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Raley's is the Lance Armstrong of Sacramento

by **Jack Nordby** January 23, 2013 9:31 AM

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With the recent media coverage of people who have been caught in the act of fraud and deception, such as Lance Armstrong, who was once considered honorable at the top of his profession and above reproach, the timing is perfect to report what I believe may be the biggest deception ever by an American company. To this very day the owners of this company have not been held accountable and the big question is: Why haven't they and who is providing them the favors in keeping this deception hushed?

For 40 years, Raley's has been a major advertising force producing a tremendous amount of revenue for media outlets spread throughout every community where Raley's has its presence. That advertising budget not only helps them get their market share, but over the years it has gotten them the unspoken, and tight lipped benefit from all the news media who by their actions have agreed to conceal the true secret story behind Raley's success. Known as a **"conspiracy of silence"** it is defined as follows: **Usually a secret or unstated agreement to remain silent among those who know something whose disclosure might be damaging, harmful, or against their own best interest or that of their associates.** In this case this Raley's story is also harmful to the news media for being biased and financially driven in their non-reporting of the news. That is why this local story, as big as it is, will become Sacramento's Lance Armstrong story.

According to Raley's employees, who were picketing during last November's labor dispute, Mike Teel, Tom Raley's grandson and CEO of the Raley's Supermarket chain, may be the most distrusted leader this company has ever had. It may be that Teel hopes being at the helm will ensure that the true Tom Raley success story never gets the public attention that it rightfully deserves. But can Teel do it knowing that his days are numbered and at any given moment, without any notice, Raley's house of cards being propped up by a facade could come crashing down by the weight of this 37-year-old lie? Only God knows what will create a media frenzy around him and all of his family and expose how they suppressed this story for 37 years. Their power to hush this story for so long will sadly end up being their only true success and that success will surely come to an end as well.

I recently watched a movie called "The Words" where a man played by Bradley Cooper, plagiarizes another man's book. He plagiarizes word for word, punctuation for punctuation and even every misspelled word. He goes on to become an internationally acclaimed writer at the expense of another man's blood, sweat, tears and heartfelt words. Cooper's character failed to see at the time, while seeking to publish this book, that his dishonesty and his deception would be found out and the repercussions of his theft would be felt in every area of his life. He is eventually sought out by the actual author of the book who made it very clear to Cooper that this book and its success wasn't really his.

Mike Teel, though he sits as the head of his grandfather's company, knows in his heart that the Raley success story does not belong to his grandfather Tom, or to his parents Jim and Joyce Raley Teel, but rather to my father, a publicly unknown man by the name of Charles Nordby. Before Nordby passed away, he left an audio tape where he states at the beginning **"I am the man who saved Raley's from certain bankruptcy in 1974."** These 12 words from Nordby are undisputable and they shake the Teel family to the core of their soul because they know his words are true and their words are based on lies in an attempt to rewrite Tom Raley's sordid life and business failures.

Forty years ago in 1973, when Tom Raley was on the verge of bankruptcy, with no help in sight, my father who was a retail expert in the Bay Area, came and convinced the Raley's leadership team, which comprised of Chuck Collings, Jim Teel and Frank McMinn, that he could give Raley's their highest profits ever. Unbelieving and unbeknownst to these three unqualified men, Nordby was serious because he had a proven program that would not only save the Raley's company from bankruptcy, but that his program would go on to make the Teel's worth more than a billion dollars and make millionaires out of an unknown number of others.

On a gentleman handshake with these three men, Nordby agreed to make Raley's a highly profitable "Super" market chain

that would take them from dingy and unprofitable stores to modern day, state of the art superstores that they are today. His gentleman's handshake entitled him to a percentage of the profits he was promising the three men at Raley's leadership. They had nothing to lose with this proposal because they all knew the company had little hope if any to survive much longer. If Nordby's plan works they all become rich. If it doesn't they use him as the scapegoat for their demise. It's a win/win offer for them. Because Tom Raley was financially broke, a fact which his attorney tried to bring to light in his divorce papers from his second wife Joan, he was no longer at the helm of his company and had allowed these three inexperienced men to take control of the daily operations. And because of that, Tom Raley never met Charles Nordby at the time he was hired or knew of him during the three years Nordby was turning his company around. Not only was Raley's unable to pay all of its bills in 1973, Nordby had to borrow money from a private investor in the Bay Area in order to begin the implementation of his planned turnaround.

