



Strike Update

2-5-04

Local Unions Propose Binding Arbitration

The seven local unions representing more than 70,000 workers forced into the streets to save affordable health care in Southern California made a proposal to submit all of the unresolved issues to binding interest arbitration. Seeking an end to the strike/lockout during the interest arbitration, the locals sent a letter to the companies on February 4, stating, "We believe strongly enough in the merits supporting our bargaining proposals that we are willing to put their fate in the hands of an objective neutral party."

Safeway's Burd Feels the Heat

According to an Associated Press article, analysts now wonder openly whether Safeway's board should end Burd's nearly 11-year reign as CEO. "As right as he was for the company at one time, he may be the wrong guy now," said CL King & Associates Research Director Gary Giblen, who hailed Burd as the supermarket chain's savior in the 1990s. Morningstar analyst Mark Hugh Sam believes the rising tensions in the Southern California strike could force Burd to step down. "He is very vulnerable right now," Sam said. "The labor situation is making it very difficult for Safeway to be led by Steve Burd. He has built an antagonistic relationship with the very same people who he is going to need to increase his stores' service component to remain competitive."

Safeway Stock Downgraded

JP Morgan, a prestigious Wall Street Investment Bank, has downgraded Safeway stock citing the difficulty the company will have in winning customers back. This is the fourth major downgrade from a Wall Street investment firm that the company has received since the strike began in October.

California Attorney General Sues Grocery Chains

California Attorney General Bill Lockyer announced Saturday a lawsuit against Safeway (Vons), Kroger (Ralphs) and Albertsons. The three chains entered into a profit-sharing pact at the start of the strike. The attorney general's office has stated it believes the pact is in violation of the Sherman Anti-Trust Act. The agreement, which has not been released to the public, is believed to have hurt customers by discouraging competitive pricing among the chains. Lockyer addressed thousands of supporters about the lawsuit at a Los Angeles rally last weekend.

No Peace, No Profits

UFCW members, political and religious leaders and other community members rallied on Wall Street today urging investors and analysts to rethink investments in the nation's top grocers. The workers are entering their fifth month on the line but remain determined to save affordable health care. UFCW Local 324 member and 15 year Safeway/Vons

employee Celsa Delgado is determined to stick it out, "What happens to us will produce a domino effect around the country. I won't give up fighting, even if it comes down to no strike pay. If my store closes because it has lost so much business I will be happy to know that I was one of the people who brought it down."

New York Actors Stage Reading of New Play to Benefit Striking Grocery Workers

Striking workers got a boost from the arts community on February 3, when New York playwright/actor Joe Roland organized a benefit staging of his new piece, *The Three Same Guys*. Actor/Comedian Jeremy Piven (*Old School*) opened the performance at Tim Robbins' The Actor's Gang theater in Los Angeles, lending his support and humor to the four-month-long struggle for affordable health benefits. Roland's play about a fictional strike uncovers the deep and devastating effect on workers and their relationships with one another during a struggle against corporate greed. Raising needed funds for the UFCW Strike Hardship Funds, Roland said, "Many of us around the country deeply appreciate the sacrifice these UFCW members are making for all working people."

Worker-Union-Community Solidarity in LA

At a rally in Los Angeles on January 31, nearly 14,000 union and community members rallied their support for UFCW members on strike/locked out. "This is a tough fight, but the UFCW is a tough union," said Joseph Hansen, Secretary Treasurer of the UFCW. "We're not going to stop until our members are treated with dignity and respect." Linda Chavez-Thompson, the AFL-CIO's Executive Vice President, called the striking and locked out workers "the heroes of the American labor movement." Los Angeles Mayor James K. Hahn said, "The community is behind you; that's why they're not crossing the picket line, they know if you lose your health benefits, they're next." Several unions presented giant checks for a strike hardship fund. Among them was the International Longshore and Warehouse Union, which has pledged \$1 million to help striking and locked-out workers cover medical expenses. "It's vital to our morale. When you see this kind of unity, you know you're not alone," said Martha Beach, who worked as a cashier at a Ralphs in Torrance. "We know what we're out there for, but it sure is nice to have it validated."

Northern California Rally Draws Arrests

Oakland City Council President Ignacio De La Fuente, Alameda County Central Labor Council Executive Secretary Judy Goff, Teamsters Local 70 Executive Chuck Mack, and the Rev. Carol Been of Clergy and Laity United for Economic Justice were among the 13 demonstrators arrested January 31, at a rally in support of the striking/locked out workers. "This same battle will be up here in Northern California next," De La Fuente said. "We have to escalate this."

California Teachers Association Launches Radio Campaign

The California Teachers Association (CTA) has launched a radio campaign to educate consumers about the issues facing Southern California grocery store workers. The ads will run for three weeks from the Northern to the Southern most part of the state urging

customers to respect the workers holding the line for affordable health care. Listen to the ads at www.ufcw.org.

Community Support Spreads Across the Country

From Portland to Philadelphia, Seattle to Washington DC and Baltimore, community members and religious leaders are rallying at Safeway stores, demanding the company end its efforts to effectively eliminate health benefits for grocery workers. The UFCW has also launched a radio campaign in these areas. The spots, featuring two Southern California workers on strike, also ask customers to shop elsewhere, and to join the fight to save affordable health care by picketing their local Safeway store.

For more information, news articles, press releases and the like, visit:

www.ufcw.org