

# WALT DISNEY Parks and Resorts

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U.S. Complimentary Admission and Merchandise Discount

# U.S. TWDC Active Theme Park Admission Model

## Summary of Model Changes:

- **Entry for self** to all U.S. theme parks extended to all U.S. TWDC employees<sup>1</sup> (potential for **select block out days** to be increased).
- The WDPR **Main Entrance Pass model for FT and PT employees** extended across enterprise.
- **New TWDC Seasonal Model.**<sup>1</sup>
- **Comp ticket model** remains for FT and PT; eliminated for Seasonal (potential of **select block out days** to be added)

## Theme Park Admission Model

Tier	TIER 1 Salaried FT/PT (regardless of YOS) Hourly FT/PT with 15+ YOS	TIER 2 Hourly FT/PT with <15 YOS	TIER 3 All Seasonal (CT) (regardless of YOS)
<b>Entry for Self</b> <i>(Select block out dates may apply)</i>			
<b>Main Entrance Pass Guest Entitlements<sup>2</sup></b> <i>(targeted max of 70 block out dates per park per year)</i>	<b>MEP – Unlimited<sup>3</sup> Visits Per Year</b>  Each visit = self + 3 guests (additional admits for those with > 3 dependents)	<b>MEP - 16 Visits Per Year</b>  Each visit = self + 3 guests (additional admits for those with > 3 dependents)	<b>3 – 1 Day Employee Park Hopper tickets<sup>2</sup></b> when Employee achieves the following; 150, 300, and 600 hours worked in a calendar year (Max. 9 tickets per CY) <i>employee must be present for entry</i>  <b>PLUS WDPR New Hires receive 1 Park Hopper Ticket for product knowledge<sup>3</sup></b>
<b>Complimentary Tickets</b> <i>(Select block out dates may apply)</i>	<b>2 comp tickets / 2 distributions</b> (additional tickets for more dependents)	<b>2 comp tickets / 2 distributions</b> (additional tickets for more dependents)	N/A

## Major Employee Group Changes

### Increased Offer

- All employees gain self admit to all U.S. parks
- Non Fl. Site Seasonal gain a max of 9 – 1 Day Park Hopper tickets
- Most Non-WDPR FT/PT Hourly gain a MEP

### Decreased Offer<sup>4</sup>

- Fl. Site Seasonal decrease from a MEP w/6 visits (18 admits) to a max of 9 – 1 day Park Hopper tickets subject to work requirements
- Non-FL Site Seasonal lose comp tickets (but gain 1 Day Park Hoppers)
- Select Non-WDPR union employees with <15 YOS go from MEP w/unlimited to MEP w/16 admits

<sup>1</sup>Model contingent on system capabilities

<sup>2</sup>All Main Entrance Passes and 1 Day Park Hopper Tickets subject to block out dates

<sup>3</sup>In addition to these offers, local areas may continue to provide teams additional product knowledge/training via department issued tickets

<sup>4</sup> Union considerations exist

# U.S. TWDC Active Merchandise Offers

## Summary of Model and Major Employee Group Changes

- Extend today's model for WDPR across TWDC
- This results in an increased offer for 2K Non WDPR Seasonal and all Marvel Hourly, who do not have a merchandise discount today

## Merchandise Discount Model

TIER 1	TIER 2	TIER 3
<ul style="list-style-type: none"><li>•Salaried FT/PT (regardless of YOS)</li><li>•Hourly FT/PT with 3+ YOS</li><li>•All Seasonal with 3+ YOS</li></ul>	<ul style="list-style-type: none"><li>•Hourly FT/PT with &lt; 3 YOS</li><li>• All Seasonal with &lt; 3 YOS</li></ul>	N/A
35%	20%	N/A

# WDPR OP/Corporate Alliance Levels

**Aligned and streamlined** bicoastal Operating Participant, Corporate Alliance and Cast Service Provider classifications from 7+ levels (5+ levels at WDW and 2 at DLR) **to 2 levels** based on business criteria

## In Scope

- **WDPR Corporate Alliance:** Onsite employees who work for Corporate Alliance partner that pays a sponsorship fee
- **WDPR Operating Participants:** Third party operators that lease or license property from Disney, run businesses on Disney property to generate revenue and pay rent to Disney
- **WDPR Cast Service Provider:** Provider that operates a business on Disney property providing services to TWDC Cast/Employees

## Out of Scope

- **VIPs** (Includes Corporate Alliance without onsite employees)

