

2025 Jerry's Response to Proposals
Local 663 presented on January 14, 2025 at 3:30pm and February 25, 2025 at 9:00 am

Jerry's responses presented on February 27, 2025 at 1:00 pm

Jerry's has not consented to multi-employer bargaining; instead, we are coordinating our bargaining for a respective collective bargaining agreement with Local 663, which remains distinct from others. If agreed, any proposals herein would form part of each of these respective collective bargaining agreements. Jerry's makes these responses in a good faith effort toward reaching negotiated successor contracts to their respective collective bargaining agreements with Local 663 that expire in early March 2025. Any agreement as to a specific proposal is considered to be a tentative agreement subject to the final agreement between Jerry's and Local 663 concerning all matters related to that grocer's negotiations. Jerry's reserves the right to add, modify, subtract, or delete any of its proposals at any time during these negotiations.

In general, Jerry's is very concerned that the Union continues to pressure us to add costs and management restrictions to our business. In 2003, union grocers had 70% of the market share in the Twin Cities. In 2023, our market share was 28%. Still, the Union asks for even more restrictive union contracts that add costs, like your healthcare proposal, before either party even made wage proposals.

- 1) Wages
 - a) **Hold - Jerry's is waiting on union's response to our wage proposal**
- 2) Retirement - Legacy Pension, Variable Annuity Pension (VAP), 401(k)
 - a) Legacy Pension [HOLD] – **Does not apply to Jerry's. We are not in the pension.**
 - b) VAP: All employers join the Variable Annuity Pension and increase contributions to \$35 accrual rate (FT: \$52.36/wk, PT: 19.43/wk) – **Decline. Jerry's has zero interest in joining the VAP.**
 - c) Establish Multi-Employer Defined Contribution Plan – **Decline. We think our current 401(k) is sufficient and has low admin costs.**
- 3) Health & Welfare **Union has Jerry's proposal**
 - a) Replacement language as provided by the Union - **Jerry's is waiting on Union's response.**
 - b) Contribution Rates [TBD]
- 4) Employee Discount
 - a) Employee Discount 30% for all items **Decline. Large employee discounts put employees in difficult positions when pressured to share their discounts with friends/family. We've offered what we think is the right balance of showing goodwill without creating a temptation that would sour the employee/employer relationship. Also, we don't want this in the CBA, because any discounts should be discretionary. Note: Jerry's Foods**

stores offer 10% discount and Cub has 10% on anything produced in store and private label. If our employees are not shopping our stores, where are they shopping?

- 5) Employer provided meal from store during meal period – **Decline. Employees should be responsible for feeding themselves. Employers have discretion to host meals but if it's done everyday, it wouldn't serve the purpose of celebrating or showing gratitude. There would be operational complexity including food allergies, overnight employees, religious customs. This may seem small, but if you assume an \$8/lunch during an 8-hour shift, it would be akin to a \$1+/hour increase.**
- 6) Scheduling and Hours **Overall, all items below involve the management of the company and how we go to market. Limitations to scheduling, including hour minimums and scheduling requirements, add unnecessary complexity to operations. We reserve the right to schedule the employees to meet the needs of the business. Part of the benefit of many jobs at Jerry's is the flexibility we provide.**
- a) Decrease minimum available hours required for all full-time and part-time employees **So far, we cannot tell what the Union is asking for with this proposal. But it seems to conflict with the Union's proposal to have a minimum of 24 guaranteed hours. If this is about employees providing their availability, we believe the current ways of handling that are reasonable. We cannot have employees giving us an availability that essentially writes their schedule by giving us availability that too closely matches the numbers of hours they are either required to work or that they desire.**
 - b) Employees on any form of leave or time off, paid or unpaid, shall not count towards a department's allotted labor hours & discuss adequate staffing levels *[HOLD for future proposals]* **It is hard to respond to proposals not made yet, at this point in bargaining. We will listen to your future proposal on this if we see them.**
 - c) Flexibility for department heads to schedule according to the needs of each department and store, with equitable assignment of night shifts based on seniority and employee's availability **Jerry's is not interested in going to a seniority-based guide for night shifts. We already schedule based on employee availability and the CBA currently has language regarding number/frequency of undesired shifts.**
 - d) Discuss PT scheduling to improve work-life balance, retention and hiring *[HOLD for future proposals]* **We are unsure what the Union is asking for here.**
 - e) 1 guaranteed consistent day off every week **Decline. We do not know what the Union is proposing here, but we do our best to accommodate employee requests.**
 - f) Limit number of consecutive scheduled shifts to 7. How often is this happening? **We are unclear what the Union is asking here. But as a practical matter, if this limits what can be done in one week compared to another, we are unsure if a scheduling system can accommodate this by looking at more**

than one week of schedules when writing a schedule for a particular work week. When this happens its usually because employees request this schedule.

