

# GMB@ASDA Retail

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**GMB**

ASDA  
LONDON REGION

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April 2018

## UPDATE – SAINSBURY'S MERGER

Dear Colleagues,

With statements provided by Roger Burnley, Asda CEO, and Mike Coupe, Sainsbury's CEO, we now have further clarity on what the Sainsbury's - Asda merger would look like.

Sainsbury's will merge with Asda as a company, but keep the two brands intact and separate, with Roger Burnley remaining as head of Asda, reporting to Mike Coupe as the head of the overarching operation. Both CEO's have said that they do not anticipate any store closures or job losses as part of this merger. Wal-Mart would become a major shareholder of the new company with a 42% stake, and with 2 seats on the Sainsbury's PLC board.



The statements explain that they expect the deal to be finalised by the second half of 2019, giving time to confirm the terms of the merger and the Competition and Markets Authority to investigate the deal and give it their approval.

Labour's shadow business secretary Rebecca Long-Bailey has stated she was concerned at the impact of the proposed tie-up on suppliers. The combined group "will have immense purchasing power, giving them an opportunity to bargain very hard with suppliers," she warned. This will be taken into account by the CMA when conducting their investigation.

GMB London Region's position is that this deal must have the best interest of our members at heart to gain our support. The announcement of no plans for store closures or job losses is a welcome one, but there is still the question of how the distribution side of matters will be handled.

We are still very disappointed with Asda for not sharing any details of this potential deal with GMB, and we have requested an urgent meeting at the highest level to confirm our involvement and consultation upon this deal, the biggest change to our members' employer in 20 years. We are insisting that Asda involve us in this merger, and we will use the powers in our agreements both in retail and distribution to enforce that involvement.

GMB London Region works to protect the rights and employment of GMB members. If you would like support, advice please speak to your GMB Shop Steward, or visit the GMB Members' Support Centre at [www.gmb-asda.com/support](http://www.gmb-asda.com/support)

Regards,

A handwritten signature in black ink, appearing to be 'Keith Dixon'.

Keith Dixon  
ASDA Lead Role Officer  
GMB London Region

**For assistance visit the GMB Members Support Centre**  
**[www.gmb-asda.com/support](http://www.gmb-asda.com/support)**