



Happy Holidays

**THE SEAGRAM COMPANY LTD.
Amherstburg Plant
December, 1989**

As we approach the end of 1989, I want to express my sincere thanks and appreciation to all employees in the Amherstburg Plant and our Seagram associates for their contribution towards our operation in the past year.

1989 has been a difficult year, as we were coping with several changes in the plant organization. These changes were the direct result of the depressed economic climate for our industry in North America during the 1980's. However, on the eve of a new decade, we are looking forward with renewed hope to a better future and new opportunities for growth and prosperity.

During the Christmas vacation period, we should reflect on the good things in our lives and enjoy this festive season with our families and friends. My warmest greetings and best wishes for peace, happiness and good health are extended to all of you, your families and our retirees. May the Peace and Joy of Christmas be with you today and throughout the New Year.

M. BRESHAMER

As we are approaching the year end, we are also reaching the end of the 1980's. This past decade has been a period of dramatic change for our industry in Canada and to some extent in the U.S. as well. The gradual growth of business the Canadian distillers enjoyed on the domestic market in the early 80's, came to an abrupt end when the federal government introduced the indexation of the excise tax on alcohol. This move, which was followed by other sales tax increases by both the Federal and Provincial Governments, caused a rapid escalation of the price of distilled spirits. The net effect has been a continued decline of the market, which at present has caused a loss of 5.1 million cases or 23% from the peak of 22 million cases sold in Canada in 1981. Its impact has been felt throughout the industry with suspension of distilling operations at various locations initially, and later with numerous plant closures. The Amherstburg plant has been affected when our distillery, being one of the smaller production units, was shut down in 1982. More recently, we went through a plant reorganization which had an impact on the plant employment level. As difficult as these changes are, it is important that we maintain our productivity levels in a time of rapidly escalating costs in a highly competitive beverage alcohol market.

Throughout this period of change, we were fortunate to be one of the major producing plants of Crown Royal for the U.S. export market. The company's marketing strategies in Canada and the U.S. have been innovative and aggressive. The results speak for themselves, when one reads the stories in the fall edition of Distillations covering the 50th anniversary of the introduction of Crown Royal.

For the Amherstburg Plant, Crown Royal has become (next to V.O.) the key volume brand for our bottling operation. From a volume of 400,000 cases in 1980, we are now nearing the 1-million mark with 3 lines capable of producing this brand. The bottling schedule for the last week of the year tells the story: on line #1 - C.R. 200 ml, on line #3 - C.R. 750 ml, and on line #4 - C.R. 1.75 l. We are looking forward to continued success in the future for our premium brand and also for growth of Canadian Hunter, introduced in recent years for the U.S. market.

With this note of optimism, we hope to see a brighter future for our business in the 1990's.

Next year will be an important year for us as the company and the union have to finalize the contract bargaining process, which has just started with a first meeting in December.

Plant efficiencies, which have been suffering through the period of change in the past year, show signs of improvement but require the effort and input from every employee in the new year to get back to normal levels. There are other concerns which will need our attention, e.g. better performance in the plant safety record, which experienced a setback in 1989 from a gradual improvement in earlier years. More information on our plant Health & Safety program is covered in the safety year end review.

Special attention will be given in the 90's on reducing waste of various materials from the plant. Wherever possible, we can see greater support from all communities and industries in promotion recycling programs. We are moving already in that direction with the installation of a 2nd compactor to accumulate clean cardboard for recycling to the local recycling plant in Windsor. The member companies of the Association of Canadian Distillers will be making a concerted effort to participate in the waste recycle programs in their own communities.

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SAFETY & HEALTH - YEAR IN REVIEW

During the past decade and especially evident in 1989, there has been an increasing trend towards employee participation in maintaining workplace safety and health. This increased participation is the direct result of Ontario's Occupational Health & Safety Act and WHMIS Regulation, which aims to promote the active cooperation of employers, employees and their trade unions in the prevention of occupational injury and illness.

Our WHMIS training program this year saw us train almost every employee in the plant in the four modules of the tripartite sponsored training program, which included Legislation, Information Delivery, Occupational Health, and Control of Hazards.

Our two trainers, Brian Ferguson and Gord Marshall, must be commended on the admirable job they did for such a first time endeavour.

Our safety record this year shows Lost Time Accidents at 14, at the time of printing this article, compared to 11 LTA's in 1988. However, total days lost decreased to give us a severity of approximately 223 versus 281 in 1988, which is an improvement.

