



Chartered by United Food & Commercial Workers International Union
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KIM C. CORDOVA
President

KEVIN R. SCHNEIDER
Secretary-Treasurer

November 30, 2021

Mr. Joe Kelley
President
King Soopers/City Market
65 Tejon St.
Denver, CO 80223

Mr. Kelley:

I am writing you because the Local has learned that King Soopers and City Market are engaging in blatant violations of our collective bargaining agreements. We have been advised by our membership that the Company is using individuals employed by staffing services / temp agencies (People Ready/Day Ready) to perform bargaining unit work. Several Store Managers have confirmed the same. It is my understanding that the temp workers are being paid \$16 an hour or higher which is greater than the starting rates in all the Colorado contracts.

The Company's actions are further proof of the lack of respect for the workers and the contract. These actions contradict your commitment you made to me on November 12, 2021, and the commitment you made to Local 7 members in your letter dated November 16, 2021, that you would be "open, honest and transparent". The outsourcing of bargaining unit work hurts Local 7 members and their Health and Pension Funds, as the Company is not paying contributions on the hours worked by these outsourced workers.

I reached out to the Company's Labor Relations Representatives on November 24th regarding the Temp workers performing bargaining unit work and was advised that these workers were hired to perform additional cleaning for the stores, however Local 7 members observed them stocking product.

As you are aware, the Company responded to our earlier request to increase pay rates by proposing to increase starting rates to \$14 an hour for the stores in Denver Metro (nothing for Denver County), \$13.50 for stores in Northern and Southern Colorado, and no increases for City Market. This was not acceptable as wage increases were not offered to ALL employees equally, the increases were not enough, and the Company demanded that workers must work thousands of hours before receiving additional wage increases.

I propose that you agree to permanently increase wages for all King Soopers and City Market employees by \$6 an hour across the board now and we will continue the negotiations process until we reach a new agreement. I strongly believe if you agree to increases now, the Company may retain and recruit more workers.

Notwithstanding the above, I trust you understand our position concerning the unlawful nature of the Company's actions with respect to these staffing services, and will cease and desist their use, make all affected whole, and make the appropriate contributions to the Health and Pension Funds on all hours paid to these staffing services immediately. Please be advised that if the Company continues to violate the CBAs in this manner, we will take all steps necessary to remedy the situation, including actions in Federal Court seeking injunctive relief.

In addition to your assurance that the Company will immediately cease and desist in this conduct, please provide the following information so that the Union can adequately determine that all members are made whole:

1. Identify all staffing or temporary help agencies such as People Ready/Day Ready which the Company (King Soopers and/or City Market) have utilized to provide help in the past ninety (90) days.
2. Please provide copies of all invoices issued by such staffing or temporary help agencies to King Soopers and/or City Market for all work performed in the past ninety (90) days.
3. Please provide Dates and hours worked by all staffing or temporary help agency workers.
4. Please identify all individuals who have performed work at King Soopers or City Market for the staffing or temporary help agencies identified above and have been employed at King Soopers and/or City Market on either a temporary or permanent basis.
 - a. For these individuals, please identify hire date, pay rate, and current job classification.
5. A description of the scheduling process for such employees – including how the Store is designating the shifts and hours for each such worker, the expected and/or guarantee hours assigned to such workers, and whether there is an anticipated date to cease employment of such workers at the Store.
6. Any information as to the rates of pay provided to workers the staffing or temporary help agencies you identified above.
7. For each staffing or temporary help agency you identified above, please provide each store for which the agency is providing workers.
8. All additional hours lists, full-time promotion lists, or other documentation evidencing a request by any Local 7 bargaining unit employee to work additional hours in any week since August 1, 2021, as well as the schedule and time card for any such bargaining unit employee.
9. Whether you are providing any contributions to the health or trust fund for hours worked by any such employee, and if you are, the amount of contributions made to date.

These initial requests should allow the parties to identify the scope of the problem and remedy required. The Local reserves the right to submit additional information requests on this topic in the future.

If you have any questions regarding the foregoing, you may contact me.

Sincerely,



Kim C. Cordova
UFCW Local 7 Union President
UFCW International Vice President