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March 7, 2023

**VIA E-MAIL ONLY**

Mr. Casey Enevoldsen  
Vice President, Employee Experience  
Lund Food Holdings, Inc.  
4100 West 50th Street  
Edina, MN 55424

***Re: Unlawful Collusion in Violation of the Sherman Antitrust Act***

Dear Mr. Enevoldsen:

I represent United Food and Commercial Workers Local 663 (the “Local”) with regard to the above-referenced matter. The Local has been engaged in collective bargaining with numerous retail grocery industry employers since at least January 2023. As you know, for the most part these negotiations are not being conducted on a multiemployer basis, and the Local is actively negotiating for individual collective bargaining agreements with not only Lunds & Byerlys (“L&B”), but also several of L&B’s direct competitors in the market.

The Local has recently obtained information that strongly indicates that L&B has engaged in unlawful collusion, information sharing, and/or other anticompetitive activity with one or more of its competitors in order to manipulate the retail grocery labor market, depress employee terms of employment within the market, and gain a competitive advantage over other retail grocers in violation of federal antitrust statutes.

Since negotiations between L&B and the Local formally commenced in January 2023, L&B has explicitly represented to the Local, on multiple occasions, its intent to continue to provide health insurance benefits to its employees through its participation in the Minneapolis Retail Meat Cutters and Food Handlers Health & Welfare Fund (the “Health and Welfare Fund”). However, during negotiations yesterday, March 6, 2023, L&B raised a proposal—for the first time—to withdraw from the Health and Welfare Fund and transition to a “Company Sponsored Health & Welfare Plan” that includes access to a “new benefit” called Nice Healthcare.

L&B’s recent proposal to withdraw from the Health and Welfare Fund is essentially identical to a proposal presented to the Local by one of L&B’s direct competitors, Kowalski’s Markets. ***Again, these negotiations are not being conducted on a multiemployer basis.*** Therefore, any information sharing, coordination, or other collusion between L&B and its competitors to uniformly depress wages and benefits in the Twin Cities retail grocery industry through collective bargaining with the Local may constitute a violation of federal antitrust statutes. *See, e.g., California ex rel. Lockyer v. Safeway, Inc.*, 371 F. Supp. 2d

1179, 1192–93 (C.D. Cal. 2005) (finding that exemptions to antitrust statutes do not apply outside the context of multiemployer collective bargaining).

Accordingly, the Local demands that L&B immediately cease and desist any collaboration, collusion, or other unlawful concerted activities with Kowalski’s and/or any other competitors in the retail grocery industry regarding negotiation strategies, proposals, or objectives in collective bargaining with the Local. The Local will not hesitate to pursue any available legal remedies necessary to protect the integrity of the collective bargaining process in the retail grocery industry.

Additionally, please immediately provide the Local with the following information so that it can better assess the implications of L&B’s recent proposal to withdraw from the Health and Welfare Plan:

- All documents that refer or relate to L&B’s decision to propose withdrawing from the Health and Welfare Plan, including but not limited to any internal correspondence or external correspondence with any agents of Kowalski’s Markets;
- All documents that refer or relate to the terms of the “Company-Sponsored Health & Welfare Plan” and the “Nice Healthcare” benefit proposed by L&B during the collective session on March 6, 2023; and
- All documents that refer or relate to any financial comparisons of the Health and Welfare Fund and the “Company-Sponsored Health & Welfare Plan” and the “Nice Healthcare” benefit proposed by L&B on March 6, 2023.

Thank you for your attention to this matter, and I look forward to hearing from you.

Sincerely,

MILLER O’BRIEN JENSEN, P.A.

**s/Timothy J. Louis**

cc: Rena Wong, President, UFCW Local 663  
Scott Larson, Metro Director and Vice President, UFCW Local 663