



WE FIGHT FOR FAIRNESS

Ivan Limpricht, President & Kim Novak, Secretary-Treasurer

October 12, 2017

Mr. Sean Naldrett, Director
Labour Relations
Sobeys West Inc. (dba Canada Safeway)
7280 Fraser Street
Vancouver, BC V5X 3V9

Dear Mr. Naldrett:

Further to my letter in response to your notice to bargain, please provide us with the documents and information described below as soon as possible; but, in any event, no later than November 10, 2017.

1. Condensed Profit & Loss statements by store, district and for the province from 2013 to date.
2. Shrink results by year from 2013 to date by category, department, store, district and for the province.
3. Transaction totals by year from 2013 to date by store, district and for the province.
4. Private Label Penetration from 2013 to date by category (e.g. meat, produce, grocery, etc.).
5. Turnover by store for Grid B employees, department managers, assistant managers and store managers for the province from 2013 to date.
6. Labour based costs for the period 2013 to date including: sales per person hour by department and store; average hourly rate by department and store; and average ring (basket size) by department and store.
7. Training policy for the period 2016-2017 including the title(s) of those delivering the training; the amount of time allocated for training; and, the method of delivery (online or instore). If instore, is it dedicated training time or is it to shadow others? Are hours allocated to new hire or promotion training by level (e.g. Grid B new hire, Department Manager, etc.).
8. All records relating to any payment or contribution made by suppliers or merchandisers arising from the placement, sale or price of the goods at the store (such as payment for shelf space, payment as a result of sales targets or price reductions as merchandising programs).

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9. All records provided by Canada Safeway to Sobeys before the purchase of Safeway, about the economic performance of the individual stores or stores.
 10. For the period 2013 to date for each store situated on property owned by one of Empire's related real estate companies such as Crombie or Snowcat, the amount by month of any rent or other form of payment charged to the store.

Please advise us as soon as possible if you object to producing any of the documents or information described above.

Yours truly,



Kim Novak, Secretary-Treasurer
UFCW 1518

KN/cd

N:/H/C/W/KN naldrett request for financials october 12 2017



WE FIGHT FOR FAIRNESS

Ivan Limpricht, President & Kim Novak, Secretary-Treasurer

October 12, 2017

Sent Via E-mail

Mr. Dave Fearon, Senior VP
Labour & Employee Relations
Sobeys Inc. (dba Canada Safeway)
115 King Street
Stellarton, NS B0K 1S0

Dar Mr. Fearon:

As you know, I recently assumed responsibility for the Union's response to Sobeys' attempt to rely on LOU #7 in respect of the 20 stores, later changed to 19, you identified in earlier correspondence.

As you should know, UFCW 1518 has not refused to hold discussions under LOU #7. In earlier correspondence we indicated that we would likely be available to meet with the company in September. We then exchanged views regarding our respective positions.

Without prejudice to our position on the legality of Sobeys' attempt to rely on LOU #7, our view that an arbitrator under LOU #7 is without jurisdiction to entertain your combined notice of Quarterly Reviews for multiple stores or any other position we may take or relief we may seek, we are prepared to meet with Sobeys to discuss the individual performance of the identified stores in accordance with the express provisions of LOU #7.

For us to be able to begin those discussions and as contemplated by the Collective Agreement, we will require that Sobeys provide us with full financial disclosure so that when meetings do take place they are both meaningful and substantive.

Therefore, we request the following financial disclosure as soon as possible and, in any event, before any meetings are scheduled.

1. Condensed profit and loss statements for each of the stores from 2013 to date, by week or bi-weekly, whichever is more convenient for you.
2. Any records provided by Canada Safeway to Sobeys, prior to the purchase of Safeway, about the actual or forecasted economic performance of each of the stores.

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3. Labour-based costs for each of the stores for the period 2013 to date including sales per man hour by department and store; average hourly rate by department and store; and average ring (basket size) by department and store.
 4. Shrink results by year from 2013 to date by category, department, for each store.
 5. Records relating to any payments or contributions made by suppliers or merchandisers arising from the placement, sale or price of the goods at the store (such as payment for shelf space, payment as a result of sales targets, or price reductions through merchandising programs).
 6. Data from 2013 to date describing all warehousing, transportation, rental or other charges or back charges for each of the stores you have identified.

We may seek additional financial disclosure before or after the commencement of discussions.

We will be sharing this information with both the experts we retain and our legal counsel so that we can obtain a better understanding of the economics of your request to review the performance of the stores in question as well as obtaining from them the best possible advice.

Since the purpose of LOU #7 is to discuss stores that are experiencing "financial difficulties or whose continued viability is questionable", we trust that you have identified all the stores in the province that are presently experiencing difficulties or whose continued viability is questionable. We may seek to compare the stores not raised by you to demonstrate that the stores you have identified are in no worse financial difficulty than other stores the company has not identified. Also, in the future, if the company seeks to place any other stores in the LOU #7 process, we expect the company will be able to demonstrate that the store's financial circumstances have materially changed from today's date.

Further, the Collective Agreement provides that the parties will "review the competitive impact of other retailers on the company's business". So, please provide us the following documents prior to the commencement of discussions.

7. The competitors alleged to be having an impact on the store.
8. Documents relating to the alleged impact on each of the stores by each competitor.

As well, in advance of the commencement of discussions it would be helpful for us to have your answers to these questions.

1. Which measures can be taken within the Collective Agreement?
2. What are changes to the Collective Agreement you wish to bargain, if any.

Further, we will require that you provide us with the contact information for all employees at each of the stores identified including mailing addresses, email addresses and phone numbers. Please provide that information immediately so that we can begin consulting with our members at those stores.

As well, please let us know how you envision the parties dealing with such a large number of different negotiations involving separate meetings of the employees from each of the stores.

We also want to let you know in advance that we will require the process to be transparent. We will be keeping our members and the public fully informed about the nature and content of the discussions.

Finally and to avoid any confusion, while we are prepared to meet and commence discussions on a without prejudice basis, the Union will be continuing to dispute the legality of Sobeys' actions in respect of the identified stores.

Yours truly,



Kim Novak, Secretary-Treasurer
UFCW 1518