

Somerfield

Confirmation that the Co-operative Group has exchanged contracts to purchase Somerfield has been widely reported over the last few days. The National Association of Co-operative Officials welcomes this announcement and, if approved by the Office of Fair Trading (OFT), this acquisition will enable the Group to expand the brand proposition and significantly increase its share of the retail market – thus delivering the co-operative difference to a wider audience.

We recognise that a huge amount of work has been undertaken during a series of negotiations to secure the current position and, subject to OFT ratification, a great deal of work will be required in the future to integrate the two businesses. We have been advised that the talks with the OFT will take place over the next few months and, should the acquisition proceed, NACO will ensure that the views of the membership are delivered through our representation.

A successful integration of the two businesses will create a financially strong and socially responsible co-operative and provide for an exciting and challenging time over the coming months. The success of the integration will be heavily reliant upon the skills and professionalism of the NACO membership and would provide long-term security of employment and development opportunities for members.

NACO enjoys an excellent working relationship with the Co-operative Group and, following the clearance of the deal by the OFT, we look forward to the opportunity to work closely with the management team as the businesses integrate.

Please encourage any of your colleagues who are not members of NACO to visit the NACO website, detailed below, and complete the on-line application form to ensure they have a voice in the forthcoming talks.

Neil Buist
General Secretary

Friday 18th July 2008