

COCA COLA BOTTLING CO CONSOLIDATED /DE/

Form 8-K

September 28, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): September 23, 2015

COCA-COLA BOTTLING CO. CONSOLIDATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

0-9286
(Commission

56-0950585
(IRS Employer

of incorporation)

File Number)

Identification No.)

4100 Coca-Cola Plaza, Charlotte, North Carolina 28211

(Address of principal executive offices) (Zip Code)

(704) 557-4400

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Asset Purchase Agreement for Next Phase Territories. On September 23, 2015, Coca-Cola Bottling Co. Consolidated (the Company) and Coca-Cola Refreshments USA, Inc. (CCR), a wholly owned subsidiary of The Coca-Cola Company, entered into an asset purchase agreement (the Asset Purchase Agreement), pursuant to which CCR will grant the Company exclusive rights for the distribution, promotion, marketing and sale of products owned and licensed by The Coca-Cola Company in the following territories currently served by CCR: (i) eastern and northern Virginia, (ii) the entire state of Maryland, (iii) the District of Columbia, and (iv) parts of Delaware, North Carolina, Pennsylvania and West Virginia (the Next Phase Territories). The Next Phase Territories transactions (the Next Phase Territory Transactions) are the first phase of the proposed franchise territory expansion described in the non-binding letter of intent entered into by the Company and The Coca-Cola Company on May 12, 2015 (the May 2015 LOI) and described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission (the SEC) on May 13, 2015. A copy of the Company's news release, dated September 24, 2015, announcing the Next Phase Territory Transactions is filed as Exhibit 99.1 hereto. A summary description of the Asset Purchase Agreement, which is filed as Exhibit 2.1 hereto, is included below.

Pursuant to the Asset Purchase Agreement, the Company will purchase from CCR in a series of territory expansion transactions (i) certain rights relating to the distribution, promotion, marketing and sale of certain beverage brands not owned or licensed by The Coca-Cola Company (cross-licensed brands) but currently distributed by CCR in the Next Phase Territories and (ii) certain assets related to the distribution, promotion, marketing and sale of both The Coca-Cola Company brands and cross-licensed brands currently distributed by CCR in the Next Phase Territories (the business currently conducted by CCR in the Next Phase Territories using such assets is referred to as the Next Phase Business) and assume certain liabilities and obligations of CCR relating to the Next Phase Business. Subject in each case to certain adjustments as set forth in the Asset Purchase Agreement, the aggregate purchase price for the transferred assets is approximately \$127.4 million, provided that the base purchase price amount to be paid by the Company in cash after deducting the value of certain retained assets and retained liabilities is approximately \$99.7 million. The Company anticipates that, subject to satisfaction of the applicable closing conditions, the first closing under the Asset Purchase Agreement will occur in October 2015. The expansion of the Company's distribution territory contemplated by the Asset Purchase Agreement and the May 2015 LOI follows the Company's completion, in May 2015, of a series of territory expansion transactions with CCR (the Completed Phase Territory Transactions). The territory acquired by the Company in the Completed Phase Territory Transactions includes parts of Tennessee, Kentucky and Indiana (the Completed Phase Territories) that were previously served by CCR.

The Asset Purchase Agreement includes customary representations, warranties, covenants and agreements, including, among other things, covenants of CCR regarding the conduct of the Next Phase Business prior to the closing of the transactions contemplated by the Asset Purchase Agreement. The representations and warranties of the Company and CCR will survive for 18 months following the applicable closing date under the Asset Purchase Agreement, except that the representations and warranties of the Company and CCR relating to incorporation, authority, no conflicts, CCR's title to the transferred assets and broker fees will not expire, the representations and warranties of CCR with respect to environmental matters will survive for five years following the applicable closing date and the representations and warranties of CCR with respect to employee benefits matters and tax matters will survive for three years following the applicable closing date. CCR is obligated to indemnify the Company, among other matters, with respect to inaccuracies or breaches of representations or warranties (subject to certain customary limitations), breaches of covenants and liabilities retained by CCR. The Company is obligated to indemnify CCR with respect to inaccuracies or breaches of representations or warranties, breaches of covenants, the ownership, operation or use of the transferred assets or the operations of the Next Phase Business after the closing and certain liabilities assumed by the Company.

