

ANN ARBOR CITY CLERK FEB 12 19 TIME:

February 7, 2019

City of Ann Arbor Attn: City Council P.O. Box 8647 Ann Arbor, MI 48107

Ann Arbor City Council,

I'm writing to you on behalf of The Wendy's Company, representing our 14 franchise organizations and 250 restaurants in the state of Michigan, regarding the resolution that the Ann Arbor City Council recently passed. We would have welcomed the opportunity to discuss this issue with the City Council in advance of this action. I want to now ensure that you have some background on our supply chain practices, and our perspective on the Coalition of Immokalee Workers (CIW) and their Fair Food Program, so that you can consider it and share it with your constituents.

Wendy's Position on the Fair Food Program

At Wendy's, we have long upheld high standards of quality, professional and personal integrity and a strong commitment to human dignity throughout our business and our supply chain; we have no tolerance for anything less. For a number of years, the CIW has spread false and misleading information about Wendy's because we do not purchase tomatoes from Florida, which is the predominant area in which this organization operates. We do not object to the Fair Food Code of Conduct and when we were purchasing tomatoes from Florida, our suppliers were participants in the Fair Food Program. However, the Fair Food Program focuses predominantly on Florida-based, field-grown commodity tomatoes. We simply don't buy this type of product.

Instead, Wendy's sources higher-quality, vine-ripened tomatoes from suppliers throughout North America. Recently, we took this commitment further with a decision to source all of our tomatoes from indoor greenhouse farms, including farms in Michigan. We are excited about the superior quality of these tomatoes, and this move further strengthens our commitment to responsible sourcing practices by providing safe, indoor working conditions, shelter from the elements and environmental contaminants, reduced water and land use burdens, and a significantly reduced need for chemical pesticides. Michigan agriculture plays an important role in our greenhouse sourcing practices, and we're excited to see that grow. We would be happy to connect you with one of our tomato suppliers in Michigan to share more information about their operations and practices.

Wendy's Supply Chain Practices

Throughout our supply chain, we work with ethical, best-in-class companies and are proud of the work our teams have done together to bring the highest quality, fresh produce to our customers for decades. All suppliers to Wendy's are subject to rigorous quality and food safety standards enforced by our in-house quality assurance experts and

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third parties, and we actively perform over 1,000 audits annually against those standards. We spend a lot of time with our suppliers and their teams on farms, in fields, in processing houses, and with distributors to assess quality and food safety and to ensure that everyone in that operation—from business leaders to farm workers—understands and follows appropriate and safe agricultural practices. All of our suppliers are also bound to a strict Code of Conduct that requires ethical practices. And our fresh produce suppliers have additional requirements specifically related to labor conditions and human rights.

Joining the Fair Food Program is simply not the only way to operate a responsible supply chain. We employ labor and human rights assurance practices that can cover all our fresh produce suppliers, no matter where they operate or what they grow for Wendy's.

What We Value

Fifty years after our founding, Wendy's is still guided by the values given to us by our founder, Dave Thomas. We have proudly served Michigan families for decades, and we are also passionate about building families in Michigan. Through our support of the Dave Thomas Foundation for Adoption, a national non-profit public charity, we work together to find permanent homes for the hundreds of thousands of children in the foster care system waiting to be adopted. We use our brand proudly to create awareness and social change for this cause. Since its inception, more than 8,000 children have been adopted through the Foundation's signature Wendy's Wonderful Kids® program. In Michigan, community-based adoption recruiters supported by our system have placed nearly 200 Michigan children in permanent, loving homes. We are proud of this work, and the commitment of our employees, suppliers and franchisees who make it possible in Michigan and throughout the country.

University of Michigan

Lastly, as it relates to the Michigan Union, the Wendy's restaurant on campus was independently owned and operated by a local franchisee in Michigan. As a brand, we were happy to have been part of the University of Michigan community, but our franchisee's lease expired when the school remodeled the building in which the restaurant was housed. The franchisee decided not to pursue a new lease a few years ago. It is unclear to us why this group continues to press the university to ban Wendy's when Wendy's did not even submit a bid to be considered.