	Level 1				Level 2
Definition	A. WDPR Corporate Alliance partner with onsite employees in support of the Corporate Alliance relationship <b>OR</b> B. WDPR Operating Participant that must have Guest interaction inside Disney venue*, an agreement of 3+ years and more than a \$1M investment <b>OR</b> C. <b>WDPR Cast service provider that operates a business on property that primarily supports Cast Members, has an agreement of 3+ years and more than \$5M investment</b>				A. WDPR Operating Participant with 1 to <3 year agreement and Guest interaction inside Disney venue* <b>OR</b> B. WDPR Operating Participant with an agreement of 3+ years and less than a \$1M investment
Current WDPR OP/CA Groups	<b>CA only</b> <ul style="list-style-type: none"> <li>• AAA</li> <li>• General Motors</li> <li>• Givenchy</li> <li>• Guerlain</li> <li>• Hewlett Packard</li> <li>• IBM</li> <li>• Mercury Marine</li> <li>• Siemens</li> </ul>	<b>OP only</b> <ul style="list-style-type: none"> <li>• AMC</li> <li>• Best Friends</li> <li>• Canteen</li> <li>• Cars, Bags, RAC</li> <li>• Characters in Flight</li> <li>• Cirque</li> <li>• Mandara Spa</li> <li>• Mickeynet</li> <li>• Restaurants and Retail</li> <li>• Richard Petty Driving Exp</li> <li>• Ricoh</li> <li>• Sammy Duval Watersports</li> <li>• Splitsville</li> </ul>	<b>OP and CA</b> <ul style="list-style-type: none"> <li>• Alamo</li> <li>• Arnold Palmer Golf</li> <li>• Duncan</li> <li>• Hess</li> <li>• Joffreys</li> <li>• LEGO</li> </ul>	<b>Non-OP Service Providers for Cast</b> <ul style="list-style-type: none"> <li>• <b>Smart City</b></li> <li>• <b>SodexoMagic/ Nature's Table</b></li> <li>• Take Care Health (Center for Living Well)/DLR Pharmacy</li> <li>• YMCA</li> </ul>	<ul style="list-style-type: none"> <li>• Car Care Center</li> <li>• Cart &amp; Kiosk Locations</li> <li>• Cool Breeze Kayaking (HH)</li> <li>• Gerald Berkheimer Tennis (VB)</li> <li>• Kids Nite Out</li> <li>• Low Country Nature Tours (HH)</li> <li>• Orlando Tennis Services</li> <li>• Sea Breeze Cabana (VB)</li> <li>• T McGuire (VB Spa)</li> </ul>

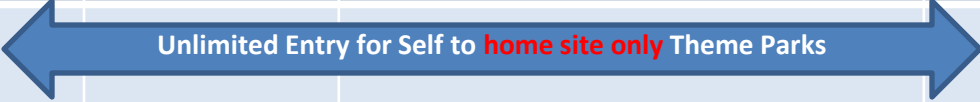
- **\*Disney venue:** Branded Disney, inside Park or Resort or Retail, Dining and Entertainment venue.
- **Under Review**

# WDPR OP/CA Admission and Merchandise Discount Model

## Summary of Model Changes:

- Consistent bicoastal **comp admission and merchandise discount tiers** for all WDPR OP/CA employees.
- **Entry for self** to **home site** theme parks extended to all level 1 and level 2 OP/CA employees (potential for **select block out days** to be increased).
- Reserve right to establish **more block out days** on OP/CA Complimentary admission than will exist for TWDC Employees.
- **Complimentary tickets** eliminated for all OP/CA employees.
- Current 200+ **grandfathered** \*OP employees will continue to receive MEP and comp tickets (increased block out dates will apply).

## Theme Park Admission and Merchandise Discount Model

Tier <i>(Determined by WDPR OP/CA Levels and Employee Status)</i>	TIER 1 Level 1 GM/executives	TIER 2 Level 1 salaried & Level 2 GM/executives	TIER 3 Level 1 hourly		TIER 4 Level 2 salaried and hourly
Entry for Self <i>(Select block out dates may apply)</i>					
Complimentary Admission Media Entitlements <i>(Non-employees will have higher block out dates than active Cast Members)</i>	<b>MEP – Unlimited Visits Per Year</b>  Each visit = self + 3 guests <i>(additional admits for those with &gt; 3 dependents)</i>  Spouse/Same-sex domestic partner pass	<b>MEP - 16 Visits Per Year</b>  Each visit = self + 3 guests	<u>Less than 3 YOS:</u>  <b>4 – 1 Day employee Park Hopper tickets</b> <i>employee must be present for entry</i>	<u>More than 3 YOS:</u>  <b>MEP - 6 Visits Per Year</b>  Each visit = self + 3 guests	<b>4 – 1 Day employee Park Hopper tickets</b> <i>employee must be present for entry</i>
Complimentary Tickets	N/A	N/A	N/A		N/A
Merchandise Discount	35%	35%	20%		<u>Hourly:</u> 20%  <u>Salaried:</u> 35%

