you were elected to bring into the board room.

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## Family Business Education for the Next Generation.....(continued from page 11)

### Inadequately developed qualification and selection process for family directors

It is common that family directors are initially either all the owners, all the owners who work in the business, or a branch representative from all the ownership branches. While there is a logic to these models, they also create a difficult status quo from which to evolve. There are few things more uncomfortable than asking someone (family or non-family executive) to step off the board as this governing body changes to play a different kind of role. That said, defaulting to the model that 'everyone gets a turn' or all branches need a seat at the table is not the answer. Not everybody's best contribution as an owner is to serve on the board, owners need to be honest with themselves about where they can best add value. In addition, the default to branch representation runs a profound risk of fostering 'branch thinking' at the board that could polarize the ownership group – rather than reinforce the important principle that all owners need to get aligned on direction and speak with one voice to the board, and that **every** director represents the interests of **all** shareholders.

One important responsibility of the ownership group is to define the governance model that will best help them meet their goals for their business. This includes determining the issues that will come before the board and topics where the board will have the final say. This also includes defining the size and composition of the board that can best oversee these matters. How many independent directors with what kinds of backgrounds, how many family directors who will bring what specific insights, as well as the role for board leadership (family Chair, lead director, other). Families who take the time to define clear director qualifications find that selecting these individuals becomes far more objective. As it relates to determining if a prospective family director candidate 'meets' the criteria, many will leverage their independent directors to provide this evaluation – to bring a little more objectivity into a process that can certainly be challenging for families to navigate.

Some families use narrow criteria and qualifications for family directors, choosing to err on the side of competence and selectivity so that family directors are as business savvy and experienced as possible. This tends to yield the strongest family directors as those with the most relevant experience are more likely to be considered as board candidates, and perhaps best suited to deeply engage as directors. Yet, some ownership groups do not have family members who would qualify in this context and choose instead to invest in the training and development of a pipeline of prospective family directors who have demonstrated a true commitment to their ownership role and are well trusted by all owners to represent their voice and concerns at the board.

Still, other families sometimes limit the family directors to only the most senior family member working in the business (who brings that

operational knowledge) along with one other family director who may be the Chair of the Family Council or in some other family leadership role to bring that depth of family insight to their role. It is important to consider the reality that working in the business provides valuable knowledge but can also result in a conflict of interest as a director.

### Poor planning on board observation

One tool that owners use in developing board talent among their family members is to give them the opportunity to attend board meetings as observers. While it is true that getting a sense of what goes on at the board can be helpful, I have also seen this approach over-used at times or done with little consideration or input from the independent directors. First, there is no doubt that an audience will influence the nature and tenor of a board discussion, especially on sensitive topics. For this reason, it is important to get buy-in from all directors as to the role, frequency and number of board observers that they feel can work in your board room.

Bear in mind as you consider setting the right boundaries that the primary goal of board observation should be learning. To that end, thought needs to be given as to a model that will advance the learning benefits to observers, while minimizing the disruption to the board. I would encourage you to limit the number of observers at any given board meeting (no more than two) and ensure all observers are aware that there is typically an executive session during the board meeting where they will be asked to step out of the room.

Develop guidelines on a minimum age or experience for participation, expected norms on confidentiality, and appropriate conduct in the board room (e.g., you shouldn't be playing with your cell phone while sitting in the board room). You will also likely want to develop a centralized process that manages the requests to observe and tracks the opportunities granted here, to ensure there is fair and organized access.

