



NEWS FROM **Teamsters Local Union 117**

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BARGAINING STALLS AS FRED MEYER FAILS TO ADDRESS HEALTH CARE CONCERNS

Employees paying thousands of dollars in out-of-pocket expenses to treat sick family members

(Tukwila, WA) – Contract talks between Teamster grocery warehouse workers and Fred Meyer broke off yesterday when the company refused to address its employees' concerns over the rising cost of health care. An extension agreement between Teamsters Local 117 and Fred Meyer expired at midnight on August 15. The Union has proposed that the parties engage the assistance of a federal mediator, but no further talks are currently scheduled.

Grocery warehouse workers and their allies will be raising awareness statewide about the growing disparity in the amount that employees at the Fred Meyer distribution center in Puyallup pay toward their medical coverage as compared with other workers in the industry.

"The general public needs to know that Fred Meyer is putting an undue burden of medical costs on the backs of its workers and their families," said Teamsters Local 117 Secretary-Treasurer, Tracey A. Thompson. "When corporations like Kroger, the owner of Fred Meyer, make hundreds of millions of dollars in profit off the backs of their workers, those corporations have an obligation to ensure that those workers have the best family medical coverage available," she said.

During the term of the expired labor agreement, employees' premium share, deductibles, and out-of-pocket maximums more than doubled.

Safeway, SuperValu, and Unified Grocers settled their contracts in early August, leaving Fred Meyer as the only Teamster grocery warehouse in the area that has not reached an agreement with the Union. Since bargaining got underway on June 8, the Union and Fred Meyer have met six times. On August 6 and 7, Fred Meyer employees voted in overwhelming numbers to authorize a strike. The contract at Fred Meyer's distribution center in Puyallup covers 362 employees. The facility serves approximately 140 stores in Washington, Alaska and Idaho, and more stores in the Western Region.

Workers in the grocery warehouse industry perform physically demanding work under a tight production standard. They work in ambient, refrigerated and freezer warehouse environments, manually lifting and moving heavy cases and operating forklifts and pallet jacks to receive, load and stock grocery products.

Fred Meyer is a subsidiary of Kroger, Inc., a company based in Cincinnati, Ohio. Kroger reported over \$75 billion in revenue in 2010. In the first quarter of 2011, Kroger's profits were \$432.3 million,

an increase of 16%. Teamsters Local 117 represents approximately 16,000 members, with over 1,000 members employed in the grocery warehouse industry.