



Daily Bread Food Bank

530 Lakeshore Blvd. West

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Taxation Division Registration # 0666347-09-13

January 9, 1998

Toronto Action for Social Change,
PO Box 73620
509 St. Clair Avenue West
Toronto Ontario
M6C 1C0

Dear TASC,

I am writing to express my deep concern - indeed, anger - at your current campaign in which you relate Loblaws support of food drives to "corporate hypocrisy". Your current crusade, conducted in the name of poor and hungry people, is unfair to food banks and to Loblaws Supermarkets. It threatens to severely inhibit the food banks' efforts to encourage both public donations and corporate support to Toronto area food relief programs. Furthermore, your press releases and newsletters are based in part on false information about the nature of Loblaws' relationship with us and their involvement in helping people get food relief during these trying times when so many suffer from poverty and hardship.

Let me outline precisely where you are wrong in your public statements:

- 2) **Loblaws is making a profit on food drives.** While Loblaws undoubtedly benefits in terms of public goodwill from their sponsorship of food drives, there is no direct profit to be had by them in sales. On the contrary, Loblaws sponsorship goes way beyond any possible profits they could achieve. Let me be specific here:
 - During our Christmas food drive, prepackaged bags of food (called "Christmas stockings") were sold in Loblaws stores for donation to the food bank. The program was initially proposed by us, and Loblaws were kind enough to accede to our request *in spite of the fact that it would cost them money*. The contents of each stocking has a retail value of \$12, even though it sold in the store for \$10. For each stocking donated, Loblaws donated an additional \$5 to the food bank. They supplied the stocking bags and the supporting marketing material such as posters. They also sold, at the cash register, vouchers which were then turned over to the food bank as money for food purchase. Neither the \$5 donation nor the funds donated at the register had any strings attached regarding where the food was to be purchased - and, in fact, we purchase from whomever will give us the best price for the items we need. **Not counting staff support from Loblaws and from their stores, but including the \$5 donation made to the food bank, the Christmas food drive costs Loblaws many times as much as any profit they might make on the stockings - and, in fact, they probably make none.**
 - During the Spring and Fall drives, Loblaws accept donations in their stores which amount to less than one third of all donations received. While most of this product is purchased in Loblaws, Loblaws also pays for our food drive collection bins, the paper bags which are carried free by the *Toronto Star* and community newspapers, posters and a variety of other food-drive related expenses. By my reckoning, they would have to make at least a 10% profit on every item sold to even cover the hard costs of the food drive - not counting endless hours of staff support and involvement of store personnel. Food retailer make no such profit.

Your assertion regarding massive profits to Loblaws as a consequence of food drives is simply wrong. To continuously proclaim them is to misrepresent the facts. The result will be declining public contributions as people become misled and confused, and a greater unwillingness on the part of other corporations to participate in charitable endeavours.

2) **Loblaws has excluded other retailers from participation:** During December, Daily Bread Food Bank made approximately 100 pick-ups of donations from retail stores other than Loblaws. A&P/Dominion stores commonly have ongoing collection bins in their stores, and donations at those stores increase during major food drives and particularly at Christmas. The same is true of members of the Oshawa group, which also sponsors a province-wide food drive during the late summer. On a weekly basis, we pick up public donations from several small independent stores or stores that are part of other chains. We do this with the full support and blessing of Loblaws, even though Loblaws carries the lion's share of the cost of food drive promotional materials.

Overall, the Weston contribution to Daily Bread goes far beyond food drives. Food donations come from various members of the Weston group. Our occupancy in the building at 530 Lakeshore Boulevard, where we operate out of over 100,000 feet of warehouse and office space, is given to us by Wittington Properties, a Weston company, entirely free. They have also given us extremely generous grants to improve the facility. They pay our heat and part of our Hydro, and assist us in many other ways.

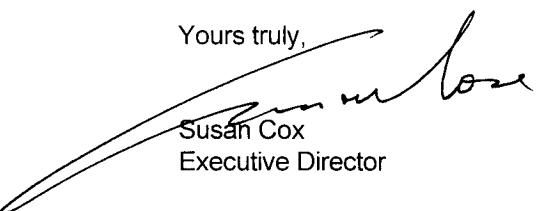
I might add that, to their credit, Loblaws has never tried to influence our speaking out on issues of hunger, income maintenance, or government policies which could hurt the poor. Nor have they ever asked us to change any aspect of our operation or way of doing business, or tried to prevent our involvement with other corporate supporters, including their competitors. Overall, they have been a model of corporate philanthropy in their relationship with Daily Bread..

Your current activities jeopardize that good relationship, and we believe actively obstruct similar responses from businesses who would fear bad public relations as a result of good deeds - a bitter irony indeed.

I have previously spoken to Matthew Behrens about our concerns with your leafleting stores during food drives, but they are clearly of no concern to you. It seems obvious from my vantage point that creating conditions where less food available for the hungry is irrelevant to you when you want to score political points. To be honest, I would have thought our larger objectives were similar: to improve the conditions of people who are poor and on welfare through government action which creates well-paid jobs for those who can work, and adequate income support for those who cannot. Like you, we long for the day that food banks are no longer needed. Hurting them while they are still needed is foolish and short-sighted.

I am asking you therefore to stop involving the food bank in your protests, actions and public pronouncements, and to stop spreading false information about a corporation that has helped this charity enormously in its efforts to alleviate hunger. We believe your targeting of this particular company for their welcome and much needed involvement in a philanthropic endeavour is damaging to our efforts to relieve hunger. We are saddened that you appear to believe that tactics which we believe are potentially damaging to the food bank and to food drives are necessary to make your position known.

Yours truly,


Susan Cox
Executive Director