### Looking back to the case of Caleb where our discussion began:

*Susan has served on a couple of other family business boards and has seen many of these challenges first hand. She doesn't want to create the wrong precedent with Caleb so she convinces her cousin that the Family Council should first convene a meeting to ensure the family is aligned on the role of family directors and ready to update the qualifications and training program for future family directors. This would then serve as a guide on the purpose of board observation as part of family director training, allowing Caleb and others to pursue this in a more strategic fashion.*

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## Family Business Education for the Next Generation.....(continued from page 12)

### Conclusion

There is no single correct solution for any of these challenges. The right model should be driven by the needs and goals of your ownership group and the objective needs and opportunities in front of your business. But, here are some key guidelines that come out of the topics discussed for the overall ownership group as well as for family directors:



#### Ownership group

- Develop clear policies on qualifications, selection, term limits, etc.
- Clarify who is involved in all parts of the process  
(Family Council, Board, owners, nominating committee, etc.)
- Invest in developing a pipeline of capable family directors
- Ensure there is a solid process for onboarding all directors

#### Family directors

- Take this responsibility seriously
- Commit to continuous learning and preparation
- Use mentors and get regular guidance/coaching from Chair
- Participate appropriately (not too much, not too little)

It is also worth remembering that evolving your board, as opposed to blowing it up and starting over again, can be a viable option (we like to encourage evolution rather than revolution). I have often seen clients keep senior family members who might not 'qualify' given the new standards on a board until they term out, and use the qualification process initially only for any new directors coming on board. You have to use judgment in bringing even deeply needed change. Hopefully, the ideas and suggestions here provide a good starting point.

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Stephanie Brun de Pontet is a principal consultant with The Family Business Consulting Group, Inc., a leading management consulting firm serving the unique needs of multi-generational family businesses worldwide. Learn more at [www.thefbcg.com](http://www.thefbcg.com). This article originally appeared in the Family Business Advisor Newsletter and is published with permission from The Family Business Consulting Group. All rights reserved



## Time to Celebrate... Two new members join the Coca-Cola family!

### Introducing...

**Henry Pirie Pelo**

October 4, 2019 – 7lbs 7oz.  
19.5 in.

#### Proud Parents:

Kevin and Leslie Pelo

#### Proud Grandparents:

Jack and Melinda Pelo



### Introducing...

**Remington Savad Bridgeman**

November 22, 2019 – 7lbs 13oz.  
20.5 in.

#### Proud Parents:

Justin and Rhonda Bridgeman

#### Proud Grandparents:

Junior and Doris Bridgeman



## In Memoriam

We know you join us in sharing condolences with our Member families.



### Fred C. Kirkpatrick

(CCBC of Fort Smith)

October 27, 1919 – September 2, 2019

Fred C. Kirkpatrick was born on October 27, 1919 in Plainview (Yell County) Arkansas to Fred Sr. and Emma Coker Kirkpatrick and passed away on September 2, 2019. Mr. Kirkpatrick retired after 80 years with Fort Smith Coca-Cola Bottling Company as Operations Manager, Consultant, and Curator of the Museum of Coca-Cola Memorabilia, which he originated and developed. He also, in the last three years, created an Archives Room containing exhibits depicting the history of Coca-Cola Bottling Company of Fort Smith.

Fred was a member of First United Methodist Church and the Aldersgate Sunday School Class. He was a World War II veteran, serving with a unit of the 3rd Army in Europe for more than two years and was awarded five Bronze Stars for Normandy, Northern France, Rhineland, Ardennes and Central Europe campaigns. In past years, Fred was active in his community and church, with Boy Scouts, Lions Club, and other educational and sports programs.

Mr. Kirkpatrick was preceded in death by his wife of 64 years, Mary Beth Kirkpatrick; and a brother, Kenneth Kirkpatrick of Longview, Texas. Survivors are two daughters, Beth Janes (Randy) of Fort Smith, Lynn Franquemont (Jim) of Little Rock; and a son, Judge Fred Kirkpatrick (Mary) of Harrison; a sister, Gail Tompkins of Little Rock, seven grandchildren, and six great-grandchildren. **Memorials can be made to The Gregory Kistler Treatment Center for Children, 3304 South M Street, Fort Smith, AR 72903 or the Fred Kirkpatrick/Coca-Cola Scholarship Fund, University of Arkansas at Fort Smith.**



### Clarence G. Heilman

(CCBC High Country)

June 7, 1929 – September 23, 2019

Clarence G. Heilman, 90, a long time and much loved employee of Coca-Cola Bottling Company High Country, died Monday Sept. 23, 2019, surrounded by his loving family. Clarence, son to Anton and Magdelina (Gabriel) Heilman, was born June 7, 1929.