It is concerning to us that the Ann Arbor City Council would criticize our practices without reaching out to us as we would have been happy to share this information and more. We are always open to constructive conversations and we will continue to strive for progress. I'd be happy to answer any questions you might have, and certainly encourage you to reach out in the future.

Sincerely,

Liliana Esposito

Chief Communications Officer

CC: Mayor Christopher Taylor









Menu

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Wendy's Makes Another First in Fresh with Innovative Tomato Supply Initiative

DUBLIN, Ohio, June 5, 2018 /PRNewswire/ -- As part of its ongoing commitment to sourcing fresh, high-quality produce, today, Wendy's® is announcing an initiative to source vine-ripened tomatoes for its North American restaurants exclusively from greenhouse farms by early 2019.



Tomatoes for Wendy's will be grown in indoor greenhouse and hydroponic farms from approximately a dozen suppliers throughout North America, including the West Coast, Pacific Northwest, Southeast and Great Lakes regions of the United States; Eastern and Western Canada; and Mexico. Nearly all tomatoes will be sourced from the United States and Canada, giving Wendy's customers the benefit of fresh, great-tasting tomatoes from sources that match the brand's North American restaurant footprint.

"We've always been committed to providing customers with fresh, high-quality food. From our fresh never frozen beef, to creating the first salad bar in the QSR space, to hand-chopping produce in our restaurants daily, this newest initiative to source vine-ripened tomatoes from greenhouse farms is the latest way we're delivering on that commitment," said Liliana Esposito, chief communications officer for Wendy's.

"We're making this change for a variety of reasons that will benefit our customers, but taste and quality are the top factors and we are excited about the superior flavors we can achieve with this change," said Dennis Hecker, senior vice president of quality assurance for Wendy's. "Additionally, greenhouse farms provide supply predictability and quality assurance benefits—including continuity of supply; protection of crops from harsh weather; safe, indoor growing conditions; and a significant reduction of chemical pesticides used on the plants."

Wendy's also believes that greenhouse growing will support local economies by sustaining the agricultural workforce with fresh produce that can be grown year-round in comfortable, indoor









Menu Values Company Jobs

significant reduction of chemical pesticide use, including replacing pesticides with natural integrated pest management practices such as ladybugs; water and land use benefits; safe, indoor working conditions and economic benefits to regions where the greenhouses are located.

With the transition actively underway, vine-ripened, greenhouse-grown tomatoes will be available at Wendy's in the U.S. and Canada between now and early 2019.

About Wendy's

Wendy's® was founded in 1969 by Dave Thomas in Columbus, Ohio. Dave built his business on the premise, "Quality is our Recipe®," which remains the guidepost of the Wendy's system. Wendy's is best known for its made-to-order square hamburgers, using fresh, never frozen beef*, freshly-prepared salads with hand-chopped lettuce, and other signature items like chili, baked potatoes and the Frosty® dessert. The Wendy's Company (NASDAQ: WEN) is committed to doing the right thing and making a positive difference in the lives of others. This is most visible through the Company's support of the Dave Thomas Foundation for Adoption® and its signature Wendy's Wonderful Kids® program, which seeks to find every child in the North American foster care system a loving, forever home. Today, Wendy's and its franchisees employ hundreds of thousands of people across more than 6,600 restaurants worldwide with a vision of becoming the world's most thriving and beloved restaurant brand. Please visit www.wendys.com and www.squaredealblog.com for more information and connect with us on Twitter and Instagram using @wendys, and on Facebook, www.facebook.com/wendys.

*Fresh beef available in the contiguous U.S., Alaska, and Canada.

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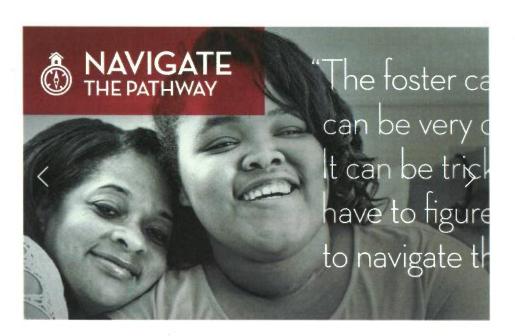
How Wendy's Wonderful Kids Recruiters Find Homes for Children in Foster Care



May 09, 2017

Liliana Esposito

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When you get familiar with the world of adoption, you form an appreciation for how complex it is. How many hurdles there are. And what kind of impact that has on real children, and real families.

