



WAL★MART WATCH

WEEKLY UPDATE

FOR ELECTED OFFICIALS

November 12, 2008

WAL-MART NAMED TO LIST OF MOST-CONTROVERSIAL COMPANIES

Wal-Mart, China Milk Producers Named to Most-Controversial List [Bloomberg News]

Wal-Mart Stores Inc., the world's biggest retailer, and Fonterra Cooperative Group Ltd. have been named to a list of the largest companies most criticized for their impacts on the environment, health and communities.

WAL-MART READIES FOR FIGHT WITH OBAMA ADMINISTRATION OVER EFCA

Business girds for push by unions on Obama win [Reuters]

Corporate America is bracing for a bold offensive from labor early in 2009, led off most likely by a renewed push in Congress to pass legislation, fiercely opposed by business, that would make it easier to organize unions in the workplace. Big retailers are high on the list of companies facing heightened unionization risk, including Wal-Mart Stores Inc, Home Depot Inc, Lowe's Cos Inc, Target Corp and Macy's Inc, analysts said.

Retail groups to lobby against pro-labor bill [Associated Press via Business-Week]

Union-backed groups such as Wal-Mart Watch, which has been putting pressure on Wal-Mart to change its practices, maintain that the legislation would give employees a free choice if they want to join a union and say it would restore balance in the workplace, providing more workers an opportunity to form unions and get better health care, job security and other benefits.

US business ready for battle on labour reforms [Financial Times]

Wal-Mart, the largest private employer in the US, which has a staunch antiunion record, has already made its opposition clear. Lee Scott, Wal-Mart's chief executive, told analysts last week that the change would result in "making this country less competitive" and "bringing coercion and force into the workplace". Should the act become law, transport and trucking companies such as FedEx and Con-Way could see more parcel and freight employees organise.

Who Should be Secretary of Labor? [CounterPunch]

Additionally, with a pro-labor warrior at the helm, the DOL would finally be in the position to put the fear of God into Wal-Mart Stores, Inc. By declaring publicly that it will begin a full-scale review of Wal-Mart's labor practices, the DOL could produce immediate changes. The world's largest private employer and most influential retailer has been getting away with illegal and unethical tactics for way too long.



WAL-MART'S PLACE IN A WEAK ECONOMY

Analysts say Wal-Mart well-poised for growth [CNN Money]
Wal-Mart Stores Inc. has been helped somewhat by the bad economy, drawing consumers looking for a deal. And JPMorgan analysts said Monday that the company is perfectly positioned for growth in the future.

The Wal-Mart Weekly: Wal-Mart the big winner in the current U.S. downturn [BloggingStocks]

Wal-Mart Stores Inc. has seen its stock price rise and sales rise as well in 2008. Even folks who would have shunned Wal-Mart just a few years ago as "beneath them" are seeking out bargains and looking for the sweet deal on everything from groceries to interior latex paint.



Wal-Mart sees opportunities amid the crisis [Financial Times]

Lee Scott, chief executive officer, told investors and analysts this week that "there are probably things that the government might allow you to do that they would not have allowed you to do in the past", while saying that the retailer would take a "thoughtfully aggressive" approach to any opportunities.

Wal-Mart to pare capital spending [Arkansas News Bureau]

Wal-Mart is slowing the pace of its U.S. store openings and cutting back on capital spending. Wal-Mart's U.S. division plans to open 191 stores in the current fiscal year, which ends in early 2009, and 142 to 157 stores in the next fiscal year, according to U.S. Wal-Mart CEO Eduardo Castro-Wright.

AFTER YEARS OF DESTROYING LOCAL BUSINESS, WAL-MART CLAIMS ITS NEW SALE "BACKS MAIN STREET"

Al Norman: Thank You, Wal-Mart, For A Cheap Christmas [Huffington Post]

The headline on Wal-Mart's press release this week simply makes no sense: "Wal-Mart Backs Main Street." After having ravaged Main Street merchants for the past 46 years, how could Wal-Mart "back" Main Street by any stretch of the imagination?

