

Food 4 Less Negotiations, January 2021

Kroger - Finances

KROGER PROFITABILITY

In the first 3 quarters of 2020, from February through October of this year, Kroger's sales increased 9% to over \$100 billion and its net profit *doubled* to \$2.6 billion.

<i>(In Billions)</i>	Change	Q1, Q2, Q3 (2020)	Q1, Q2, Q3 (2019)
Sales	+9%	\$101.761	\$93.393
Net Profit	+100%	\$2.662	\$1.332
Cash + Temp. Investments	+300%	\$2.180	\$0.545
Cash on Hand	+107.85%	\$3.282	\$1.579

FOOD 4 LESS PROFITABILITY

In the Food 4 Less chain across Southern California, total store revenue increased 15.8% between March and August of this year, while total labor costs decreased by 15.41%.

	Change	March-August 2020	March-August 2019
Sales (All Locals)	+15.81%	\$1,838,651,958	\$1,587,593,150
Labor Costs (All Locals)	-15.41%	\$104,987,228	\$124,115,949

WHERE IS ALL THIS PROFIT GOING?

- ***It is NOT going to the workers:*** Kroger's hazard pay program lasted for approximately 1.5 months and was terminated on May 15, days before the first (of three) giant spikes in coronavirus cases in their grocery stores. It has been over 8 months since Kroger employees have received hazard pay.

A study by the Brookings Institute found that on average, a full-time employee at Kroger working 40 hours/week earned \$1,249 in total Covid-19 compensation (including hazard pay and 2 bonuses), amounting to a 9% wage raise. Kroger's profits, on the other hand, DOUBLED (a 100% increase), and their stock price increased 115%.

- The rate of COVID-19 infection inside F4L stores is *significantly* above the rate of infection in their surrounding communities. **More than 23% of Local 324's Food 4 Less members have tested positive compared to an average of 11% of all Local 324 members.**