Unfortunately, there is this idea floating around that children in foster care are simply "unadoptable." **To this idea, we say: no way. Not a chance.** We believe every child is

adoptable and this great video by the Dave Thomas Foundation for Adoption® captures why this idea of unadoptable is unacceptable.

This is also why the Dave Thomas Foundation for Adoption, with the advocacy and support from Wendy's, created the Wendy's Wonderful Kids® program. It specifically funds full-time adoption recruiters across North America who focus exclusively on moving the longest-waiting children from foster care to adoptive families. With more than 250 adoption recruiters, Wendy's Wonderful Kids has topped 6,200 finalized adoptions.

A five-year rigorous evaluation on Wendy's Wonderful Kids shows that children served by the program are up to three times more likely to get adopted.

The Foundation has embarked on a mission to create more Wendy's Wonderful Kids Recruiters across the country.

Columbus Alive shares more about these exciting developments.

The stories these recruiters tell are powerful. And so is the hope and passion they bring to the program. We recently came across this story of Edna Green, a Wendy's Wonderful Kids Recruiter in St. Louis:

Wendy's to Wendy's Wonderful Kids: One adoption re...

Talking to these recruiters, you realize there is a whole range of steps they need to take to successfully place a child in a loving, forever home. Watching Edna's video, we captured 5 of these steps and created the infographic above. It helped us appreciate the tireless efforts of these recruiters as they work on behalf of children they serve and find them the homes they need and deserve.

This community of support for these children also includes our customers, and we so appreciate how they embrace the programs in our restaurants that serve to raise funds and awareness for children in foster care.

Every time we talk about adoption or work with the crews in our restaurants to promote it, we see a great response. This year, we came up with another fun way customers can get involved:

When purchasing a drink, you will find an exclusive code on your cup that unlocks a special Snapchat filter. Take a selfie with the filter and share your photo on your Snapchat story or with your friends. Thanks to contributions from our partners at Coca-Cola® and Dr Pepper®, each selfie shared will translate into a \$5 donation to the Dave Thomas Foundation for Adoption up to \$500,000!

Raising awareness for this cause is part of our deeply rooted commitment to family. And this partnership with Snapchat, Coca-Cola and Dr. Pepper, is one of the many ways that we live out this commitment and place children into loving and permanent homes.

Like Edna says in her video – "every kid is adoptable. Every kid." We feel the same way, Edna. The exact same way.

COMMUNITY



When the easy answer isn't the right one...

October 17, 2016

When you have a job like mine, you get used to seeing your company's name in the news a lot. Usually it's good news. Sometimes it's not. Right now Wendy's is the target of a campaign led by the Coalition of Immokalee Workers (CIW), an activist group that represents tomato harvesters in the Immokalee region of Florida. Their signature program is called the Fair Food Program and for several years, they have pressured Wendy's to sign the Fair Food Agreement and join their program.



Liliana Esposito

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It sounds simple enough, and you may wonder why we have resisted this demand, particularly since some of our competitors joined the Fair Food Program after they were protested by the group. It's certainly never pleasant to see your company criticized, but the easy answer isn't always the right one.

The CIW's actions show that they believe the only way for a company to act responsibly is to join their program and pay their fees. We simply disagree.

The CIW requires participants to pay an additional fee directly to the tomato harvesters that work for the growers, on top of the price we already pay for the product.

We have always prided ourselves on our relationships with industry-leading suppliers who share our commitment to quality, integrity and ethics. We support the goals of any organization that seeks to improve human rights, but we don't believe we should pay another company's employees – just as we do not pay factory workers, truck drivers or maintenance personnel that work for our other suppliers.