Bargain-hunters boost Wal-Mart as other stores struggle [Florida Times-Union]

Wal-Mart reported that its October same-store sales - that is, sales at stores open more than one year - rose 2.4 percent. That might not sound like much, but overall same-store sales at major retailers declined 0.9 percent in the month, according to the International Council of Shopping Centers' index of chain stores. And if Wal-Mart's results are excluded, the index would have shown a drop of 4.6 percent for the month.

Column: Time to indulge your inner Scrooge [Baltimore Sun]

And The New York Times said sales at the nation's largest retailers "fell off a cliff" last month and that this could be the worst Christmas shopping season in decades. Only deep discounters like Wal-Mart reported any gains, and even those are slashing prices to get shoppers in the door.

THE WAL-MART EFFECT

Bigg's puts emphasis on local [Cincinnati Enquirer]

Surrounded by dozens of homegrown Kroger Co. stores and fending off grocery discounters Wal-Mart, Target, Meijer's and others, the 11 bigg's stores in Greater Cincinnati and Northern Kentucky have managed

THE WAL-MART EFFECT cont...

to survive, in part, because the grocery chain has been willing to take a chance on stocking goods from local providers and vendors - even those with no track record of success.

Wal-Mart eats grocers' lunch [Crain's Chicago Business]

Wal-Mart's share of the local market nearly doubled over the past year as its huge new stores lured penny-pinching consumers. The gains are coming at the expense of Chicago fixtures Jewel-Osco and Dominick's, both of which are losing marketshare.

Circuit City, Electronics Retailer, Seeks Bankruptcy [Bloomberg News]

The petition for Chapter 11 protection in U.S. Bankruptcy Court in Richmond, Virginia, listed \$3.4 billion in assets and \$2.32 billion in liabilities. The company said it is entering court protection owing Hewlett-Packard Co. \$119 million and Samsung Electronics Co. \$116 million.

STATESIDE

Virginia: Wal-Mart Provokes Another Civil War Bloodbath [Battle-Mart Blog]

More often than necessary, Wal-Mart collides with history. One hundred and fifty four years after one of the bloodiest battles of the Civil War, Wal-Mart has provoked another battle to erupt near the site of the infamous Battle of the Wilderness in Orange County, Virginia.



Mississippi: The Wal-Mart with an oyster bar [Sun-Herald (Miss.)]

"There won't be any other Wal-Mart like it in the Southeast," he said. The store will not feature the tire- and oil-change shop most Wal-Marts offer, but the Pass Christian store will have - of all things - an oyster bar, McDermott said.

Illinois: Chicago aldermen have wish list for Obama [Chicago Tribune Clout Street Blog]

Blocked by labor in his efforts to bring a Wal-Mart to his South Side ward, Ald. Howard Brookins (21st) said he hopes that Obama would give the unions - who strongly supported him - much of what they want, such as higher wages and a stronger right to organize. As a result, Brookins said, "Maybe [unions] will ease up on the local level. I might even be able to get a Wal-Mart now."

California: Atascadero residents defeat Measure D, Wal-Mart plan likely to forge ahead [San Luis Obispo Tribune (Calif.)]

With the defeat of Measure D by city voters, Atascadero will likely move ahead with Wal-Mart's application to build a Supercenter in the northern part of town. The failure of the so-called Atascadero Shield Initiative derails a grassroots movement to prevent a Wal-Mart or any other large or warehouse-style store from building within city limits.

California: Leader of fight against Wal-Mart wins Elk Grove City Council race [The Sacramento Bee (Calif.)]

Steve Detrick, a tireless campaigner who earned his public service chops fighting a Wal-Mart Supercenter, cruised to victory Tuesday night in the hottest of three Elk Grove City Council contests.

Pennsylvania: Wal-Mart wants to fix 'clerical error' on plan [Morning Call (Pa.)]