After he moved to Aberdeen, he married the love of his life, Joan Brendel, and they raised two daughters. He proudly served in the United States Army from 1951-1953. Clarence began working for the Coca-Cola Bottling Co in Aberdeen in 1953. In 1987, he moved to Rapid City and began working for Coca-Cola Bottling Company High Country. There, he became part of the Coca-Cola High Country family and later affectionately became known as "The Coca-Cola Legend".

Clarence enjoyed hunting, fishing, and anything that had to do with spending time with his family and friends. He was a member and an active participant in several organizations including the VFW, American Legion, the Elks, and the Moose Lodge.

Clarence is survived by two daughters, Susan VanNorton (Doug) of Rapid City, and Dawn Portka (Alan) of Seattle, WA; three grandchildren, three great-grandchildren, one sister, Florence Lehr of Aberdeen; and several nieces and nephews. Preceding Clarence in death are his wife, Joan; his parents, Anton and Magdelina Heilman; brothers, Christ and Floyd Heilman; sister, Lenora Malsam; and several brother- and sisters-in law. **A memorial has been established to the Rushmore VFW Post 1273.**



## In Memoriam

We know you join us in sharing condolences with our Member families.



### Robert Meek Jr.

July 5, 1945 – November 6, 2019

Robert Stanhope Meek Jr. died Nov. 6, 2019, in Fort Smith after a long illness. He was the son of Robert Stanhope Meek and Sarah (Sallie) Elizabeth Dean Meek. Born in Savannah, Ga., he moved with his family to Fort Smith at an early age.

Bob was a page at the Washington office of Sen. William Fulbright. He graduated from Fort Smith High School and Davidson College in Davidson, N.C. He then served with distinction in the Vietnam War.

Bob worked for many years as co-general partner of Coca-Cola Bottling Company in Fort Smith. He regarded his colleagues there as family.

He is survived by a sister, Sallie Meek Hunter (Vernon); two nieces, Sarah Hunter Morgan (John) and Kimberly Anne Wagner; and two nephews, Vernon Ross Hunter Jr. (Michele) and Robert Rhyne Hunter (Susan). He was preceded in death by his parents; a sister, Anne Meek Werner; and a nephew, Eric Preston Bell (Debbie).

The family wishes to express its deepest gratitude to his wonderful caregivers and friends who stood by him during his long journey through illness. **Memorials may be made in Bob's name to Fort Smith Boys and Girls Club, 4905 N. O St., Fort Smith, AR 72904.**

## Member Resources

### 2019 Risk and Financial Management Forum Highlights



*CCBA acknowledged Chris Buckley, (Swire Coca-Cola USA) – a long time contributor to the success of our Risk & Financial Management Forum, celebrating her impending retirement with a delicious cake*

This year's Fall Risk/Financial Management Seminar was held November 6-8 in Charlotte, North Carolina. This CCBA-sponsored forum is designed to address topics targeted to current challenges and Member needs across a broad range of risk and financial management topics.

The agenda included presentations and discussions that offered valuable resources and knowledge. Day one commenced with a comprehensive update from Bruce Karas, (CCNA) on sustainability and World Without Waste and its impact on the Bottling System. This is a complex and evolving topic that factors heavily in our respective system financial and risk management considerations.

