



WAL*MARTWATCH

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August 6, 2008

Federal Election Commission
Office of General Counsel
999 E Street, N.W.
Washington, D.C. 20463

To Whom It May Concern:

I am submitting this complaint on behalf of Wal-Mart Watch to state our belief that Wal-Mart Stores Inc., through its executive branch officers, has violated Title 11 of the United States Code of Federal Regulations and Chapter 14 of Title 2 of the United States Code. Wal-Mart Stores Inc., is a Delaware corporation headquartered in Bentonville, Arkansas. Wal-Mart Watch is a joint project of The Center for Community & Corporate Ethics, a 501c3 organization devoted to studying the impact of large corporations on society, and its advocacy arm, Five Stones.

As reported in *The Wall Street Journal* on August 1, 2008, in a piece entitled "Wal-Mart Warns of Democratic Win," Wal-Mart has been mobilizing its store managers and department supervisors across the country to warn them of a Democratic victory in the November general election. More specifically, it has been reported that Wal-Mart has been informing its employees that a Democratic victory in November could lead to passage of the Employee Free Choice Act, which in turn would allow workers to choose to form unions without the fear of being fired and allow a simple majority of employees to certify a union to act as their representative.

One example reported in *The Wall Street Journal* includes the following statement:

"The meeting leader said, 'I am not telling you how to vote, but if the Democrats win, this bill will pass and you won't have a vote on whether you want a union.'" said a Wal-Mart customer-service supervisor from Missouri. "I am not a stupid person. They were telling me how to vote."

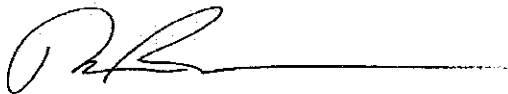
According to the *Journal* piece, Wal-Mart executives warned that unionized store workers would have to pay hefty dues while getting nothing in return, and threatened that unionization could mean fewer jobs in the future. It was reported that voting for Senator Barack Obama in November "would be tantamount to inviting unions in," according to employees in states including Maryland and Missouri. It was also reported that Wal-Mart

warned its employees that unionized stores would mean hefty union dues, and could mean fewer jobs as labor costs rise.

Wal-Mart is limited, under both the United States Code and the U.S. Code of Federal Regulations, from directing its meetings or "trainings" at anything beyond its stockholders and executive or administrative personnel. These executive or administrative personnel are defined as individuals employed by a corporation who are paid on a salary rather than hourly basis *and* who have policymaking, managerial, professional, or supervisory responsibilities. According to *The Wall Street Journal*, Wal-Mart's meetings were directed at both store managers and department supervisors. While store managers are salaried employees, department supervisors are hourly.

When it involves hourly employees, federal election rules do not permit companies to advocate for or against specific candidates or specific political parties. It is clear from Wal-Mart's actions that the company was explicitly advocating against the election of Democratic candidates this coming November because of its fear of possible unionization in the future. These are serious actions taken by Wal-Mart which are in violation of federal election law, and we request that you investigate them to the fullest extent possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'DN', followed by a horizontal line extending to the right.

David Nassar
Executive Director, Wal-Mart Watch

I affirm, under penalty of false statement, that the statements contained in this complaint regarding my personal knowledge of Wal-Mart's actions are accurate and complete to the best of my ability.