

FOR IMMEDIATE RELEASE: May 22, 2015

Contact: Graeme Allen

gallen@corporatetransparency.org

(612) 481-2144

SuperValu Potentially Facing the Largest and Most Costly Labor Dispute in Company History

EDEN PRARIE, MN- SuperValu Inc. is facing a potential work stoppage at one of its most productive distribution centers. With close to 700 employees at the Hopkins, Minnesota facility, the situation may end up being the largest and most costly labor dispute the company has ever seen. Those with a vested interest in the company are asking if this is really in their best interest or if it is more about egos and power struggles that cost them money.

SuperValu began negotiations with the employees' union several weeks ago to negotiate a contract that will replace the current CBA, which is set to expire at the end of this month. The employees' union, Teamsters Local 120, has made it clear that there will be no extension past May 31st.

The company's proposals seem to defy basic common sense. In an era where most companies are trying to avoid unfunded liabilities that cause long-term uncertainty, SuperValu negotiators have a proposal that would both make cuts to employees' wages and benefits, and drastically increase their unfunded liability to the employee retirement plan.

"We sat down to negotiate a fair contract with SuperValu, but the company seems more interested in playing games than negotiating in good faith." Said Tom Erickson, President of Teamsters Local 120 and lead negotiator for the Union. "I worked in that warehouse and represented the group for over thirty years and I've never seen the company come into negotiations like this; its almost like they WANT us to strike. We hope they come to their senses in the next week, but as it stands right now, they'll get their wish."

SuperValu's lead negotiator, attorney Jonathan Levine from Littler Mendelson, told the union's negotiating committee that the company was "not interested in more of the same." However, in 2014 the company exceeded Wall Street's earnings expectations, reporting a profit of \$39 million, and its earnings rose 50% in the latest quarter. *Wall Street Journal*, April 28, 2015: www.wsj.com/articles/supervalu-profit-rises-50-1430224323

It is unclear why investors would be interested in anything less than "more of the same."

To outsiders, the company's negotiating position seems like a game of russian roulette being played by SuperValu and its hired gun negotiator, a game with extremely damaging consequences for investors, employees, and a prominent Minnesota company.

Corporate Transparency is a group of individuals dedicated to holding companies accountable for poor decisions in collective bargaining and ending the pattern of non-disclosure in corporate America.