After a break, Keith Sproles of AFS walked the room through a detailed economic and market update, considering numerous aspects in our current environment. He was followed by Chris Knee (Heartland Coca-Cola) and Brandon Wiseman (Swire Coca-Cola) who presented "ABCs of Safety at Coca-Cola" – an alphabet of safety best practices and focused plan to engage employees with safety training to achieve compliance and improvements across your organization. The afternoon kicked off with a presentation and discussion led by Coca-Cola Consolidated's Jim Matte, SVP, Human Resources and Todd Miller, VP Organizational Capability. Jim and Todd discussed the challenges with hiring and retention in today's environment and shared ways their organization is leveraging technology to create efficiencies in talent acquisition and importantly, engagement, learning and development and employee retention.

Franklin Davis, ABA's Senior Director of Federal Affairs provided an update on the American Beverage Association's legislative and political focus across the state and federal level. He provided key dates to note as we move through this year, as he explained the intricacies and politics to

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## Member Resources

### 2019 Risk and Financial Management Forum Highlights



.....(continued from page 15)

consider with key legislation and industry activity. Attorney John Bode, Esq. of southeastern law firm, Miller & Martin led an unconventional and memorable exercise to discuss key topics and share legal updates with employment law.

The final discussion of the afternoon was led by Lael Bellamy, Esq. of Fenwick & West, a national specialty law firm. Ms Bellamy covered Top Privacy and Security Trends and the legal and regulatory complexities associated with them. A spot-on and important topic in our current environment.

Day two began with a topic that resonated with almost everyone in attendance, Developing a Relevant Continuity Plan for your business. Keith Goodenough and Chris Knee of Heartland Coca-Cola shared how their organization was addressing this topic, particularly as it related to crisis management. After a break, Gordon Mandt of Odom Corporation led a discussion on safety training that highlighted how the evolution in technology, communication and culture is impacting this area. He encouraged open dialogue and shared best practices and how Odom Corporation addresses safety training.

Gordon's Not Your Parent's Safety Training was an apt segue for the next presenters, Russ Stinehour and Troy Tolle of Digital Chalk. Digital Chalk is CCBA's learning management system partner and Russ and Troy have comprehensive knowledge of training trends and technology. Troy shared details of how a person learns and how this will impact learning management of the future.

After lunch, Allen Lumpkin from Pritchard & Jerden and Eric Lorne of Coke Consolidated covered the "what", "why" and "how" of cybersecurity. Allen and Eric talked about the role insurance is playing in protecting against the risks of cyber security breaches, and shared considerations and key provisions in a state-of-the-art cyber protection policy. They were followed by Dr Donna Smith of Workforce QA, who covered the details

of legalized marijuana and CBD oral fluid drug testing as it relates to the Federal Motor Carrier Safety Administration Clearinghouse, among other points of interest.

The afternoon concluded with Brantley Pearce, of Work Institute, who shared facts on the topic of employee retention. Brantley took a deep dive into the data behind why some employees stay and others leave, as well as trends and case studies that offered salient examples to apply in one's respective work environment.

The session's final day began with a Legal Advisory Council update from CCBA's General Counsel, Charles Norton. After a brief break, Charles was joined by CCBA's new CFO, Suzy Higginbotham and Sr. Relationship Manager, Stephanie Griffin to share an overview of CCBA's Programs that can add value to your business.

This Forum is open to all Bottlers and provides an excellent opportunity to collaborate and engage in meaningful discussion with fellow Members, industry colleagues and experts on topics unique to your business. The topics are timely and offer real value to our Bottling organizations in today's economic environment. We encourage you to consider attending this valuable session next year!



*Time to relax after a productive day!*

For more information, contact Charles Norton at 678-539-2304; (cnorton@cbanet.com) or Suzy Higginbotham at 678-539-2302 (shigginbotham@cbanet.com)

## Happy Holidays to Everyone!

And best wishes for a happy, healthy and prosperous 2020!



3282 Northside Parkway, Suite 200 | Atlanta, GA 30327

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If you have stories or information about your Bottling organization or employees that you want to include in our next edition of the Bottling Line, contact Linda Peluso at the Association at 678-539-2309 or lpeluso@cbanet.com.