The Asset Purchase Agreement contains customary termination rights for both the Company and CCR, including (i) the right of each party to terminate if all transactions contemplated by the Asset Purchase Agreement have not closed by December 31, 2016 and (ii) the right of the Company to terminate (subject to certain conditions) if any

matters disclosed by amendments or supplements to the disclosure schedules delivered by CCR would (absent such amendments or supplements) cause the applicable closing condition related to the bring-down of the representations and warranties by CCR in the Asset Purchase Agreement no longer to be met.

Consummation of the transactions contemplated by the Asset Purchase Agreement at each closing thereunder is subject to a number of conditions precedent and future events occurring, including, among others: (i) the absence of any law or governmental order precluding the consummation of the transactions contemplated by the Asset Purchase Agreement and the absence of any governmental proceeding seeking such an order, (ii) the receipt of any required governmental consents, (iii) the expiration or termination of any waiting period applicable to the consummation of the transactions contemplated by the Asset Purchase Agreement under the Hart-Scott-Rodino Act, if applicable to the transactions, (iv) the receipt and delivery by CCR of certain third party consents, (v) agreement upon matters related to the financial methodology underlying certain financial information about the Next Phase Business, (vi) agreement upon matters related to the age and condition of certain fleet assets and vending equipment to be transferred

at the closing, (vii) with respect to the first closing only, the execution of a Definitive Manufacturing Agreement, as described in Item 8.01 of this Current Report on Form 8-K, (viii) the execution of the comprehensive beverage agreement (as described below) with respect to the Next Phase Business, (ix) no material adverse effect shall have occurred with respect to the applicable portion of the Next Phase Business, (x) the continued accuracy of the representations and warranties given by CCR and the Company (subject to certain qualifications), and (xi) the execution of certain agreements or other documents with respect to the Next Phase Business regarding (A) employee matters, (B) the supply of finished goods by CCR to the Company, (C) transition services to be provided by CCR to the Company (if necessary), (D) logistics and transportation services to be provided by the Company to CCR, and (E) the delivery by The Coca-Cola Company of confirmation of certain marketing funding support arrangements. There can be no assurances that these future events will occur or that these conditions will be satisfied, or if not satisfied, waived at each closing.

Pursuant to the Asset Purchase Agreement, the Company and CCR have also agreed to use their reasonable good faith efforts to (i) mutually agree upon one or more legally binding agreements with respect to the Company's economic participation in the existing U.S. national food service and warehouse juice businesses of The Coca-Cola Company and its applicable affiliates, on commercially reasonable terms and conditions to be negotiated in good faith by the Company and CCR, and (ii) reach alignment on the key business principles of the Company's economic participation in all future non-direct store delivery products or business models of The Coca-Cola Company and its applicable affiliates, including all future beverages, beverage components, and other beverage products distributed by means other than direct store delivery. However, the Company and CCR have agreed that neither the execution of agreements regarding any such economic participation nor reaching alignment on such key business principles is a condition to any closing under the Asset Purchase Agreement.

Comprehensive Beverage Agreements. It is a condition to each closing under the Asset Purchase Agreement that the Company and CCR enter into a comprehensive beverage agreement with respect to the portion of the Next Phase Territories that is the subject of such closing, pursuant to which CCR will grant the Company exclusive rights to distribute, promote, market and sell the Covered Beverages and Related Products distinguished by the Trademarks (as those terms are defined in the comprehensive beverage agreement) in such Next Phase Territories. Covered Beverages and Related Products include certain brands of The Coca-Cola Company but do not include cross-licensed brands. The form of comprehensive beverage agreement for the Next Phase Territory Transactions is attached as an exhibit to the Asset Purchase Agreement and included in Exhibit 2.1 hereto. The comprehensive beverage agreement for the Next Phase Territory Transactions is substantially the same as the form of comprehensive beverage agreement (the "Initial CBA") currently in effect in the territories acquired in the Completed Phase Territory Transactions, a copy of which was filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2014 (as amended by the Amendment to Comprehensive Beverage Agreement filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 7, 2015).