- g) Consistent weekly hours
 - a) All part-time employees guaranteed 24 hours per week, unless waived by employee **It is already a contractual benefit for the Top 24% of part-time to receive a minimum of 26 hours per week. These existing minimums are working. Hundreds of employees do not want that many hours. If an employee was interested in working greater hours, they can pursue opportunities to move to modified part-time. But it's up to them – in the last 5 years Jerry's has had about 202 postings for full-time and PT Mod. Almost all were FT positions. 65 of the postings went unanswered by internal candidates.**
- h) Breaks
 - a) Starts after food acquired and paid at store **Decline - We are unaware of any industry where employees are allowed to stay on the clock while they go buy lunch and then start their break once they have lunch in hand. We provide excellent break room accommodations that allows employees to bring or purchase food prior to their shift and store for consumption on break. It is up to them. Fortunately, we have food is on site and we provide refrigeration.**
 - b) Discuss – employer scheduling practices to avoid providing breaks - Employees will not be scheduled within 30 minutes of any 3-hour increment, for example an employee cannot be scheduled for 5 hrs and 45 min (15 minutes short of a 6-hour shift) **Jerry's does try to avoid any scheduling practices that would schedule someone, for example, 5.75 hours if two 15-minute breaks are due at 6 consecutive hours worked. However, there are times when this is unavoidable such as minors who have restrictions on when they can start work and are legally required to be done working by a certain time of day, etc. If this should occur, it is not done with the intent of trying to avoid paying for a break. Jerry's agrees to manage and avoid.**
- i) Scheduling [*HOLD for future proposals*] **The Union and grocers all reserve the right to add to their proposals. But if the Union is intentionally presenting just some, but not all of their scheduling proposals, that frustrates the bargaining process. Jerry's needs to know what the Union is proposing in this area to fairly consider the proposals.**
- j) Attendance policy & grace period [*HOLD for future proposals*] **Jerry's does not know what the Union is proposing here.**
- k) Employer shall supply to the Union an electronic copy of work schedules weekly. Entire weekly schedules for all associates and departments shall be provided in Excel spreadsheets and emailed as attachments to the Union. - **standardize across all contracts** **Jerry's is bargaining only Jerry's contract. Not**

concerned about standardization. We believe this is possible now. Details on format and method of delivery to be determined.

7) Ratios - The Employer shall reach at least:

- a) 40% FT ratio by the end of this CBA (Employer shall make all necessary Fund contributions at 40%)
- b) 40% PT Modified ratio by the end of this CBA (Employer shall make all necessary Fund contributions at 40%)
- c) Increase PT top 24% to 30%

Decline. No interest in changing ratios. They are too intertwined in the rest of the contract. This too has a huge economic impact.

8) Wage Differentials: **In general, Jerry's tries to offer a diversity of job opportunities. These may come in different unions or non-union jobs. The contracts already have a range of rates and differentials for various jobs. Jerry's offers opportunities for growth, where pay and responsibility can increase. Not all employees want one of those opportunities. In fact, many of these opportunities are posted or otherwise solicited but go unanswered. Some of the below are opportunities to learn how to lead, which prepare employees for future opportunities, if they want to invest the effort. E.g., *Jerry's University, Retail Management Certificate, Department Manager Academy.***

- a) PT Supervisor - \$2.00 shift differential for all hours scheduled for the shift **Decline**
- b) MOD - \$2.00 shift differential for all hours scheduled for the shift Counter Jerry's **is open to discussion for an MOD differential, depending on overall economic package. Additional training would be expected.**
- c) Assistant Department Head - indexed to Department Head pay - **Decline**
- d) Deli - \$2.00 shift differential for all hours scheduled for the shift **Jerry's has a deli premium of \$3.00/hr. No desire to expand.**
- e) All hours worked between 6pm and 6am - \$2.00 shift differential for all hours scheduled for the shift **Decline**
- f) Training new hires - Employees who train, or shadow new hires will receive a \$2.00 differential for all hours scheduled for the shift **Decline**
- g) **Interpretation - \$2.00 shift differential for all hours scheduled for the shift Decline. Jerry's feels this is impossible to manage.**

9) Cross training and working in more than one department

- a) Cross training and/or requiring employees to work outside their department will be by mutual agreement only. **Decline - This is exactly the kind of restriction that has burdened the union grocers for years. Employees should be willing and able to help out where the customers need them most. It's good for customers, good for business, and good for the employee, because being cross-trained can help position to have more hours available for more hours and promotion.**