There were five months (including December 1989, if it remains so) during the year that had no Lost Time Accidents occur in them, which resulted in activation of our safety draw and six winners of a \$25 gift certificate to a local eating establishment.

We encourage everyone in 1990 to do their part in the elimination of workplace injury. Your Safety & Health Committee cannot do it themselves. They need every employee's effort and cooperation to make 1990 the safest year yet!

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1989 UNITED WAY

The 1989 in-plant United Way campaign was concluded by mid November, with a total amount raised of \$21,185. When one takes into account that there were fewer employees in the plant than last year, we did extremely well. With 159 employees out of 223 donating, we had 71.3% participation and a contribution level of \$133.24 per donor. Campaign Chairman Joe Beneteau and his in-plant campaign team wish to thank all contributors for their generosity towards the United Way this year.

General Campaign Chairman Phil Mersch from the Ford Motor Company was in the plant last week for the presentation of the employees' contribution and the company's matching donation. Mr. Mersch presented us with a certificate recognizing the special effort of our plant employees and the ongoing corporate support from Seagram.

Congratulations to the campaign team for a job well done! This year's team consisted of: Joe Beneteau - Chairman and Canvassers: Isabelle Bastien, Art Hatch, Betty Gibb, Fred Conte, Brian Ferguson, Jeannine Shaw and Martin Breshamer.

Fundraising efforts for charitable causes did not stop after the completion of the United Way campaign. Bottling employee Grace Delmore, assisted by several canvassers, held a collection for The Arthritis Society raising \$993. Also, last week Betty Gibb, David Pouget, and Joe Beneteau sold raffle tickets for a bottle of Crown Royal Limited Edition donated by the company; they raised \$191 which was donated to the local food bank. This past Friday and Saturday, the A.A. & M. Goodfellows had their annual fund drive; they traditionally select the coldest weekend to stand on the street corners raising money for food baskets to be distributed at Christmas to needy families. Congratulations to all the Goodfellows in our plant for the heartwarming job you did last Friday night and Saturday.

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E.A.P. JOINT COMMITTEE:

We would like to extend our most heartfelt thanks to Wayne Marshall and Dorothy Bondy for the superb job and contribution they made while serving on the committee. They are leaving the committee after several years of very dedicated work.

At the same time, we welcome two new members to the committee, Doreen Spearing and Tom Paisley. Tom is presently enrolled in the Union Counsellor Program and Doreen will soon follow. Please give these employees your full support as the job they do can be very difficult at times.

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RETIREES LOCAL 2098 CHAPTER

The Retirees of C.A.W. Local 2098 chapter, held their annual Christmas party at the Anderdon Tavern on December 12th at 12:30 p.m. Forty members and guests attended.

Special guests included Seagram Plant Manager, Mr. Martin Breshamer, Mr. Elso Pontini, Brother Joseph Beneteau of Local 2098, Brother Mike White and his wife Nellie of Local 89 Retiree chapter of which he is Chairman.

Mr. Breshamer brought greetings from Seagrams and gave a short address on present conditions in the liquor industry. Brother Joseph Beneteau brought greetings from members of Local 2098 and spoke briefly on union affairs. Brother Mike White also extended best wishes from his chapter.

The special guests were thanked by Chairman Howard Goulin, who had given his welcoming address previously.

Door prizes were drawn, including a goodly number donated by Mr. Breshamer.

The highlight of the day was the surprise gift (for all retirees) of a bottle of Crown Royal commemorating the 50th anniversary of the Crown Royal brand. This was in addition to a bottle of Adams Antique for all members.

We wish to extend our sincere thanks to the Seagram Company, Mr. Breshamer, Elso Pontini and Local 2098, for their generous assistance in making this annual dinner such a success.

The members of Retiree Chapter 2098 extend to all, our Best Wishes for a safe and prosperous Holiday and New Year.

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JOHN Q. DUFFY SCHOLARSHIPS:

Mr. G. Kosiuk announced last week the 5 winners for the 1989 J.Q. Duffy Scholarship Awards. As last year, we were pleased to learn that two students from Amherstburg were among the winners. Congratulations to MICHAEL FINN, son of Tim Finn, and to DONNA BEAUDOIN, the daughter of Terry Beaudoin.

Michael Finn is a 3rd year student, 1st year at the Faculty of Dentistry of the University of Western Ontario.

Donna Beaudoin is in her last year in the program of Business Accounting at St. Clair College in Windsor.

The other winners in the competition were Robert Taylor in Waterloo, and Wayne Forbes and Barclay Monaster in Gimli.

