



Gary Hammett  
Vice President  
Real Estate Development

October 25, 2001



VIA FEDERAL EXPRESS  
Office of the Secretary  
Federal Trade Commission  
600 Pennsylvania Avenue NW  
Washington, DC 20580

RE: FTC File No. 981-0339  
Albertson's/American Stores Matter  
SavMax Store No. 309 Covina - Transfer to Super Center Concepts, Inc.  
(Former Lucky Store No. 620)

To: Federal Trade Commission:

Pursuant to the Albertson's/American Stores Consent Order, File No. 981-0339 ("Order"), between Unified Western Grocers, Inc. ("Unified"), formerly known as Certified Grocers of California, Ltd., and the Federal Trade Commission ("Commission"), Unified hereby applies for approval from the Commission to transfer SavMax Store No. 309, currently operating under the "SavMax" trade name, located at 1375 N. Citrus Avenue, Covina, California 91722, to Super Center Concepts, Inc. dba Superior Super Warehouse Stores ("Superior"), (please see attached executed Letter of Intent marked Exhibit A which is redacted as to matters other than the proposed market transaction.)

While this letter application itself is public, all attachments are submitted on a confidential basis under the Commission rules. Unified also requests elimination or early termination of the comment period so that the transaction can promptly close and the store ownership transfer can take place.

Schedule A to the Order identifies the stores that were divested to Unified. One of those stores was Lucky Store No. 620 in Covina, California which was opened and is operating as SavMax Store No. 309. While SavMax No. 309 Covina is currently operating, (please see attached operating statement marked Exhibit B and operating loss summary marked Exhibit C for more information on the store's current and comparative financial performance), in the event that the transaction discussed herein is not completed, it is likely that Unified will close SavMax No. 309 in the near future because of continuing operating losses.

Under paragraph VI B. of the Order, for three (3) years after the Order becomes final, Unified "shall not sell or otherwise convey, directly or indirectly, any remaining Schedule A Assets, except to an Acquirer approved by the Commission and only in a manner that receives the prior approval of the Commission."

Unified has invested significant time, effort and resources in operating the subject store following our acquisition of Albertson's/Lucky divestiture stores in September, 1999. In spite of the significant costs associated with advertising and marketing efforts (please refer to Exhibit B once again for YTD advertising expenses), this store has not met sales expectations (please see attached weekly sales history marked Exhibit D), and thus is operating at a significant loss. As a result, Unified desires to transfer its interest in the subject store.

In order to attract potential acquirers for Unified's interest in the store, many contacts were made with Unified's member retailers, and contacts were also made with several competitive retailers as well (please see attached contacts list marked Exhibit E for more specific information regarding Unified's internal efforts to market the store). After extensive efforts, Unified has been successful in obtaining the interest of a potential acquirer for the Covina store through our own marketing efforts.

Unified has negotiated a Letter of Intent, subject to board approval, with Superior. Our agreement with Superior will not restrict Superior in any way from operating the store as a supermarket. It is our understanding that Superior intends to first complete a major remodel (projected remodel costs are in excess of \$1 million) of the facility and then to operate a warehouse format store in the location. Our contact at Superior is Ms. Mimi Song, President, who can be reached at (310) 637-1466 ext. 101.

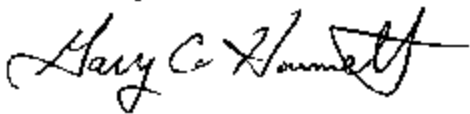
For additional information in support of Unified's request to transfer one (1) of the stores to Superior, we refer you to the following information regarding Superior's current operations; an income statement (marked Exhibit F) and a balance sheet (marked Exhibit G), and in addition, a map (marked Exhibit H) depicting the Northern Covina, California market area, including both the subject store location and an area well beyond the defined market area depicting the closest existing Superior store and the closest planned new Superior store (each is approximately 10 air miles away). Superior, Unified's largest independent Member (in terms of sales volume) in California, currently operates thirteen (13) stores (list of locations is attached as Exhibit I) with one additional new store planned for Pomona in 2002. The closest operating Superior store to the Covina location is Superior No. 4 which is located at 1954 N. Durfee Ave., South El Monte, CA 91733.

We believe that the acquisition of SavMax No. 309 Covina by Superior will enhance competition within the subject market area. Superior has an excellent record of taking over existing locations and dramatically increasing sales volumes from prior levels. Superior's low price, warehouse format will better provide the Covina market area customers with an excellent independent supermarket alternative in which to shop.

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Unified thus requests approval from the Commission under the Order for the sale of Store No. 309 as described above. If you require additional information, please call me at (323) 264-5200, ext. 4700, or in my absence, please contact Robert M. Ling, Jr., Unified's Executive Vice President and General Counsel, at the same number, ext. 4285. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Gary C. Hammett". The signature is written in black ink and is positioned above the printed name.

Gary C. Hammett

attachments

cc: Robert M. Ling, Jr.

**The following confidential exhibits are redacted.**

Exhibit A

Exhibit B

Exhibit C

Exhibit D

Exhibit E

Exhibit F

Exhibit G

Exhibit H

Exhibit I