

## Big Apple bound

Golden's Manhattan transfer underscores reports InBev's new center of gravity is in NYC

BY CHRISTOPHER TRITTO

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A short ride uptown from Wall Street and a mere three blocks from Rockefeller Center, more than 100 Anheuser-Busch InBev employees filter in to work each day at a building at 250 Park Ave. in New York City.

Designed in 1925, it is one of the few older buildings on Park Avenue. But it doesn't stand out for that so much as it does for the speculation that it's being transformed into the new world headquarters for A-B InBev.

Although company officials stress St. Louis is the primary seat of North American operations and that Leuven, Belgium, continues to serve as A-B InBev's global headquarters, a relocation of corporate power is under way. New York is emerging as the new epicenter of influence for the world's largest brewer.

**ROBERT GOLDEN**

Promoted to head global mergers and acquisitions for A-B InBev from its New York office

New York last month eliminated another high-level post in St. Louis and further concentrated the clout of parent company Anheuser-Busch InBev's five-month-old Manhattan office.

The workers there, most of whom fill management positions transferred from Belgium, occupy the company's 31,557 square feet on the second floor of the building. About 10 of the people there relocated from St. Louis or other Anheuser-Busch facilities, said spokeswoman Marianne Amssoms, though she declined to provide their names or titles.

Golden, who spent the past 19 years here as vice president of

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ILLUSTRATION BY  
MICHAEL BEHRENS

## One City Centre now in Hastie's hands

BY LISA R. BROWN

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Two problem downtown properties, the One City Centre office building and the empty Arcade, were sold through foreclosure this week. Stacy Hastie, CEO of environmental remediation firm Environmental Operations Inc., took ownership of both buildings in a public auction held in the lobby of the Civil Courts building Feb. 3.

Hastie was the sole bidder on the Arcade for \$9 million; and Hastie and a

group of investors were the sole bidders on One City Centre for \$12.7 million. The buildings have vastly different histories.

The Gothic revival Arcade Building at 810 Olive St. was built in 1919 and is considered one of Eames & Young's architectural marvels. One City Centre, one of the city's newest office towers, was built in 1986 as part of the St. Louis Centre development at Sixth and Washington that flamed and later fizzled when retailers fled the mall.

Both the Arcade and One City Centre were previously owned by John Steffen's

Pyramid Cos., which ceased operations in April 2008, before the development company started work on either property. Hastie, a former investor with Steffen, is taking over the notes from Pyramid's former lender, Bank of America, which foreclosed on both properties in 2009.

Through an ownership group called SCR Investments, Hastie has pursued a \$29 million redevelopment plan for nearly two years for One City Centre that includes renovating the office space and re-

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# A-B: The Big Apple's gravitational pull raises questions about the future role of St. Louis operations

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mergers and acquisitions, now heads up deal-making worldwide from the Big Apple. His promotion is the latest illustration that St. Louis is playing an increasingly smaller role within a much larger corporate machine.

A-B InBev Chief Executive Carlos Brito and Chief Financial Officer Felipe Dutra are spending much of their time in New York and by most accounts have made it their home base. The rest of the parent company's "global functioning heads"—Chief Marketing Officer Chris Burggraeve, Chief Legal and Communications Officer Sabine Chalmers, Chief Supply Officer Claudio Braz Ferro, Chief People and Technology Officer Claudio Garcia, and Chief Procurement Officer Tony Milikin—and members of their respective teams also work in Manhattan now. Robert Ottenstein, global vice president of investor relations, is there, too.

Amssoms, the spokeswoman, transferred from Belgium to New York. She said the Manhattan office allows executives to "better support the needs of the combined global organization" and offers "a great example of how the combination of Anheuser-Busch and InBev has significantly strengthened our talent pipeline."

Analyst Ann Gilpin of Morningstar Inc. said A-B InBev has downplayed the rising stature of its New York office and the number of people it is moving there "due to the obvious sensitivity to their communities (in Belgium and St. Louis). I don't think they would completely close St. Louis down or uproot it, but for all intents and purposes, I think New York will be at least a co-North American headquarters."

St. Louis' status as A-B InBev's North American headquarters remains significant. North American Zone President Luiz Fernando Edmond and Anheuser-Busch subsidiary President Dave Peacock are based here with a team of 12 senior executives responsible for brewing, marketing and selling Budweiser and other brands across the continent. That's no small task

considering Anheuser-Busch still holds a nearly 50 percent share of the U.S. beer market and accounts for more than 40 percent of A-B InBev's total earnings.

"St. Louis is now home to the largest division of one of the world's top-five consumer product companies," Peacock said. "Certain corporate responsibilities are based in our global offices, but the day-to-day business decision-making and strategies are handled at the zone level. Some global functions, including global brands and areas of people support, also are based in St. Louis, where there are strong resources."

But the Big Apple's gravitational pull continues to raise questions about the future roles of St. Louis and Leuven, particularly when Brito, a Stanford-educated Brazilian, presumably has few deep-seated ties to either city.

## A CASE FOR CITIZENSHIP

Brito and Dutra filed disclosures in December that they each sold and immediately reacquired tens of millions of their own A-B InBev shares, according to records from the Commission Bancaire, Financiere et des Assurances, or CBFA, the Belgian counterpart to the Securities and Exchange Commission. That has led some analysts and European newspapers to suggest those moves could have been carried out for strategic tax purposes in advance of applications for permanent residency or citizenship in the United States.

Amssoms acknowledged the private stock transactions, but said A-B InBev believes it is "not relevant to further elaborate on the reasons for these trades."

A significant corporate presence in New York certainly offers some advantages. The city is home to many of the largest advertising agencies, media companies, financial services firms and private investment managers. It is also located between Leuven and St. Louis and

offers more direct air travel to A-B InBev units and customers around the globe.