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A P P O I N T M E N T

Mr. Robert R. Brinkman, Vice-President, Packaging Administration is pleased to announce the appointment of:

BRIAN KEATING

as Manager, Bottling Planning, effective December 1st, 1989.

This promotion is in recognition of Brian's excellent performance in responding to the expanding responsibilities of his position as Department Head - Bottling Planning. He will continue to report to Mr. Brinkman and be located at PMT.

We congratulate Brian and wish him well in his new position.

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R E T I R E M E N T S

CONGRATULATIONS ARE EXTENDED TO YVONNE BERGERON, who retired on November 1, 1989, after 25 years of service.

Also, CONGRATULATIONS TO ISABEL MARTIN, who is on vacation until her retirement starts on March 1, 1990, after completing 25 years with the company. She joins her husband Murray, Seagram retiree of 1987.

Both Yvonne and Isabel plan to take life a little easier from now on and they will have a little more spare time to get a game of euchre going with their neighbour, Seagram retiree of 1982, Sugo Meloche.

We wish both ladies the best in retirement and many healthy and happy years!

The picture pages show the presentations made to other retirees earlier this summer and fall: IDA SMITH and BRUCE LANGLOIS in July, LORNA FOX in August, GORD FREEMAN in September. We extend our best wishes for good health and happy retirement to this group as well.

The picture of JOHN SCHUURMAN and his wife LAURA, was taken in November when John left us. He is now working for VandenBergh Foods in Detroit, which is a subsidiary of Lever Bros. We wish him well in his new career.

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MYSTERIES AND MYTHS OF WINE: PART II

THE SERVICE OF WINE

By David Nasby
Director

It is difficult - for the most part - to think of drinking wine without reference to eating, or vice versa. Once this premise is accepted the main task is to choose something appropriate or complimentary. These questions arise often, "What goes with...?" or "What should we drink first...?" These all too familiar questions can be approached with some logic and due disregard for the old, oft-repeated rule - white wine with white flesh, red wine with red. Handy as these old rules are, they do disservice to both the variety of wines available and to the imaginative cooking that is practiced in contemporary kitchens.

Key to understanding food and wine match-ups is the notion that the food and wine should not over-power each other - delicate flavoured dishes require wines of an equally delicate flavour; fuller bodied wines can accompany dishes more fully flavoured. When planning multi-course meals, the goal for both food and wine is to ascend in quality and flavour with the aim of not oversaturating the palate at the start. Succeeding courses should unfold, flavour on flavour. From the first course to dessert, as a general rule, wines should be served following a number of logical principles - white before red, dry before sweet, light-bodied before full-bodied, modest before fine, and young wines before old. The key in each case is to identify the main flavour of any particular dish and to complement it - not overpower it. Often the key is the spices, herbs or sauce rather than the main ingredient. Fish or shellfish can be delicate, requiring

a subtle and light-bodied white wine, or they can be strong and assertive as in a Mediterranean fish stew. This stronger flavour would require a wine with more body and stronger flavours, perhaps a rose or light-bodied red.

Much controversy surrounds the temperature at which to serve wine. "Room temperature" or "chilled well" are hardly adequate descriptions. Generally speaking, in North America, we serve white wines too cold and reds too warm. Below 5 degrees C (42 degrees F) our taste sense does not operate and flavours are suppressed. Wine that is overly warm tastes bland. While there is much debate about the "optimum" serving temperature for various wine types this rough guide will serve:

Sparkling wines - 5 - 7 degrees C
(42 - 45 degrees F)
White wines - 7 - 10 degrees C
(45 - 50 degrees F)
Rose, light reds - 10 - 12.5 degrees C
(50 - 55 degrees F)
Medium reds - 12.5 - 15.5 degrees C
(55 - 60 degrees F)
Full bodied reds - 15.5 - 18 degrees C
(60 - 65 degrees F)

The possibilities for wine and food matches are endless but require an understanding of basic wine characteristics applied in concert with the essential flavours of the planned menu. Logic and the general rules stated provide the scope and flexibility to plan the happy marriage of food and wine.

REPRODUCED FROM "THE GRAPEVINE"

(Fall 1989 - Volume 4, No. 3)

HAPPY BIRTHDAY TO:

Dec. 2 -	Brian Ferguson	12 -	Mae Rumble
3 -	Bert Tofflemire	18 -	Aldo Iannucci
4 -	Geraldine Meloche	20 -	Reg Davis
5 -	Fortunata Vacilotto	25 -	Jim Turner
6 -	Howard Parker		- Rose Anne Laramie
7 -	Tom Shaw	28 -	Stella Luciw
8 -	Sylvia Drouillard		- Laura Gignac
9 -	Larry Renaud		

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OUR CONDOLENCES TO:

Retiree Mabel Meloche on the loss of her husband Art, who passed away July 22nd.