\***Grandfathered employees:** Due to the minimal number (226) of grandfathered employees (hired by Arribas Brothers, China, France, Italy, Japan, Mexico, Morocco, Rubio, Smart City or Spring Foods before 1997) and their contractual obligations, these employees will not follow the new tier structure and will continue to receive comp. tickets, maintain the MEP they are currently receiving (65 with an unlimited visit MEP and 161 with a 16 visit MEP), and receive a 35% merchandise discount. The 68 Arnold Palmer Golf employees who will not have reached 3 years of service by Jan. 1 2015 will be allowed to maintain the MEP they received at 6 months of service but will not receive comp tickets.

**Several Operating Participants** will continue to remain ineligible for perquisites due to not meeting the level and tier criteria (e.g. non Disney operating hotels, pop up/short-term companies and service providers)

# OP/Corporate Alliance Level Structure – Ineligible

	Ineligible		
<b>Definition</b>	A. Operating Participant with Guest interaction inside Disney venue and a <1 year agreement <b>OR</b> B. Operating Participant with no Guest interaction (Service Provider) <b>OR</b> C. Non-Disney operated hotel on Disney property (due to non Disney branding and outside of a Disney venue)		
<b>Current OP/CA Groups</b>	<u><b>Non-Disney Hotel<sup>1</sup></b></u> <ul style="list-style-type: none"> <li>• Swan &amp; Dolphin</li> <li>• Four Seasons</li> <li>• Hotel Plaza                             <ul style="list-style-type: none"> <li>• Best Western</li> <li>• Buena Vista Palace</li> <li>• Doubletree Suites</li> <li>• Hilton</li> <li>• Holiday Inn</li> <li>• Royal Plaza</li> <li>• Wyndham LBV Resort</li> </ul> </li> </ul>	<u><b>OP</b></u> <ul style="list-style-type: none"> <li>• Fit2Run</li> <li>• Bl!nk</li> <li>• Apricot Lane<sup>2</sup></li> <li>• Disney Visa</li> <li>• Ghirardelli (seasonal cart)</li> <li>• Ginal (cell zone)</li> <li>• Icon Ent (2 seasonal carts)</li> <li>• Kaman's (2 seasonal carts)</li> <li>• Seecoast Manufacturing</li> <li>• Star transportation</li> </ul>	<u><b>Service Provider</b></u> <ul style="list-style-type: none"> <li>• Data Wave</li> <li>• Owners Lockers</li> <li>• Centra Care</li> <li>• Mears</li> <li>• Star Taxi</li> <li>• Sunshine Petro (Mobil)</li> <li>• Audio Visual Headquarters</li> <li>• Empire Transportation</li> <li>• Namco Cybertainment</li> </ul>

<sup>1</sup> Hotels not located on Disney property, such as Bonnet Creek Resort and Four Seasons, are not defined as Operating Participants and are therefore ineligible for discounts and perquisites.


<sup>2</sup>All of the current OP/CA groups listed above are currently considered ineligible under today's levels so there will be no loss of perquisites, with the exception of Apricot Lane whose 1 salaried employee will lose their MEP and comp tickets and their 10 hourly employees will lose their comp tickets.

# Retiree Model

## Summary of Model Changes:

- **Entry for self** to all U.S. theme parks extended to all U.S. TWDC retirees<sup>1</sup> (potential for **select block out days** to be increased).
- The WDPR **Main Entrance Pass model for Salaried and Hourly employees** extended to all U.S. TWDC retirees.
- Additional block out dates on Retiree Main Entrance Pass (same block out dates as Ops)

## Theme Park Admission and Merchandise Model

Tier	All TWDC employees will receive the same MEP and discounts in retirement that they have while active <i>(Require minimum age 55 and 10 years of service)</i>	
	TIER 1 Salaried FT/PT (regardless of YOS) Hourly FT/PT with 15+ YOS	TIER 2 Hourly FT/PT with <15 YOS
Entry for Self <i>(Select block out dates may apply)</i>	 Unlimited Entry for Self to all U.S. Theme Parks	
Main Entrance Pass Guest Entitlements <sup>2</sup> <i>(Retirees will have higher block out dates than active Cast Members)</i>	MEP – Unlimited Visits Per Year Each visit = self + 3 guests	MEP - 16 Visits Per Year Each visit = self + 3 guests
Complimentary Tickets <i>(Select block out dates may apply)</i>	2 comp tickets / 1 distribution	2 comp tickets / 1 distribution
Merchandise Discount	35%	35%

