



GMB LONDON REGION

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GMB YOUR VOICE IN ASDA

February 2021

The ASDA Purchase

Colleagues,

As you will have seen in the news, the buyout of ASDA from Wal-Mart has now been virtually completed. In a leveraged buyout that required £4bn in borrowed money to complete the purchase, the Issa Brothers in conjunction with TDR Capital are now owners of the ASDA business, with Wal-Mart keeping a £500m stake. But what does this mean for you, our members?

Sharesave

All ASDA colleagues who are a part of the Wal-Mart Sharesave scheme have been written to over the last week regarding the scheme and the options available to them.



Store Closures

ASDA has said that it is unlikely that stores would be closed as a result of the purchase, but clearly the new owners could have their own intentions for the business, which is why GMB has requested a meeting to discuss the future direction of the business as soon as the purchase is 100% complete.

Changes in Stores

It is clear that the new owners are looking to make changes to the ASDA business. There have already been valuers visiting the various distribution centres across the country, and the intention appears to be to sell these off and rent them back for a quick cash lump sum. This is likely with the intention to offset the significant debts of the new owners.

There are also discussions about third party ownership of certain departments across the store. Many of you will have already seen the introduction of third-party companies filling the space of the fish counter, and Asda have just announced a new in-store partnership with Greggs as well. We will keep members apprised of how this impacts you directly, and if there are any risks to hours or jobs as a part of the changes.

We still await a decision from the CMA on the purchase due to the competition concerns around petrol stations, owned by both ASDA and the new owners, but should have that announced soon.

If you would like more information, have concerns or would like support with this or other matter, please speak to your GMB Steward, visit our GMB Member's Support Centre at www.gmb-asda.com/support or phone GMB Norwich upon 01603 626492

Kind regards,

GMB ASDA London Region

For assistance visit the GMB Members Support Centre
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