On Sept. 16, Brito led a team of A-B InBev executives to ring the opening bell at the New York Stock Exchange to mark the combined company's first day of trading there. Although the brewer's ordinary stock continues to trade on Euronext Brussels under the ticker symbol "ABI," American investors can now buy

## 'Day-to-day business decision-making and strategies are handled at the zone level.'

Dave Peacock | Anheuser-Busch Inc.

and sell A-B InBev American Depository Receipts, or ADRs, under the "BUD" symbol. Each ADR represents one share of common stock.

That day, Dutra said the New York Stock Exchange listing was "another important step in facilitating broader ownership of Anheuser-Busch InBev shares in the U.S. capital markets and reflects the company's global presence."

Belgian newsmagazine Flanders Today reported in January 2009 that A-B InBev "caused shock waves" when it announced a plan to move "a complete layer of senior management to New York." Most of those approximately 100 jobs were held by Belgians, and the transfer left A-B InBev's global headquarters with about 70 executives, according to the report.

Last month, Belgian workers blocked the entrances to A-B InBev breweries in the cities of Leuven, Jupille and Hoegaarden for two weeks in protest of the company's plan to cut 263 jobs from its 2,700-employee Belgian work force. On Jan. 21, A-B InBev executives agreed to freeze the cuts as the workers' action drained beer supplies at European grocery stores and bars.

In St. Louis, nearly all of Anheuser-Busch's top executives left the company when InBev took over in November 2008, and the office here lost several influential voices in the process.

Those departures were quickly followed by plans to eliminate about 2,300 local salaried positions, or nearly 40 percent of the brewer's previous St. Louis work force of 6,000.

Yet, A-B InBev stresses that St. Louis retains a vital operational role, and Leuven is the company's strategic decision-making center. Shareholders' meetings are held in Belgium along with most gatherings of the board of directors and the executive board of management. Brito and his top New York executives also have offices in Belgium. The company's global strategy and sales team is based there, as are some financial, legal and technical functions, and A-B InBev's research and development facility.

"Whether the company is headquartered in New York or Belgium, you still have regional businesses," Swartzberg said. "I don't see why a relocated global headquarters to New York would change where the head of North American operations is based."

## A-B INBEV NORTH AMERICAN ZONE

Management Committee members based in St. Louis:

**Luiz Fernando Edmond**, Zone president of North America for A-B InBev

**Dave Peacock**, President, Anheuser-Busch Inc.  
**Peter Kraemer**, Vice president for supply  
Kraemer heads all brewery operations, quality assurance, raw materials, logistics and product innovation responsibilities.

**Thomas Adamitis**, Vice president of procurement  
Adamitis leads all purchasing strategies and activities, including energy, packaging, raw materials and capital expenditures.

**David Almeida**, Vice president of finance  
Almeida is responsible for all budgeting, business performance, risk and control and tax matters.

**Odilon Queiroz**, Vice president for information and business services  
Queiroz is responsible for all infrastructure and application support and development, in addition to leading business services solutions for the North American zone.

**James Brickey**, Vice president of people  
Brickey is responsible for compensation, benefits, talent management, risk management, diversity, security, building services, corporate events and food services.

**Gary Rutledge**, Vice president and zone general counsel  
Rutledge is currently an Anheuser-Busch strategy committee member and vice president responsible for all legal, government affairs and labor relations.

**James Villeneuve**, Vice president for corporate affairs  
Villeneuve, a 21-year InBev vet, oversees the team responsible for government and regulatory affairs, external communications, public relations, corporate social responsibility and foundation and donation management.

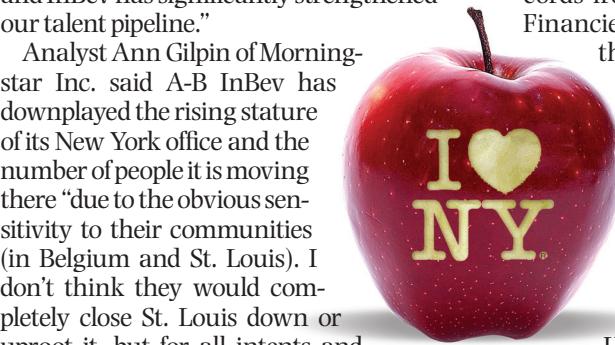
**Pablo Gonzalez**, Vice president of logistics for the North American zone  
Gonzalez manages the logistics and transportation functions for the United States and Canada.

## PEACOCK'S DIRECT REPORTS AT ANHEUSER-BUSCH

**Keith Levy**, Vice president of marketing  
Levy is responsible for all brand management, consumer strategies and innovation, creative development, media, sports and entertainment sponsorships, as well as the Clydesdales, brewery tours and Grant's Farm.

**Anthony Short**, Vice president of business and wholesaler development  
Short is responsible for U.S. business development and helping wholesalers improve their business operations and profitability through merger and acquisition services, financing assistance, routing support, shared services and business analysis.

**Keith Moszczenksi**, Vice president of commercial planning & performance management  
Appointed in March 2009, Moszczenksi is responsible for financial planning, sales and market analysis as well as revenue management.



**CARLOS BRITO**  
Chief Executive Officer



**FELIPE DUTRA**  
Chief Financial Officer



**SABINE CHALMERS**  
Chief Communications & Legal Officer



**CHRIS BURGGRAEVE**  
Chief Marketing Officer



**CLAUDIO GARCIA**  
Chief People and Technology Officer



**TONY MILIKIN**  
Chief Procurement Officer



**JO VAN BIESBROECK**  
Chief Strategy & Sales Officer



**CLAUDIO BRAZ FERRO**  
Chief Supply Officer