

Bashas'

Family of Stores



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BASHAS' FAMILY OF STORES FILES LAWSUIT AGAINST UNITED FOOD & COMMERCIAL WORKER'S UNION

- Hometown Grocer Cites Defamation, Intentional Interference with Business Operations -

ARIZONA – Bashas' Family of Stores, Arizona's hometown grocer, today filed a lawsuit against the United Food & Commercial Workers (UFCW) union. Submitted to the Superior Court of Arizona, the lawsuit names the UFCW and the union's operatives – including its false-front organization, "Hungry for Respect" – for defamation and intentionally interfering with the grocer's operations to extort an agreement for union representation.

"In the 75 years that our company has served Arizona, we've never been the target of such strong-arm tactics, and such ugly, malicious lies," said Mike Proulx, Bashas' president and chief operating officer. "We will not allow the UFCW or its operatives to *bully, intimidate* or *harass* our employees or our customers. This extortion has got to stop. Enough's enough."

Bashas' Family of Stores operates Food City, AJ's Fine Foods and Bashas' supermarkets. The family-owned and -operated company was recently selected as a "Best Place to Work" – an award based on employee input to an independently-conducted human resources survey. The grocer, which offers benefits and a pay scale equal to or greater than its unionized competitors, employs more than 14,000 people, making it an attractive target for the UFCW.

Bashas' has been a target of the UFCW since 2001, when the UFCW filed a petition with the National Labor Relations Board to unionize the grocer's Food City workforce. In June 2002, the National Labor Relations Board rejected the UFCW's petition to represent Food City employees, finding that the bargaining unit the UFCW sought to represent was not appropriate. Less than a month after that ruling, the UFCW withdrew its petition, presumably because the UFCW knew it would lose a fair, secret-ballot election among Food City employees.

The UFCW then switched gears to a "win at all costs" corporate campaign against Bashas'. The goal of this campaign is to pressure management into voluntarily signing a union contract on behalf of its 14,000 employees – rather than allowing individual employees to vote for themselves, in a secret-ballot election, whether they want a union.

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“We will not allow the UFCW to take away our employees’ rights to choose whether or not they want to be represented by the UFCW or any other union,” said Proulx. “Arizona is a right to work state where employees have a choice whether or not they want to be represented by a union. The UFCW would like to remove this right, and make Arizona a closed shop state – so that employees don’t have the freedoms they do today. If the UFCW had its druthers, everyone working in Arizona would be forced, by law, to give a portion of every paycheck to a union.”

UFCW organizer Joe Crump described the UFCW’s strategy as a “win-or-destroy-business” mentality. In a recent, published article, Crump said organizing with the National Labor Relations Board means putting enough pressure on employers, costing enough time, energy and money to either eliminate them or get them to surrender to the union. UFCW President Doug Dority, concurred, stating in a public meeting that the UFCW “must reduce these [non-union] chains’ market share...or we must put them out of business. There is no other option.”

To carry out its corporate campaign against Bashas’, the UFCW created and funded “Hungry for Respect,” a sham organization designed to publicly disparage Bashas’ and its business practices. These operatives have repeatedly delivered false and defamatory statements about Bashas’ treatment of its members/employees; the health and cleanliness of grocery stores owned by Bashas’; and Bashas’ regard for and treatment of Hispanic customers and employees.

Just last month, the UFCW and “Hungry for Respect” mailed an unknown number of flyers to the homes of numerous Maricopa County residents. The mailers were designed to create the impression that Bashas’ stores have “significant health hazard[s] that could cause contamination or food borne illness.” According to the Maricopa County Health Department, however, Bashas’ stores have received better inspection scores than their unionized competitors from January 2005 to September 2007.

“The UFCW’s campaign is carefully crafted to inflict substantial economic damages, destroy Bashas’ reputation and extort Bashas’ into submitting to unionization. “The UFCW has given Bashas’ an ultimatum with two unacceptable choices – force Bashas’ employees into their union or the UFCW will destroy Bashas’ business,” said Michael Manning, the attorney representing Bashas’ in this lawsuit. “This complaint announces Bashas’ response to the UFCW’s ultimatum.”

The UFCW's corporate campaign has included filing frivolous EEOC charges; promoting a class action lawsuit; conducting defamatory phone surveys; distributing negative flyers, door hangers and direct mail pieces; crafting, distributing and publicizing inflammatory and false reports; accusing the company of selling expired products, then planting expired products on store shelves; calling in false reports to governmental agencies alleging health code and other operational violations; organizing public demonstrations both inside and outside of stores, with the goal of disrupting and discouraging business; showing up uninvited to homes of Bashas' employees; arranging "town-hall-style" meetings to publicly attack Bashas'; paying for automated pre-recorded phone and text messages that disparage Bashas' and Food City stores; paying prominent and recognizable media outlets to defame Bashas'; handsomely funding vocal community activists to serve as spokespersons against Bashas'; and making personal home visits to encourage shoppers to boycott Bashas' and Food City stores.

"It's unfortunate that the UFCW is using millions of dollars from members' dues – collected from unionized employees and employers throughout the country – to fund this unethical campaign. Instead, it should be devoting these dollars and its energies into helping the people it claims to represent," said Proulx. "We will defend our company from the lies, the wrongdoing, and the slick, negative campaigning. We owe it to our family of employees to stand up for the truth and what's right."

Bashas' was founded 75 years ago by brothers Ike and Eddie Basha, Sr. Since then, it has become the largest family-owned grocer in Arizona, and the 12th largest employer in the state. Bashas' is the 15th-largest privately-held supermarket chain in the nation. Bashas' owns and operates more than 160 grocery stores in Arizona, California and New Mexico. For more information, visit www.bashas.com or www.bashastgether.com.

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