The attorney representing Wal-Mart through the development process in North Whitehall asked township supervisors and a local opponents group Wednesday to agree to an alteration of the retailer's approved subdivision plan, which is being appealed in Lehigh County Court.

STATESIDE cont...

South Carolina: Wal-Mart full steam ahead in Indian Land [Fort Mill Times (S.C.)]

It's been quiet on Hwy. 521 at the spot where a Wal-Mart SuperCenter is planned for construction. But officials say don't be fooled because behind the scenes, plans for the big box retailer are starting to come together.

California: No liquor sales at Wal-Mart, city of Richmond says [West County Times (Calif.)]

Wal-Mart in Richmond can sell everything from groceries to fishing poles, but alcohol is off-limits. The city Planning Commission has denied the discount retail giant's request for a permit to sell beer and wine at its Hilltop Mall store, saying allowing another liquor license would oversaturate the area.

Nevada: Resident opposes Wal-Mart on alcohol sales - and wins [Las Vegas Sun]

Dupalo decided he'd had enough of the liquor-fueled behavior and the drunken driving he said was surely a direct result of the availability of alcohol. So he decided to take on his local Wal-Mart, at 201 N. Nellis Blvd., which had planned to add package liquor sales. The giant low-priced retailer first needed the approval of the Las Vegas Planning Commission and the City Council.

WAL-MART LEGAL

Man files \$19 million racial discrimination suit against Wal-Mart, Pepsi [West Virginia Record]

A Berkeley County man has filed a federal suit against Wal-Mart and eight of its employees along with Pepsi and one of its employees for more than \$19 million, alleging racial discrimination and a conspiracy of the companies' employees to fire him.

Arkansas Court of Appeals [Arkansas Democrat-Gazette]

CA08-515. Alice Huckabee v. Wal-Mart, Inc. and Claims Management Ins., from the Arkansas Workers' Compensation Commission. Reversed and remanded for award of benefits. Bird and Glover, JJ., agree.

'Real Sports,' HBO sued for libel [United Press International]

Constantine said the "Real Sports" report resulted in a loss of "tens of millions of dollars" for the company since Wal-Mart and Modell's Sporting Goods immediately yanked its soccer balls from their shelves.

PRODUCT SAFETY AISLE: BPA, LEAD FACE PAINT, MISLABELED SYRINGES

FDA Chief: Bisphenol-A Review Raises Important Questions [Dow Jones News-wire via Wall Street Journal]

Food and Drug Administration Commissioner Andrew von Eschenbach on Friday said a highly critical review of the agency's stance on a chemical found in plastic food and drink containers raises important questions.

Advisers: FDA decision on safety of BPA 'flawed' [USA Today]

A Food and Drug Administration advisory board voted Friday to say that the agency ignored critical evidence suggesting that a controversial plastic chemical bisphenol A, or BPA, could harm children.



Walmart Sells Lead-Tainted Facepaint For Kids [Consumerist]

This facepaint for kids, sold by Walmart, contains lead. It says it right on the package. What the hell?! Maybe it's the tubes that contain the lead, not the paint? Doesn't sound right. Well, at least it doesn't smear.

PRODUCT SAFETY AISLE cont...

[Insulin Syringes Are Recalled \[Bloomberg via New York Times\]](#)

Covidien Ltd. is recalling 471,000 disposable insulin syringes because of mislabeling that could cause patients to receive an overdose, federal regulators said. The company's ReliOn hypodermic syringes could cause patients to receive as much as 2.5 times the intended dose, according to an e-mailed statement by the Food and Drug Administration. The syringes were sold at Wal-Mart and Sam's Club stores, according to the statement.

ENVIRONMENT 101

[Are you ready to go on a carbon diet? \[Christian Science Monitor\]](#)

As for carbon-labeling, Wal-Mart's senior vice president of sustainability, Matt Kistler, says that he doubted existing methodologies and the Wal-Mart customer's ability to relate carbon with consumer merchandise. "I'm not sure the consumer will ever make a purchase based on the carbon footprint," he says, "especially the mass consumer."