<sup>1</sup>Model contingent on system capabilities

<sup>2</sup>All Main Entrance Passes subject to block out dates

# Policies/Processes

Policy	Current	Future	Employees Affected
Adult Dependents <ul style="list-style-type: none"> <li>•Student Dependents</li> <li>•Adult Non Disabled</li> </ul>	Employee can receive 1 admit for qualified adult dependents: <ul style="list-style-type: none"> <li>•student dependent ages 19 to 23</li> <li>•Adult Non Disabled</li> </ul>	Student Dependents and Adult Non Disabled will no longer be eligible for admits	919 Student Dependents 181 Adult Dependents
Adult Dependents – Disabled	Employee can receive 1 admit for each adult disabled dependent after annually completing necessary paperwork	No Change	
Foster/Temporary Child Dependents  Same-sex domestic partner	Must complete request form and EAS to key approved special dependents	Allow Employees to update the following dependents via Employee Self Service: <ul style="list-style-type: none"> <li>• Foster and Temporary child dependents</li> <li>• Same-sex domestic partners</li> </ul>	190 Foster/Temporary Dependents  2,112 Same Sex Domestic Partners
Children under the age of 3	Non WDPR do not receive additional admit WDPR receive additional admit	Do not allow additional admits for children under the age of 3	WDPR – 4,828
Retirement eligibility met as FT/PT but then turn Seasonal	System is not currently coded to allow employees who previously met retirement eligibility but then turned Seasonal to retain retirement eligibility	Create a process to allow employees to receive their retirement perquisites (May be manual process for EAS)	WDPR - Currently 5 – 10 per year Non WDPR - unknown
Retiree who leaves the Company and then returns	<ul style="list-style-type: none"> <li>•Employee keeps the retired extended pass if they rehire with the company – happens systematically so they do not receive another pass</li> <li>•SAP does not recognize if Employee rehires at a higher or lower level. Employee will keep the extended pass that they retired with</li> </ul>	Upon request, EAS will manually override the extended pass to systematically allow for the higher level pass for as long as they are active . When they leave the company they will go back to retirement perquisite unless they earn they higher one prior to leaving the company for the second time (10 YOS)	
CT's on MLOA/LOA – Park Hoppers		Allow CT to use their Park Hoppers while on MLOA/LOA Objects on Loan should remain intact while in an “inactive” status	



# Policies/Processes

Policy	Current	Future	Employees Affected
Comp ticket eligibility for withdrawn employees	Employee must be active on or after the date the eTickets are posted on the HUB If employee does not print eTickets before termination, they are able to call Ticket Services who will send unused tickets	EAS to send report to Ticket Services who will automatically send to all employees who withdrew during gap period (time between eligibility file is pulled and tickets are distributed	
Employee Couples	<ul style="list-style-type: none"> <li>•Employee couples who both work at TWDC may request to share the same D&amp;Ps that their spouse/domestic partner receives if it is of greater value</li> <li>•Employee makes request through DRC Ticket Services and manual change is made on the record</li> </ul>	<ul style="list-style-type: none"> <li>•Continue to allow employee to make the choice</li> <li>•Long Term – research automated process to prevent spouse passes being reset after each printing</li> </ul>	
Exceptions to be notated in SAP		<ul style="list-style-type: none"> <li>•Implement governance process to manage through exceptions</li> <li>•Add a field in SAP Info Type 40 to allow for an explanation for the exception</li> </ul>	
Retiree enhancement to incorporate new logic based on having a retiree ID regardless of employment status		Retiree receiving winter tickets as a returning employee and should be receiving summer tickets	

# Next Steps

- Review the following Policies:
  - Surviving spouses
  - Blue MEP usage across U.S. Parks – Is it a limit of a total of 16 admits or per park?
  - Non Employees not eligible for D&P with exception of Animal Programs receive discount and personal admission (industry norm)
- Identify Validation Process for Retirees
- Design VIP model
- Validate Non OP Service Providers for Cast
- Identify Exceptions (DCL, Non WDPR Union groups)
- Identify Governance Process

# Discount and Perqs: Comp. Admission and Merch.

## Discount Knowledge Management

### Exception Groups

#### **Audience**

DCL Shipboard

Campus Reps

COE's

Corp Alliance Hourly

DAK Animal Program Contracts

DLP

IATSE

JV

Korea/Singapore

JV Mexico

Lucas hourly

Lucasfilm

Marvel

Palm Hospitality

Pixar

RIF 2009

Steamboat Ventures

Studio Character Voices VIP pass

Studio Gang Boss

DLR Interns