- b) If cross training is mutually agreed to, the employee will be scheduled to shadow department leadership for at least 3 consecutive shifts before expected to work independently. **Decline - Jerry's does not need the union contract to dictate its training programs. They are capable of designing, and in fact already have, training programs that are realistic for the average learner and providing store leadership the flexibility to adjust based on individual learner needs. Individualized bargaining is the best format for discussions about any employer's individual training programs.**
- c) \$2.00 shift differential for all hours scheduled for the shift when employees are assigned to work in more than one department per shift **Decline**

10) Transfer protections - **Counter**

- a) Employees may only be transferred to another department or store by mutual agreement between the employee and the employer. **There's a reason most grocers operate multiple stores in the Twin Cities metro area. That model serves customers better because they allow the stores to help each other out. Transfers also often offer employees a faster path to promotion and the corresponding increases in pay and benefits. The same is true for transferring departments (which is also why the grocers find cross training so important).**
- b) Any involuntary transfers to another department or store, whether for work performance or other disciplinary actions, may only be permissible when accompanied by discipline or a Performance Improvement Plan (PIP) for cause. **Transfers are a means to better serve customers and the community. And the current Jerry's CBA already addresses disciplinary transfers between stores: "No employee will be transferred as a means of discipline."**
- c) Whenever there is a vacancy for a benefit-eligible position that the employer intends to fill, the employer shall post the position both electronically and in a visible location at each store for at least seven (7) calendar days. Vacancies shall be filled by the most senior internal applicant(s), whenever possible. **Jerry's is not interested in going back to a seniority system for determining promotions. As we discussed at length earlier in negotiations, the grocers think it is very important that the most qualified and capable person is selected for every role. This should matter to Union employees too, because these processes determine who will manage them and be their coworkers. Seniority does not consider qualifications and ability to best serve customers and fellow employees.**

COUNTER

- A. The Employer agrees to give an employee two (2) weeks' notice of an Employer-initiated transfer, except in the case of an emergency. Temporary transfers may occur without notice in the event of an emergency arising in the business. Once transferred, an employee may not be transferred to another location for a period of nine (9) calendar months unless by mutual agreement between the Employee, the Employer and the Union.
- B. The Employer will not transfer an employee as a means of discipline

C. The Employer shall consider the circumstances of the affected employee in making the transfer decision.

D. Full-time employees may request transfers to a store closer to their home. Requests will be considered based on the following criteria: store staffing needs, store full-time staff balancing, potential openings and employee's experience and skill sets.

11) PTO / ESST / Leave

a) Increase Bereavement - **ensure consistency for all CBAs** Each CBA has its own history of compromises and differences. To simply say increase one to match the other is to ignore that. All full-time and part-time employees (~~excluding Group 3~~) on the seniority list shall be entitled to bereavement pay according to the following:

- A maximum of four (4) days of leave with pay in the event of the death of a spouse, parent, stepparent, child or stepchild.
- A maximum of three (3) ~~two (2)~~ days of leave with pay in the event of the death of a brother, sister, mother-in-law or father-in-law, grandparent or grandchild.
- ~~One (1) day of leave with pay to attend the funeral in the event of the death of a grandparent or grandchild.~~

Hold- Jerry's is not concerned about CBA consistency across grocers. Jerry's is open to discussion. Overall economic consideration.

b) Holiday pay **Jerry's current PTO/vacation, holiday, ESST, Paid Medical Leave, and personal days provide ample opportunities for paid time off. These categories of leave have recently expanded through negotiations and legislation. Jerry's does not think they should have to add even more now.**

- i. visit designated paid holidays, add 1 more **Decline.**
- ii. Holiday pay increased from 4 to 6 hours paid for all part-time **This is already in current CBA for those over 10 years.**
- iii. Custodial / Courtesy / Clean Team will not have to wait 1 year to receive, should be same as PT which is after 90 days (no longer an issue if all convert to regular part-time) **We don't have these classifications.**
- iv. Part-time employees are eligible for holiday pay after 90 days. This is already in **the current CBA**

c) Vacation / PTO / ESST

[HOLD for future proposal] Jerry's proposes ESST rate change for hour compliance only **(included in Jerry's specific proposal)**

12) Classifications **Classifications were bargained to make compromises on both sides. Reimagining classifications is akin to rewriting the entire agreement.**

Jerry's is proud that we offer so many opportunities to promotion, and that every employee can pursue those based on their own merit if they want to. Jerry's offers "Jerry's University" classes for both self and career betterment, opportunities to apply for Department Manager Academy and Retail Management Certificate Degree programming well as daily Ulearn modules and "Choose Two" mentorship for

Department Head development. (again, in last 5 years there were 202 FT posting with 65 going unanswered/no internal Jerry's applicants).

