



Alliance for Healthy and Responsible Grocery Stores

www.goodgrocerystores.com

For Immediate Release
May 9, 2008

Contact
Greg Good (310) 418-1751
Nadia Afghani (714) 612-6390

Crisis In Grocery Industry Leads Community Groups To Challenge City Leaders

Nearly 200 Attend Blue Ribbon Hearing to Address
Disparities in Food Access and Job Standards for Low-
Income Communities

Community Activists, Workers, Clergy and Environmentalists Testify
That Industry Trends May Threaten Community Standards

Los Angeles - A Blue Ribbon Commission, convened by the Alliance for Healthy and Responsible Grocery Stores, heard testimony from a broad range of community leaders, workers and clergy, urging City Hall to stave off a looming grocery crisis in Los Angeles.

"The latest trends in the highly competitive super market industry, coupled with rising food prices and our city's chronic 'food desert' problem, may conspire to actually harm communities. In the face of that perfect storm, it's critical that city leaders take notice - and, if necessary, act aggressively," said Amanda Shaffer, Director of Communications for the Urban & Environmental Policy Institute at Occidental College.

The Blue Ribbon Commission is expected to compile its findings from the hearing and draft a report that will be submitted to city leaders. Among the recommendations

anticipated from the Commission are policies ensuring greater accountability around job, food safety and environmental standards in the industry, as well as policy initiatives to incentivize major grocery chain expansion in communities chronically underserved by quality stores.

"We're increasingly aware of the central role grocery stores play in the health of communities - and Los Angeles has long been the industry's testing ground. Those two realities afford the city significant opportunities, but they also heighten the need for due diligence," explained Elliott Petty, Retail Policy Analyst for the Los Angeles Alliance for a New Economy (LAANE), a leading member of the Alliance. "We can't afford to let the city become the 'wild west' of grocery retail and this Commission was brought together to identify strategies for avoiding that."

- more -

Among those testifying were Alliance members who contended that major grocery chains underestimate the profitability of locating stores in underserved communities. They also urged the Commissioners, city leaders - and the grocery industry - to recognize the economic stimulus such stores would represent for those communities and the chains themselves. "Good grocery stores can be an indispensable too for stimulating economic development in low-income communities," explained Manuel Hernandez, a community organizer for AGENDA, a member of the Alliance. "But I also carry another message. Working *with* communities and working *with* the union is also an engine for growth for the stores themselves and their parent companies."

Grocery workers added to that message, discussing the damaging effects of non-union stores on community and job standards. Workers and a representative from the United Food and Commercial Workers (UFCW) argued that any expansion of non-union employers in the industry hurt not only the workers - but local communities as well. "The point is this: my peers and I are professionals - and we are better at our jobs because of our training and experience," Jackie Gitmead, a 30-year veteran cashier at Ralph's, stated emphatically. "This city can't count on that professionalism if there is no potential for a career; and where there are no unions, there is no potential for a career in this industry."

The Alliance for Healthy and Responsible Grocery Stores, a city-wide coalition of 25 community, faith-based, labor, and environmental organizations, first convened this Blue Ribbon Commission in early 2007. At that hearing, the Commission addressed the damaging effects of both the Southern California grocery chains' "two-tier" contract and the chronic absence of quality grocery stores in underserved, "food desert" communities. A new contract has since led to the dismantling of the "two-tier" system for workers. However, "food deserts" and red-lining in the grocery industry remained a major focus of panelists this time around - and they urged the city to create more incentives for ensuring more major chains locate in underserved communities.

Following the hearing, Commissioners were anxious to reach out to city leaders. "As a Commissioner, the message I've heard from the community is clear. They're concerned about the potential impacts of changes taking place in this industry - and they want to make sure the industry works in partnership with the community moving forward. I look forward to compiling our findings in a report and taking that message to City Hall," said Rabbi Linda Bertenthal, Co-Chair of the Blue Ribbon Commission and Senior Associate Director of the Pacific Southwest Council.

The Alliance for Healthy and Responsible Grocery Stores, which includes many of the same organizations that defeated Wal-Mart in Inglewood in 2004, is also currently engaged in a campaign to bring TESCO's Fresh & Easy to the negotiating table for a Community Benefits Agreement (CBA) in conjunction with its Southern California expansion.

###