[A Critic Changes His Tune About Wal-Mart \[Wall Street Journal Independent Street Blog\]](#)

Seventh Generation, a green cleaning-products maker, was one such company that vowed not to work with the world's largest company. Until recently, that is. Seventh Generation just started selling some of its products in four new natural foods and organics stores in Arizona called "Marketside," which is a wholly owned subsidiary of Wal-Mart.



[Has Seventh Generation Sold Out by Working with Wal-Mart? \[GreenBiz\]](#)

I've sometimes said that hell would freeze over before Seventh Generation would ever do business with Wal-Mart. In fact, at times I've made even more strongly worded statements. Now I've got to concede that I was wrong. For the first time ever, the Seventh Generation logo is appearing in a handful of stores that are owned by Wal-Mart.

WAL-MART INTERNATIONAL: WAL-MART STILL SEEKING BANK IN CANADA

[Canada: Labor Group Opposes Wal-Mart Canada's Bank Application \[Wall Street Journal\]](#)

The Canadian Labour Congress, an organization of the country's national and international unions, is opposing Wal-Mart Canada Corp.'s application to establish a bank. In a letter to Canada's Office of the Superintendent of Financial Institutions, or OSFI, CLC President Kenneth Georgetti said his group is prepared to make a detailed submission about "Wal-Mart's character and integrity to operate as a bank in Canada" should the government hold a public inquiry into the application.



[International: Wal-Mart to home in on overseas openings \[Retail Week \(UK\)\]](#)

Wal-Mart is to limit expansion in its home market and invest in its international operation as it seeks to focus on capital efficiency and improved return on investment.

[China: Some owners deserting factories in China \[Los Angeles Times\]](#)

Few were bigger than Jianglong, which is Chinese for "River dragon." The company posted sales of about \$110 million and a profit of \$14 million last year, according to its annual report. Its owner, Tao, boasted

WAL-MART INTERNATIONAL cont...

of the company's sophisticated research and development capabilities and a base of global customers that included Wal-Mart.

OPINION OF THE WEEK

Letter: Where socialism lives [Raleigh News & Observer (N.C.)]

Every time a Wal-Mart gets tax credits and real estate tax abatements, that's an example of socialism. Whenever a stadium for baseball, football or NASCAR events is placed in a community, these otherwise unprofitable ventures become profitable because taxpayer money is funneled to these specialized corporations that are protected from competition. That's socialism, too.

WHAT YOU CAN DO:

Dear [Wal-Mart Watch](#) Elected Official Task Force Member:

"A Handshake with Sam"---Please, don't forget to write a letter to Wal-Mart's CEO Lee Scott asking him to accept the good-faith offer. On our website you can find a copy of "Sam's Handshake" as well as a letter drafted for you by Wal-Mart Watch asking CEO Lee Scott to protect human dignity, to keep Wal-Mart's operations clean, and to be completely transparent with the public. We hope you will use this draft letter to communicate your concerns and to ask CEO Lee Scott to commit to these seven principles and assume the moral responsibilities we expect of our biggest and most important American corporation. (If you do decide to send a letter to Wal-Mart CEO Lee Scott, please forward a copy of your letter to me.)

Check out our new and improved Elected Officials Web page at www.walmartwatch.com/electeds--- Our new web page offers electeds: 1) talking points and model legislation on Fair Share Health Care, Living Wage/Minimum Wage, ILC Banking and Disclosure 2) The facts behind "A Handshake With Sam" and 3) the Elected Officials Blog.

If you have any questions or if there is any Wal-Mart activities/news happening in your community, please feel free to contact me at 202-557-7469.



WAL★MARTWATCH

Corey Himrod
Legal Outreach Coordinator
chimrod@walmartwatch.com
Wal-Mart Watch
1730 M Street NW, Suite 601
Washington, DC 20036
Phone: 202-557-7469