After three years of Nordby seeing the Raley's chain of stores go from losing money to bringing in a windfall of profits, he didn't see his share of the profits that they agreed to give him. When he questioned why they hadn't given him his profit based bonus, they denied that they ever made him that agreement. Though he had trusted Collings, Teel and Frank McMinn, he realized that they were actually liars and had reneged on the gentleman's handshake agreement. Nordby immediately quit the Raley company and went on to watch his very successive program give Raley's unprecedented profits and experience a corporate turnaround perhaps like no other company in US history had ever experienced. These three men went on to take credit for my father's expertise and success and apparently had no remorse for their actions by allowing the local news media to write stories about Raley's success that were fabrications based on misinformation provided by the Raley's leadership.

In 1989, after sixteen years of profits that made Tom Raley worth about 500 million dollars and with Nordby being out of the area, Raley's thinks it's now safe to boldly unleash a deceptive and misleading version of its own history. They proudly write a book that made the Tom Raley history into a "hoax story". They gave a copy to all of their employees, of which I was one. Anxious to read what they had to say about my father, I was shocked to find out that there was not one word mentioned about my father or his program that catapulted them to their success. But how could they knowing they had defrauded him out of what they had promised him? To them, any mention of Charles Nordby is a reminder of their unscrupulous business practices and their crime. They thought it would be easy to forget about Nordby by rewriting their history and make Tom Raley a homegrown success. They also created an illusion that the Teel's were honest philanthropist business people and the company was just one big happy "Family".

In 1991, even as an employee of Raley's I began to publically tell my dad's incredible story to the news media thinking that they would be interested in reporting this yet untold local success story. On March 18, 1991, my first contact was with Mike Castro, a Sacramento Bee reporter. Castro's short and only reply was **"Do you think Raley's wants the public to hear this story?"** Next, my brother and I went to the Sacramento Union and spoke to the Union editor, Joseph Farrah, and his response was: **"Guys, I have no reason not to believe this story is true, but if I print this story, if they (Raley's) pulled their advertising dollars, I would have to close my doors next week."** My brother Frank also contacted The Sacramento Bee's business editor, Jack Sirard and his written response to my brother was **"Frank, We have no interest in pursuing this story at this time. Regards, Jack Sirard.**" The profits from our father's program were now being used to hush his true success story and a code of silence was now ensuing with the local news media.

One day while working at Raley's, I got a call from Mike Teel and he asked me if he could take me out to lunch. I agreed with hopes that he was seeking to do the right thing and set the story straight about my dad. Mike was being groomed by my father to learn the grocery business but Mike ended up leaving the company to pursue something else before my father could train him in the business. He came by the store that I was working at on Watt Avenue with his lovely wife Tina, and the three of us went to the then Golden Tee restaurant on Auburn Blvd. He asked me "**What's it going to take to bring this situation to a close? My parents are tired of the bickering.**" I said "**all we want is the truth**" (about our father's success story at Raley's being told). He basically told me that wasn't going to happen because Collings was a prideful

RALEY'S EXPOSED

the missing chapter of RALEY'S HISTORY



man and he would never admit to what he had done. Twenty two years ago, Mike Teel could have done the right thing and cleared the air, but instead he held firm onto the lies his company had created that made heroes out of liars, deceivers and womanizers.

I gave my copy of Raley's history book to my father and when he read it, he was dumbfounded and shocked by what he had read and then rebutted Raley's story by writing his own book called "**Raley's Exposed; Who On Earth Saved Raley's?** " After publishing his book, a lot more information was discovered and he sued Raley's and everyone involved for "**fraud and unjust enrichment**" to the tune of \$588 million dollars. The largest civil lawsuit ever filed locally against a homegrown company. Did the news media ever publicize that story? Of course not, how could they when for nearly 20 years they had reported the untrue version of Raley's success and Nordby's lawsuit was damaging to Raley's reputation and could cripple Raley's business. Plus, that would have created too many questions from the public, and the news media that is supported by advertising dollars, couldn't allow the fact that they too covered up the original story. Now with every new revelation of this story the news media cannot mention anything. Though this may be the most investigated and documented story in Sacramento history, very few people have ever been made privy to it because the financially driven news media could not afford to tell the truth. It was easier for the news media to hush this story than give it the respectful attention that it deserved.