Each comprehensive beverage agreement will have a term of ten years and be renewable by the Company indefinitely for successive additional terms of ten years each unless earlier terminated as provided therein. Under each comprehensive beverage agreement, the Company will make a quarterly sub-bottling payment to CCR on a continuing basis for the grant of exclusive rights to distribute, promote, market and sell the Covered Beverages and Related Products in the applicable Next Phase Territories. The quarterly sub-bottling payment will be based on sales of certain beverages and beverage products that are sold under the same trademarks that identify a Covered Beverage, Related Product or certain cross-licensed brands. The grant of exclusive territory rights pursuant to each comprehensive beverage agreement will not include the right to produce the Covered Beverages or the Related Products nor will any production facilities be transferred pursuant to the Asset Purchase Agreement; instead the Company and CCR (or other supplier authorized by The Coca-Cola Company) will enter into a finished goods supply agreement pursuant to which the Company will purchase from CCR substantially all of the Company's requirements in the Next Phase Territories for Covered Beverages, Related Products and expressly permitted existing cross-licensed brands.

Amended and Restated Ancillary Business Letter. In connection with the first closing under the Asset Purchase Agreement, the Company will amend and restate the letter agreement entered into by the Company and The Coca-Cola Company on May 23, 2014, a copy of which was filed as Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2014 (the "Ancillary Business Letter") to extend the term of the focus period contemplated thereunder (the "Focus Period") until January 1, 2020. Pursuant to the Ancillary Business Letter, which grants the Company certain advance waivers to acquire or develop certain lines of business involving the preparation, distribution, sale, dealing in or otherwise using or handling of certain beverage products that would otherwise be prohibited under the Initial CBA or under any other form of comprehensive beverage agreement or similar agreement, and subject to certain limited exceptions described therein, the Company is prohibited from acquiring or developing any line of business inside or outside of its territories governed by an Initial CBA (or by any other form of comprehensive beverage agreement or similar agreement) during the Focus Period, without the consent of The Coca-Cola Company, which consent may not be unreasonably withheld.

Balance of Proposed Territory Expansion. While the Company is preparing to close the transactions contemplated by the Asset Purchase Agreement and begin the process of transitioning the business conducted by CCR in the Next Phase Territories from CCR to the Company, the Company is continuing to work towards a definitive agreement or agreements with The Coca-Cola

Company for the remainder of the proposed franchise territory expansion described in the May 2015 LOI, including distribution territories in central and southern Ohio, northern Kentucky and parts of Indiana and Illinois (the Subsequent Phase Territories). There is no assurance, however, that the Company and The Coca-Cola Company will enter into such an agreement or agreements.

Territory Conversion Agreement. Concurrent with their execution of the Asset Purchase Agreement, on September 23, 2015, the Company, CCR and The Coca-Cola Company executed a territory conversion agreement (the Territory Conversion Agreement), which provides that, except as noted below, all of the Company's master bottle contracts, allied bottle contracts, Initial CBAs and other bottling agreements with The Coca-Cola Company or CCR that authorize the Company to produce and/or distribute the Covered Beverages or Related Products (the Bottling Agreements) would be amended, restated and converted (upon the occurrence of certain events described below) to a new and final comprehensive beverage agreement (the Final CBA). A copy of the Territory Conversion Agreement is filed as Exhibit 10.1 hereto. The conversion would include all of the Company's then existing Bottling Agreements in the Next Phase Territories or in the Completed Phase Territories (the Sub-Bottling Territory) and in all other territories in the United States where the Company has rights to market, promote, distribute and sell beverage products owned or licensed by The Coca-Cola Company (the Legacy Territory), but would not affect any Bottling Agreements with respect to the greater Lexington, Kentucky territory received by the Company pursuant to the Asset Exchange Agreement described in the Company's Current Report on Form 8-K filed with the SEC on October 20, 2014.

