

The logo features a semi-circular arrangement of green dots of varying sizes, creating a textured, dotted effect. The text "Alliance for Healthy and Responsible Grocery Stores" is written in a green, serif font, centered below the dots.

Alliance for Healthy and Responsible Grocery Stores

September 6, 2007

Mr. Tim Mason
CEO
Fresh & Easy Neighborhood Market, Inc.
2120 Park Place, Suite 200
El Segundo, CA 90245

Dear Mr. Mason:

The Alliance for Health & Responsible Grocery Stores is a coalition of community, labor and faith-based organizations which formed to ensure access to quality food and good jobs in the grocery industry, and to hold the industry accountable to working families and their communities.

Over the last several months, you have announced your plans to build dozens of Fresh & Easy Neighborhood Market stores throughout Southern California. We are pleased with your pledge to open Fresh & Easy Markets in low-income, underserved communities that other major grocery retailers have avoided. We are also excited about your promise to provide easy access to fresh and healthy foods inside energy-efficient stores and to form a local supply chain.

In a statement you released on August 2, 2007 you declared, "our employees -- all of whom we intend will work more than 20 hours per week -- will be compensated well above the minimum wage and receive a competitive rewards package that includes health care, a quarterly bonus and other benefits. And, we will seek every opportunity to site stores in many types of neighborhoods, including those underserved by traditional supermarkets."

Fresh & Easy Neighborhood Markets appear to be an appealing new addition to the Southern California grocery market.

However, we are concerned about a recent report by the Urban & Economic Policy Institute at Occidental College, titled, "Shopping for a Market: Evaluating TESCO's Entry into Los Angeles and the United States" where questions were raised about TESCO's record for living up to its commitments.

Our coalition has reviewed the Occidental College report and its recommendations for company policies, community agreements and regulatory actions that can be undertaken to address potential negative impacts and ensure accountability.

The communities of South LA, East LA and the Northeast Valley welcome grocery stores, but they must be stores that provide access to healthy foods, maintain environmental standards and a decent place for local residents to make a quality living.



Alliance for Healthy and Responsible Grocery Stores

We believe that by working together – we can help you meet your goal of being a good neighbor. We propose that your company put its promises in writing by entering into a Community Benefits Agreement that will make your introduction into the Southern California grocery market mutually beneficial to our communities and to you.

In our communities, broken promises are far too common; therefore we'd like to see this great potential partnership memorialized in writing. A legally binding agreement between TESCO and the communities where you intend to open is necessary to protect the rights of our communities. It will guarantee access to fresh and healthy food in underserved communities, access to decent middle class jobs for local residents, affordable family health care, fair pension benefits, job training and advancement, freedom from retaliation and basic rights on the job. It will also ensure that new Fresh and Easy stores do not increase crime, traffic, noise and pollution in our communities.

Many private developers, including some of the largest in the world, have signed Community Benefits Agreements with similar provisions. Your willingness to work with the community and put your promises in writing are key to ensuring that you are a true community partner and succeeding in this new market. Our communities deserve nothing less.

Sincerely,

The Alliance for Healthy & Responsible Grocery Stores

Gloria Walton

Actions for Grassroots Empowerment and
Neighborhood Development
Alternatives

Alliance for Democracy,
Los Angeles Chapter

Reverend Norman Johnson

First New Christian Fellowship Missionary
Baptist Church

Rafael Pizarro

Coalition for Clean Air

Sean Stalbaum

California Association of Professional
Employees

Heather Fenney

California Food and Justice Coalition

Bridie Roberts

Clergy and Laity United for Economic Justice

Twain Wilson

Coalition for a Better Inglewood

Spartacous Cacao
Coalition L.A.

Neelam Sharma

Community Services Unlimited, Inc.

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Demetrius Banks-Thompson
Compton Titans Junior
All American Youth Football

Cleveland Brown
Inglewood Democratic Club

Raul Anorve
Instituto do Popular Educacion
del Sur de California

Tim Goodrich
Iraq Veterans Against the War

Beth Steckler
Livable Places

Kelly Willis
West Los Angeles Democratic Club

Maria Elena Durazo
Los Angeles County
Federation of Labor, AFL-CIO

Chris Walker
New Frontier Young Democratic Club

Gabriel Buelna
Plaza Community Center, Inc.

Andy Claycomb
Service Employees International Union
MFTS

Clarence Tolson
South Bay Junior All American
Youth Football

Karen Washington
South Los Angeles Falcon Youth Football

Mellvin Williams
The Sharon Community Center,
South East Los Angeles

Joaquin Calderon
UCLA Center for Labor Research
and Education

Rick Acaza
United Food and Commercial Workers
Local 770

Reverend Oliver Buie
Warren Chapel CME Church

Cc: Antonio Villaraigosa, Mayor, City of Los Angeles
Honorable Members of the City Council, City of Los Angeles
S. Gail Goldberg, Director of Planning, City of Los Angeles
Members of the City Planning Commission, City of Los Angeles
Cecilia Estolano, Chief Executive, Community Redevelopment Agency/ Los Angeles