During the early filings of our fathers lawsuit, attorney Peter Glick from the law office of Downey, Brand, Sehmour and Rohwer, decided he could subvert the law in this matter and his actions along with others created a **"default judgment"** situation in favor of my father. This law firm basically failed to answer this complaint in the required 30 days on a fatal mistake created by Glick which basically forfeited Joyce Raley Teel's entire wealth. When the default papers were submitted to the courts for approval, which were initially accepted by the court, we learned that the presiding Judge Joe Gray allowed Peter Glick, Downy, Brand. Seymor and Rowher to place a handwritten note on the court file that stated this:

• "Note: the clerk shall not accept or file any further request for entry of default

on behalf of plaintiff Charles C Nordby, per order of Judge Gray 1/17/96."

Had Charles Nordby not been defrauded during his one day in court seventeen years ago by Raley's attorneys, the presiding judge and the courts, this incredible truth would have come out then and the "**preponderance of the evidence**" would have easily won his case. And everything that was Raley's and the Teel's would have become Charles Nordby's because the Teel's have been unjustly enriched for 40 years from the profits that Nordby promised them.

There is so much to this story that in 22 years it has become an even greater story and eventually when everybody hears this truth it will be known as the quickest and greatest corporate turnaround event in American history. It's a true story where the confidence and expertise of one honest man prevents a company and its owner from going bankrupt, creates one of the most successful privately owned supermarket chains in America and provides the entire wealth to one of Northern California's most prominent families.

One of the many incredible facts about this story is that Tom Raley died never knowing how he became so rich and so successful or the man responsible for it all. And because Raley didn't know this man, he was never given the opportunity to thank Nordby for providing his services that navigated his company away from certain bankruptcy . A man who in 1973 left his family and home in Sonoma County for an entire year, while he freely stayed at Raley's Marina Inn, so he could review Raley's entire operation to make the necessary changes to keep Raley's from going bankrupt. Nordby spent his remaining years in life fighting for truth and justice as he did all of his life. A man who made a Northern California family worth a billion dollars ended up bankrupt, and died living in a one room trailer in the backyard of a modest Sacramento home.

With Jim and Joyce Raley Teel, and their son Mike living in a "house of cards" it is only a matter of time when the wind of truth blows through Sacramento and their house collapses. When that happens, this story goes from the biggest business success story never told to the greatest business success story ever told. Like Lance Armstrong, the Teel's will come to grips that they can't suppress the truth forever through the use of their unethical power of influence. During Armstrong's recent interview with Oprah, her bottom line to him was "**The truth will set you free**". If Oprah, as one billionaire to another billionaire Joyce Raley Teel, could say one thing to Joyce it would probably be that same thing, "**The Truth Will Set You Free**." I would be honored going to lunch with the Teel's again and give them the same opportunity that was given to Lance Armstrong.

For more information about this incredible story, visit the very fun and zany website www.raleysexposed.com which has been online since 2003. There you will find the facts, the court documents and many other interesting twist and turns to this story since 1991. Though this story has never been publicized by the news media because of its code of silence, this website has had nearly a million visitors and two million page hits in the last 3 years alone. After more than 16 years since his passing, you can still hear Nordby on this website telling his incredibe story on how he saved Raley's from certain bankruptcy in 1974. Regardless of the current news media silence to his story, he continues to be heard daily by countless others.

The family of Charles Nordby is very thankful for two entities in the Sacramento area, the internet and The Sacramento Press for being the only hero in town for truth in news reporting. Most recently a well known Sacramento reporter wrote this to us: "I hope that you find a way to get the story told. It is a compelling story but as I previously said, most people in Sacramento have too much to lose given the size, scope and far-reaching tentacles of the Raley's family. I still think it needs to be a book and not done by a newspaper - a newspaper would and/or could lose all of their advertisers. A newspaper ...could be shut down in one day by Raley's." KG

So far the Teel's wealth and power have not been used here at the Sacramento Press to prohibit us from continuing to tell our father's story and legacy. And we will continue telling it until the truth about our father and his contribution to Sacramento is acknowledged.

I am available for speaking engagements to share this story with your class or group. Contact me at jacknordby@hotmail.com

Disclosure: I am the 7th of Charles Nordby's 9 children. I watched the blood, sweat and tears and anguish of my father to save Raley's Supermarkets during my latter teen years. My father knew this was going to be big he just didn't know how big.

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