- a) Custodial / Courtesy / Clean Team - **Jerry's does not have these classifications.**
- b) Group 3 - eliminated and all reclassified as Regular Part-time – **Jerry's does not have these classifications.**
- c) Retail Specialist - eliminated and all reclassified as Classified Assistant - **ensure consistency for all CBAs** **Jerry's does not share “consistency” as a universal goal. We run different businesses. We use this position as a path to promotion. CBAs have different histories and compromises.**
- d) Discussion to include part-timers who perform duties of full-timers **What is the union asking?**
- e) Department Heads:
 - i) All Department Heads shall be classified as Traditional Full-Time Food Handlers for purposes of Appendix A-1 “Food Handlers Sunday Clause.” **Decline. The problem with this is the grocers need to operate on Sundays.**
 - ii) Any Department Head who is demoted or chooses to step down will revert to the classification they held prior to becoming a Department Head. - **ensure consistency for all CBAs** **Jerry's does not share consistency as a universal goal. This already exists in Jerry's CBA.**
 - iii) Ensure that all FT heads of departments are classified and paid as Department Heads (e.g. Pricing, E-Commerce, Floral, General Merchandising, Coffee, Front-End, Gift, Cheese) **Decline. Some departments are not big enough to justify the difference. The responsibilities in smaller departments are to order, but they may not write schedules or handle other duties at the scale that Department Heads typically do. Etc.**
****In response to union's question for clarification on criteria for Department Head: A department head needs 6 direct reports in workday and/or 6% store sales.**
 - iv) Amend Section 5.5 to read: Any time a department head is off and a replacement is assigned to fill in for the duties of a department head or assistant department head, the employee assigned to fill in will receive department head or assistant department head pay for each shift in which those duties are performed. **Decline. Counter language in our specific proposals if you do it for 7 days.**
- f) Training hours: When an employee is training as a higher paid classification, they shall be compensated at the higher classification for said hours. **Training itself is an investment in the employee and an opportunity for the employee to grow. We are taking someone away from full focus on their job to develop you for your current or next opportunity.**
- g) Full-time Waiver - Amend full-time waiver rate in Section 23.1 to \$23.00 for the duration of the waiver period up to a maximum of one thousand two hundred

(1,200) hours of said period. If an employee exceeds a maximum of 1,200 hours, the employee will become a Classified Assistant. - **ensure consistency for all CBAs** . Language already exists in Jerry's CBA.

- h) **Maintaining seniority for students - [hold for future discussion] this is not yet a proposal. But, again, we already have this, see Section 17.11.**

13) Safety and Wellbeing [*HOLD for future proposals*]

Jerry's is unclear as to whether these are the final proposals due to the "HOLD" language. Employer does not believe that any additional language is required on these topics, as they are sufficiently addressed in the contract's provisions on uniforms and safety.

- A) Employer shall update schedules and nametags of an employee once informed of a name change and with employee's consent **Employees can change preferred name and legal name in Workday. Employee can request a new nametag at store level.**
- B) Employer will require that any federal immigration agent, Immigration and Customs Enforcement (ICE) agent, Department of Homeland Security (DHS) agent, or State and Local law enforcement officials present a valid warrant signed by a judge before admission to the worksite or access to employee records. Employer shall immediately notify UFCW 663 in the event of such an incident. **We cannot do this. Proposal B is not, in Jerry's view, permissible under applicable law, which does not require a judicial warrant before admission to the worksite, back office areas, or before providing employee records. Employer has and will continue to comply with applicable law on immigration matters.**
- C) Employees will not be expected to participate in rodent or insect remediation. **We have a professional pest elimination contract. This does not need to be in a CBA.**

14) Tools and Training

- A) Front end and Pharmacy employees will be provided stools, fatigue mats, and be permitted to have water - discuss ergonomic needs – **Already provided**
- B) Bakery, Deli and Meat department employees will be provided non-slip fatigue mats - **Already provided**
- C) Apprenticeships & Job Training [*HOLD for further discussion*]
- D) Limit on using AI technology including, but not limited to, scheduling, inventory management, and in-store customer service [*HOLD for future proposal*]

Jerry's will respond to C and D when specific proposals are made by the union. The Employer already provides non-slip mats and other reasonable accommodations where supported. Applicable law prohibits water in Pharmacy areas, so employer is not able to agree to change contract language on that point.

15) Check-off

All check-off remittances (dues, initiation fees, ABC) collected by the Company shall be promptly remitted to the Union no later than the 5th of the month following the month of such deductions. **Jerry's will consult internally on dues processes and will provide a response separately on this item.**

*** After internal consultation, Jerry's believes the current contractual requirement of payment of check-off remittances within ten (10) days is sufficient and usually results in remittances being made by the 5th of the following month, and does not believe changes to the language is necessary.**