The Company may elect to cause the conversion of the Bottling Agreements to occur at any time by giving written notice to The Coca-Cola Company. Further, if the transactions contemplated by the Asset Purchase Agreement are consummated, then the conversion will occur automatically upon the earliest of (i) the consummation of all of the transactions described in the May 2015 LOI regarding the Subsequent Phase Territories (the Subsequent Phase Territory Transactions), (ii) January 1, 2020, as long as The Coca-Cola Company has satisfied certain obligations described in the Territory Conversion Agreement regarding its intent to complete the Subsequent Phase Territory Transactions, or (iii) 30 days following the Company's (a) termination of good faith negotiations of the Subsequent Phase Territory Transactions on terms similar to the Next Phase Territory Transactions or (b) notification that it no longer wants to pursue the Subsequent Phase Territory Transactions. At the time of the conversion of the Bottling Agreements for the Legacy Territory to the Final CBA, CCR will pay a fee to the Company in cash (or another mutually agreed form of payment or credit) in an amount equivalent to 0.5 times the EBITDA the Company generates from sales in the Legacy Territory of Beverages (as defined in the Final CBA) either (i) owned by The Coca-Cola Company or licensed to The Coca-Cola Company and sublicensed to the Company, or (ii) owned by or licensed to Monster Energy Company on which the Company pays, and The Coca-Cola Company receives, a facilitation fee.

Final Comprehensive Beverage Agreement. The form of Final CBA is attached as an exhibit to the Territory Conversion Agreement and included in Exhibit 10.1 hereto. The Final CBA is similar to the Initial CBA in many respects, but also includes certain modifications and several new business, operational and governance provisions. For example, the Final CBA contains provisions that apply in the event of a potential sale of the Company or its aggregate businesses directly and primarily related to the marketing, promotion, distribution, and sale of Covered Beverages and Related Products (collectively, the Business). Under the Final CBA, the Company may only sell the Business to either The Coca-Cola Company or third party buyers approved by The Coca-Cola Company. The Company annually can obtain a list of such approved third party buyers from The Coca-Cola Company or, upon receipt of a third party offer to purchase the Business, may seek approval of such buyer by The Coca-Cola Company. In addition, the Final CBA contains a sale process that would apply if the Company notifies The Coca-Cola Company that it wishes to sell the Business to The Coca-Cola Company. In such event, if the Company and The Coca-Cola Company are unable in good faith to negotiate terms and conditions of a binding purchase and sale agreement, including the purchase price for the Business, then the Company may either withdraw from negotiations with The Coca-Cola Company or initiate a third-party valuation process described in the Final CBA to determine the purchase price for the Business and, upon such third party's determination of the purchase price, may decide to continue with its potential sale of the Business to The Coca-Cola Company. The Coca-Cola Company would then have the option to (i) purchase the Business for such

purchase price pursuant to defined terms and conditions set forth in the Final CBA (including, to the extent not otherwise agreed by the Company and The Coca-Cola Company, default non-price terms and conditions of the acquisition agreement) or (ii) elect not to purchase the Business, in which case the Final CBA would automatically be amended to, among other things, permit the Company to sell the Business to any third party without obtaining The Coca-Cola Company's prior approval of such third party.

The Final CBA also includes terms that would apply in the event The Coca-Cola Company terminates the Final CBA following the Company's default thereunder. These terms include a requirement that The Coca-Cola Company acquire the Business upon such termination as well as the purchase price payable to the Company in such sale. The Final CBA specifies that the purchase price would be determined in accordance with a third-party valuation process equivalent to that employed if the Company notifies The Coca-Cola Company that it desires to sell the Business to The Coca-Cola Company; provided, the purchase price would be 85% of the valuation of the Business determined in the third-party valuation process if the Final CBA is terminated as a result of the Company's willful misconduct in violating certain obligations in the Final CBA with respect to dealing in other beverage products and other business activities, if a change in control occurs without the consent of The Coca-Cola Company or if the Company disposes of a majority of the voting power of any subsidiary of the Company that is a party to an agreement regarding the distribution or sale of Covered Beverages or Related Products.

Under the Final CBA, the Company will be required to ensure that it achieves an equivalent case volume per capita change rate that is not less than 1 standard deviation below the median of such rates for all U.S. Coca-Cola bottlers. If the Company fails to comply with the equivalent case volume per capita change rate obligation for two consecutive years, it will have a twelve-month cure period to achieve an equivalent case volume per capita change rate within such standard before it will be considered in breach under the Final CBA and the previously described termination provisions are triggered. The Final CBA also requires the Company to make minimum, ongoing capital expenditures at a specified level.