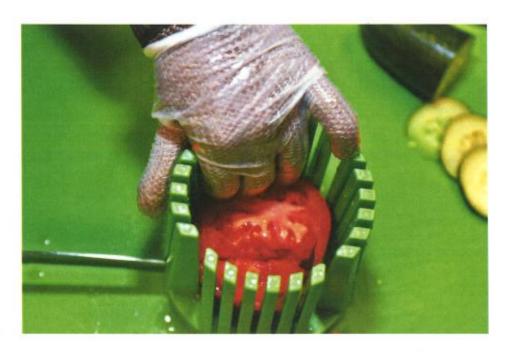
That would be like us asking our customers to pay for their food, and then adding another fee to go to our employees.

A Look Into Wendy's Tomatoes

It's important to have a little background on purchasing tomatoes for a national restaurant system. Our tomato purchasing moves seasonally throughout various growing regions of North America during the year. In the warmer months, we purchase tomatoes from states like California, Georgia, South Carolina, and Virginia. In the colder months, we purchase tomatoes primarily from Mexico, which is what we have done for the past few years. In the past we

purchased winter tomatoes from Florida, and we may do so again in the future. But right now, we are quite happy with the quality and taste of the tomatoes we are sourcing from Mexico.

Getting quality tomatoes in the winter is challenging, and our standards are high. Some restaurant companies purchase pre-sliced or pre-diced tomatoes, but we purchase only whole, ripe tomatoes that our restaurant teams slice daily for our sandwiches, and we use whole grape tomatoes for our salads.



THIS IS HOW WE DICE OUR TOMATOES IN OUR RESTAURANTS. EVERY SINGLE DAY.

So why does CIW have a problem with Wendy's? Because we buy a lot of tomatoes for which they don't receive any money. The Fair Food program primarily operates in Florida and Wendy's does not currently purchase tomatoes in Florida...

...and that's at the heart of these protests.

For years, CIW has pressured companies into joining their program, assuring their members that large companies had no choice but to purchase tomatoes in Florida. They claimed

at the start of their campaign against Taco Bell: You simply can't do business on the scale Taco Bell and Yum do business and not purchase your tomatoes from Florida, particularly given the prohibitive transportation costs of bringing tomatoes from Florida's next biggest competitor, Mexico, to the major East Coast markets.

This statement is no longer true. In recent years, the tomato industry in Mexico has invested tremendous energy into innovation in tomato cultivation, and has made dramatic improvements in fresh produce sorting, handling and distribution. Leading produce suppliers in Mexico are critical trading partners for our company and many others. Many produce companies in Mexico are bringing great products to the U.S. market and consumers are benefiting from it. And given the growth of the Mexico tomato industry, it's clear that Wendy's is far from alone in sourcing this way.

All of our suppliers, including those in Mexico, are subject to the same quality and food safety standards, and we actively perform over 1,000 audits annually against those standards. We spend a LOT of time with our suppliers and their teams – on farms, in fields, in processing houses, and with distributors – it's truly a farm to fork commitment for us. Our professionals are constantly on the road visiting or auditing suppliers because we believe that's the best way to ensure that our standards are being upheld. I believe that our team of road warriors is the absolute best in the business.

Ensuring Safety Through Audits

But, it doesn't stop there. Every Wendy's supplier must go through a rigorous certification process, voluntarily participating in a whole host of auditing processes. We visit the farms and ranches where our fresh produce grows (iceberg, romaine, spring mix, tomatoes, strawberries, blackberries, etc.) in order to assess quality and food safety, and to ensure everyone in that operation – from business

leaders to farm workers – understands and follows good and safe agricultural practices. We have a comprehensive Supplier Code of Conduct which requires our suppliers – for tomatoes and everything else we buy – to adhere to high standards for integrity and business practices.

Where we differ with the CIW is in their belief that we should focus on a single group of people – in this case, tomato harvesters in one region in Florida – and assign them additional pay without having an employment relationship with them. Make no mistake: we believe that promoting human rights and safe working conditions in agriculture is vital. All of us in the food supply chain have an obligation to ensure that the products we sell have been raised and harvested in a responsible way. We're always open to having constructive conversations and we'll continue to strive for progress. We require responsible business practices in our supply chain and will continue to work to bring greater transparency to these practices so that our customers can continue to feel confident in the brand we love and the values upon which it was built. It may not be the easiest path to travel, but we believe it's the right one.

Thanks,

Liliana

FOOD

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