The family of retiree Kathleen McGillis, who passed away August 20th.

The family of retiree Jack Jones, who passed away September 14th.

The family of retiree Amedee Chappus, who passed away September 15th.

Pearl Deneau, retiree, on the loss of her mother and Achille Pouget of Bottling, on the loss of his step-mother Marie Pouget, who passed away October 3rd.

Margaret Beetham, LTD, Diane Foreman and Dale Iler on the loss of a son and brother, John Iler, who passed away October 27th.

The family of Marie Duckworth, who had been on LTD, and passed away November 15th.

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The Canadian Spirit

Goods and Services Tax

THE proposed Goods and Services Tax (GST) will bring major changes to the tax treatment of beer, wine and spirits in Canada. At present these products, along with gasoline and cigarettes, draw a 19% federal sales tax. This levy is applied to the total of the producer price plus assessed excise duty or tax.

A new Goods and Services Tax of 9% would be applied at the retail level. The GST White Paper promises future negotiations with the provinces to ensure that the new tax does not disrupt the tax revenue currently enjoyed by either level of government.

What is at stake is the \$5 billion in taxes generated annually by the beverage alcohol sector. Given the fact that these taxes account anywhere from fifty to eighty four percent of the retail price for these products, the tax treatment will make or break the industry's future.

The key issue for Canada's distillers will be the impact the proposed new single rate tax may have on the federal government's excise duty rates and on provincial mark-ups.

“How will the government justify a single rate for sales tax on beer, wine and spirits and three totally disparate rates in excise duty? Surely we should tax the alcohol in each product at the same rate at each taxation point,” said ACD president Ken Campbell.

At present the federal excise duty on spirits is based on a per litre of absolute alcohol (l.a.a.) basis, currently \$10.73/l.a.a. The federal excise tax on wine is \$3.73/l.a.a. The excise duty rate for beer varies depending on the strength of the product. However, light, regular and dry beer are all subject to the same rate per hectolitre which actually makes the dry beer a tax bargain.

One major concern for all three beverage alcohol sectors in the current tax reform process will be the priorities of the federal and provincial negotiators. It will take a determined effort on the part of the finance ministers to ensure that revenue neutrality is assured not just for the two levels of government but also for the three beverage alcohol sectors.

For distillers, the seven year decline in sales of spirits has given this tax reform process a special urgency. Although federal sales tax revenue has increased for each of the past few years, receipts from excise duty have started to reflect the industry's plummeting sales.

Since 1980 the industry has seen the loss of nearly 20% of the workforce to the current level of 4,000 jobs. Several plants have closed and although the domestic production still accounts for about 77% of overall Canadian consumption, the market share of imports has grown steadily.

Exports continue to play a vital role in the health of the Canadian industry accounting for close to half of the total production. However, the severe decline in the Canadian market has taken its toll on the cost efficiency of our plants. The health of our export market depends in part on the health of the Canadian market. An excessive taxation level at home has been the key factor in a 28% decline in sales since 1980.

The Association of Canadian Distillers has been an ardent supporter of the tax reform process and the introduction of a new single rate Goods and Services Tax. It is still too early to determine if the idea's merit in principle will be translated into equity in the marketplace.

Inside:
Half Year
Spirits Sales

RETIREE CHRISTMAS PARTY 1989



RETIREE EXECUTIVE

I. MONROE, P. DENEAU, MR. & MRS. H. GOULIN, MR. & MRS. D. BECKETT





RETIREE I. MARTIN

W. BAKER



DISPLAY OF CROWN ROYAL LIMITED EDITION
IN THE AMHERSTBURG L.C.B.O.
BARRELS WERE DELIVERED TO THE L.C.B.O. BY OUR YARD CREW



M. BRESHAMER

RETIREE L. FOX



JOHN & LAURA SCHUURMAN



M. BRESHAMER RETIREE Y. BERGERON



RETIREE B. LANGLOIS D. KELTIKA



30 YEAR SERVICE AWARD RECIPIENTS
L. MEHENKA G. FREEMAN



RETIREE G. FREEMAN M. BRESHAMER



RETIREE I. SMITH E. PONTINI