EPB Revenue Incidence Agreement. On September 23, 2015, the Company and The Coca-Cola Company entered into the Expanding Participating Bottler Revenue Incidence Agreement (the EPB Revenue Incidence Agreement) regarding the allocation by the Company and The Coca-Cola Company of the revenue generated by the Company's marketing, promotion, distribution and sale of Covered Beverages and Related Products in all of the Company's territories within those categories and/or product segments as determined by The Coca-Cola Company from time to time in accordance with the terms thereof (the Shared Business Segments). The term of the EPB Revenue Incidence Agreement commences on January 1, 2017 and will terminate upon termination of all of the Company's comprehensive beverage agreements; provided, however, that if the conversion contemplated by the Territory Conversion Agreement has not occurred on or prior to January 1, 2020, then the EPB Revenue Incidence Agreement will cease to apply to the Legacy Territory unless otherwise agreed by the Company and The Coca-Cola Company.

During its term, the amount paid by the Company to The Coca-Cola Company at standard pricing for concentrates and finished goods for Covered Beverages and Related Products in the Shared Business Segments will be subject to adjustment as described in the EPB Revenue Incidence Agreement based on the determination of The Coca-Cola Company's incidence revenue in such Shared Business Segments. The incidence revenue of The Coca-Cola Company under the EPB Revenue Incidence Agreement for concentrates and finished goods billed to the Company for Covered Beverages and Related Products will be impacted by a number of factors, including the incidence rate for the Shared Business Segments in effect from time to time, the Company's pricing and sales of finished products that are covered by the EPB Revenue Incidence Agreement, the channels in which the finished products covered by the EPB Revenue Incidence Agreement are sold by the Company and the package mix of the Shared Business Segments sold by the Company.

The Coca-Cola Company may change the incidence rates upon 180 days' prior written notice provided such rate change is proportionately applied on a percentage basis to all other U.S. Coca-Cola bottlers who have executed a comprehensive beverage agreement. The Coca-Cola Company may also change the Shared Business Segments upon 180 days' prior written notice provided such change must be applied to all such other U.S. Coca-Cola bottlers who have executed a comprehensive beverage agreement.

Description of Agreements and Exhibits are Qualified by Full Text. The foregoing descriptions of the Asset Purchase Agreement, the Territory Conversion Agreement and the EPB Revenue Incidence Agreement are only summaries and are qualified in their entirety by reference to the full text of such agreements and all exhibits thereto, which are filed as Exhibits 2.1, 10.1 and 10.2, respectively, to this Current Report on Form 8-K.

Relationship between the Parties. The business of the Company consists primarily of the production, marketing and distribution of nonalcoholic beverage products of The Coca-Cola Company in the territories the Company currently serves. Accordingly, the Company engages routinely in various transactions with The Coca-Cola Company and its affiliates. The Coca-Cola Company also owns approximately thirty-five percent (35%) of the outstanding common stock of the Company, which represents approximately five percent (5%) of the total voting power of the Company's common stock and class B common stock voting together. The Coca-Cola Company also has a designee serving on the Company's Board of Directors. For more information about the relationship between the Company and The Coca-Cola Company, see the description thereof included under Related Person Transactions in the Company's Notice of Annual Meeting and Proxy Statement for the Company's 2015 Annual Meeting of Stockholders filed with the SEC

on March 30, 2015.

The Asset Purchase Agreement, the Territory Conversion Agreement and the EPB Revenue Incidence Agreement were each entered into following review and approval of such agreement and the terms and conditions of the transactions contemplated by such agreement initially by the Audit Committee of the Company's Board of Directors and subsequently by the Company's Board of Directors (with The Coca-Cola Company's designee not participating or voting).

Item 8.01. Other Events.

Manufacturing Letter of Intent. The May 2015 LOI contemplates that The Coca-Cola Company would work collaboratively with the Company and certain other expanding participating bottlers in the U.S. (EPBs) to implement a national product supply system. As a result of subsequent discussions among the EPBs and The Coca-Cola Company, on September 23, 2015, the Company and The Coca-Cola Company entered into a non-binding letter of intent (the Manufacturing LOI) pursuant to which CCR will sell six manufacturing facilities (Regional Manufacturing Facilities) and related manufacturing assets (collectively, Manufacturing Assets) to the Company (the Manufacturing Transactions) as the Company becomes a regional producing bottler (Regional Producing Bottler) in the national product supply system.

Similar to, and as an integral part of, the distribution territory transactions described in the May 2015 LOI, the sale of the Manufacturing Assets by CCR to the Company will be accomplished in two phases. The first phase will include three Regional Manufacturing Facilities located in Sandston, Virginia; Silver Spring, Maryland; and Baltimore, Maryland that serve the Next Phase Territories the Company will acquire pursuant to the Asset Purchase Agreement described in Item 1.01 above. The second phase will include three Regional Manufacturing Facilities located in Indianapolis, Indiana; Portland, Indiana; and Cincinnati, Ohio that serve the Subsequent Phase Territories.

The Company will pay to CCR at each closing contemplated by the Manufacturing LOI a cash amount that reflects the net book value of the Manufacturing Assets acquired at each closing subject to mutually agreed adjustments and customary post-closing true-up activities.

The rights for the manufacture, production and packaging of Covered Beverages using cold-fill technology (Authorized Covered Beverages) at the Regional Manufacturing Facilities will be granted by The Coca-Cola Company to the Company initially pursuant to an initial regional manufacturing agreement substantially in the form attached to the Manufacturing LOI (the Initial RMA). Pursuant to its terms, the Initial RMA will be amended, restated and converted into a final form of regional manufacturing agreement (the Final RMA) concurrent with the conversion of the Company's Bottling Agreements to the Final CBA as described in the description of the Territory Conversion Agreement included in Item 1.01 above. Under the Final RMA, the Company's aggregate business directly and primarily related to the manufacture of Authorized Covered Beverages, permitted third party beverage products and other beverages and beverage products for The Coca-Cola Company will be subject to the same agreed upon sale process provisions included in the Final CBA, which includes the need to obtain The Coca-Cola Company's prior approval of a potential purchaser of such manufacturing business. The Coca-Cola Company will have the right to terminate the Final RMA in the event of an uncured default by the Company. The Final RMA also will be subject to termination by The Coca-Cola Company in the event of an uncured default by the Company under the Final CBA or under the NPSG Governance Agreement (as defined below).

The proposed transactions described in the Manufacturing LOI will be subject to the terms of a definitive purchase and sale agreement (the Definitive Manufacturing Agreement) in a form to be mutually agreed upon by the Company and The Coca-Cola Company. The Company anticipates the Definitive Manufacturing Agreement will be executed in October 2015 and that the closing of the first acquisition of Manufacturing Assets in Sandston, Virginia will occur in the first half of 2016.

Prior to the end of 2015, the Company, The Coca-Cola Company and certain other EPBs who will be considered Regional Producing Bottlers expect to enter into a national product supply governance agreement substantially in the form attached to the Manufacturing LOI (the NPSG Governance Agreement). Pursuant to the NPSG Governance Agreement, The Coca-Cola Company and the Regional Producing Bottlers will form a national product supply group (the NPSG) and will agree to certain binding governance mechanisms, including a governing board (the NPSG Board) comprised of a representative of (i) the Company, (ii) The Coca-Cola Company and (iii) each other Regional Producing Bottler. The stated objectives of the NPSG include, among others, (i) Coca-Cola system strategic infrastructure investment and divestment planning; (ii) network optimization of all plant to distribution center sourcing; and (iii) new product/packaging infrastructure planning. The NPSG Board will make and/or oversee and direct certain key decisions regarding the NPSG, including decisions regarding the management and staffing of the NPSG and the funding for the ongoing operations thereof. Pursuant to the decisions of the NPSG Board made from time to time and subject to the terms and conditions of the NPSG Governance Agreement, the Company and each other Regional Producing Bottler will make investments in their respective manufacturing assets and will implement Coca-Cola system strategic investment opportunities that are consistent with the NPSG Governance Agreement.

The Manufacturing LOI addresses several other matters related to the acquisition of the Manufacturing Assets and the implementation of the national product supply system, including the current intentions of the Company and The Coca-Cola Company with respect to (i) the form of finished goods supply agreement for finished goods sourced from

the Manufacturing Assets, (ii) an information technology platform they plan to implement to support the Company's ongoing operation of the Manufacturing Assets and other manufacturing assets owned and/or operated by the Company, and (iii) a National Product Supply Forum they plan to establish to begin planning activities required to implement the NPSG and the NPSG Board.

In addition to the negotiation and execution of a Definitive Manufacturing Agreement, the Manufacturing LOI sets forth certain customary conditions to closings of the Manufacturing Transactions as well as a number of other conditions that the Company and The Coca-Cola Company currently intend to be satisfied prior to such closings and/or to be addressed in a Definitive Manufacturing Agreement.

The foregoing is a summary of the principal matters covered in the Manufacturing LOI. This summary is qualified in its entirety by reference to the full text of the Manufacturing LOI (including any exhibits thereto), which is filed as Exhibit 99.2 to this Current Report on Form 8-K.

Important Warning Regarding the Information in the Asset Purchase Agreement, the Territory Conversion Agreement, the EPB Revenue Incidence Agreement, the Manufacturing LOI and the Exhibits to These Agreements. The Asset Purchase Agreement, the Territory Conversion Agreement, the EPB Revenue Incidence Agreement and the Manufacturing LOI, including any exhibits to these agreements, have been included to provide investors with information regarding their terms. They are not intended to provide any other factual information with respect to the Company, CCR or The Coca-Cola Company. There are representations and warranties contained in these agreements which were made by the respective parties to each other as of specific dates. The assertions embodied in these representations and warranties were made solely for purposes of each such agreement and may be subject to important qualifications and limitations agreed to by the respective parties in connection with negotiating their terms (including qualification by disclosures that are not necessarily reflected in these agreements). Moreover, certain representations and warranties may not be accurate or complete as of any specified date because they are subject to a contractual standard of materiality that is different from certain standards generally applicable to stockholders or were used for the purpose of allocating risk between the respective parties rather than establishing matters as facts. Based upon the foregoing reasons, you should not rely on the representations and warranties as statements of factual information. In addition, information concerning the subject matter of the representations and warranties may change after the date of each such agreement, which subsequent information may or may not be reflected in the Company's public disclosures. Investors should read the Asset Purchase Agreement, the Territory Conversion Agreement, the EPB Revenue Incidence Agreement and the Manufacturing LOI, as well as all exhibits to these agreements, together with the other information concerning the Company, CCR and The Coca-Cola Company that each company or its affiliates publicly files in reports and statements with the SEC.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Incorporated By	
No.	Description	Reference To
2.1+	Asset Purchase Agreement, dated September 23, 2015, by and between Coca-Cola Refreshments USA, Inc. and Coca-Cola Bottling Co. Consolidated.	Filed herewith.
10.1*	Territory Conversion Agreement, dated September 23, 2015, by and between The Coca-Cola Company, Coca-Cola Refreshments USA, Inc. and Coca-Cola Bottling Co. Consolidated.	Filed herewith.
10.2	Expanding Participating Bottler Revenue Incidence Agreement, dated September 23, 2015, by and between The Coca-Cola Company and Coca-Cola Bottling Co. Consolidated.	Filed herewith.
99.1	News Release, dated September 24, 2015.	Filed herewith.
99.2*	Letter of Intent, dated September 23, 2015, by and between The Coca-Cola Company and Coca-Cola Bottling Co. Consolidated.	Filed herewith.

+ Certain schedules and similar supporting attachments to the Asset Purchase Agreement have been omitted, and the Company agrees to furnish supplemental copies of any such schedules and similar supporting attachments to the

Securities and Exchange Commission upon request.

- * Certain portions of this exhibit have been omitted pursuant to a request for confidential treatment filed with the Securities and Exchange Commission.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COCA-COLA BOTTLING CO. CONSOLIDATED
(REGISTRANT)

Date: September 23, 2015

By: /s/ James E. Harris
James E. Harris

Senior Vice President, Shared Services and

Chief Financial Officer

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC
EXHIBITS
CURRENT REPORT
ON
FORM 8-K

Date of Event Reported:
September 23, 2015

Commission File No:
0-9286

COCA-COLA BOTTLING CO. CONSOLIDATED

EXHIBIT INDEX

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