SAFEWAY

July 29, 2008

Ms. Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

By e-mail to rule-comments@sec.gov, File Number S7-11-08

Subject: Proposed Rule regarding Interactive Data to Improve Financial Reporting

Dear Ms. Morris:

We at Safeway Inc. are pleased to respond to the request for comments from the Securities and Exchange Commission (the "Commission" or the "SEC") with respect to its proposed rules regarding interactive data for financial reporting [Release Nos. 33-8924; 34-57896; 39-2455; IC-28293; File No. S7-11-08]. Safeway is a large accelerated filer whose fiscal 2008 ends on January 3, 2009. Safeway would be required to provide its fiscal year end 2008 Form 10-K in the interactive data format under the current proposal.

In general, Safeway supports the use of interactive data; however, we have some concerns about the proposed rule as it is currently written.

The following are responses to some of the questions asked in the proposed rule.

1. **Should we adopt rules that require each filer's financial statements to be provided in interactive data format? If we do so, should we include a phase-in period or temporary exception for detailed tagging of the financial statement footnotes? Should schedules to the financial statements be tagged? What are the principal factors that should be considered in making these decisions? Is it useful to users of financial information to continue to have, in addition to interactive data, duplicate, human-readable financial statements in ASCII or HTML format?** We believe that financial statements should move towards an interactive data format. If there is a high demand for financial statement footnotes and schedules to be tagged, we believe a phase-in period is necessary and appropriate. The Commission should consider what information is of most interest to readers of the financial statements and how often that information will be retrieved using interactive data tagging before requiring detailed tagging for footnotes and tagging for financial statement schedules. At this point, we believe it would be premature to eliminate human-readable financial statements in ASCII or HTML format. We believe that users of financial statements will continue to rely on human-readable financial statements to make investment decisions.

2. **Is the proposed schedule for implementation of interactive data tagging appropriate?** We believe that the proposed schedule for implementation of interactive data tagging is too aggressive. Please see additional comments under #3 below.

3. **Should we delay the first required interactive data submissions until the second half of 2009 or later? What benefits would there be to advancing or delaying the implementation of the proposed rules? How much lead time do large accelerated filers need to familiarize themselves with interactive data and the process of mapping financial statements using the list of tags for U.S. financial statement reporting or IFRS financial reporting?** We believe the first required interactive data submissions should be delayed at least until the second half of 2009. This will allow companies time to complete year-end reporting requirements and provide some lead time to become familiar with the process of data tagging. Additionally, it will give financial printers time to respond to the increased demand for their services resulting from the data tagging requirements.

4. **Should the initial submission required by the proposed rules be a periodic report? If so, should it be a Form 10-Q for domestic issuers? Would this be an easier report for companies to prepare, or would it be best for companies to begin providing interactive data**

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with respect to the fiscal year end financial statements? We strongly recommend that the initial interactive data submission be a Form 10-Q rather than a Form 10-K. The Form 10-Q would require less time and effort to tag.

5. **Should we require all four levels for footnotes in the first year instead of using the phase-in approach for the more detailed tagging? Should detailed tagging of a filer's footnotes and schedules not be required until more than one year after its initial interactive data submission, for example, in year three or four?** We believe detailed tagging of footnotes should only be required if there is a high demand from financial statement users to extract information from footnotes using data tags. If detailed tagging of footnotes is required, we strongly recommend a phase-in approach. Detailed tagging of financial statement footnotes should not be required in the first year of interactive data submission. Feedback should be solicited from registrants after they have completed several interactive data submissions to determine when detailed footnotes could reasonably be completed.

6. **Would the most detailed level of tagging result in the creation of a high number of company-specific extensions? If so, would the additional effort needed to create new extensions diminish once a filer has tagged at this level of detail? Should the tagging requirement instead be only to require detailed tagging to the extent a standard tag already exists in the standard list of tags?** We believe that the most detailed level of tagging would result in the creation of a high number of company-specific extensions and would limit the comparability between registrants. Again, the demand for retrieving tagged data from footnotes should be studied to determine how frequently the interactive data would be accessed.

7. **What additional costs and burdens would there be with detailed tagging of the financial statement footnotes and financial statement schedules as opposed to "block" tagging?** Detailed tagging of footnotes will be costly and time-consuming for registrants. As stated above, we believe this will result in more company-specific tags and will require a much longer review process. This commitment of resources needs to be offset by a demand for this information.

8. **Should the proposed rules require interactive data submissions for a filer's financial information provided under Form 8-K and 6-K, such as earnings releases or interim financial information? If so, what level of tagging detail would be appropriate, and would be a reasonable grace period from the date of the Form 8-K or 6-K to the deadline for interactive data (e.g., one, three, or five days) address concerns that filers require additional time to provide interactive data for such financial information? Does financial information provided under Form 8-K or 6-K, such as earnings releases, present additional burdens compared to other forms that would warrant excluding them from the proposed rules?** We do not believe that the proposed rules should require interactive data submissions for a filer's financial information provided under Form 8-K, such as earnings releases. At Safeway, quarterly earnings releases are followed by a Form 10-Q or a Form 10-K filing within a few business days. Requiring financial information in a Form 8-K to be tagged would duplicate efforts, may result in more company-specific tags and may direct resources away from completing the Form 10-Q or Form 10-K filings. However, if the rules require interactive data submissions for financial information in Form 8-K filings, then a generous grace period from the date of the Form 8-K would be necessary. With time, as registrants get through the learning curve, the grace period could be gradually reduced.

9. **Should we permit interactive data information to be provided later than the related filing for the first year, rather than just the first filing? Should we provide a grace period for the first filing as to which the issuer is required to tag financial statement footnotes in detail? Is a grace period not needed?** We believe that there should be a generous grace period (at least 30 days) for the first year, with gradual reductions in the grace period after the first year. We do not believe that footnotes should be tagged in detail in the first filing.

10. **Should interactive data be subject to liability if a filer does not tag its financial information in a manner consistent with the standards approved by the Commission, irrespective of the filer's good faith effort? If the answer is yes, what should the filer's liability be for such errors, and should liability attach even if the mistake is inadvertent? What if the error is the result of negligent tagging practices, but there was no affirmative intent to mislead?** We do not believe that interactive data should be subject to liability if a filer does not tag its financial information in a manner consistent with the standards approved by the Commission, irrespective of the filer's good faith effort. Even with a large standard taxonomy for tagging, since each issuer's financial information is unique, it would seem that almost every issuer will have the need for at least a few company-specific tags for its financial information. It should be clear that no liability would attach as a result of the good faith use of company-specific tags. While tagging is still a new exercise (at least for the first couple of years), it does not seem appropriate to attach liability to any issuer that uses good faith efforts to comply with the Commission-approved standards. Once the tagging process becomes routine and once it is clear that investors actually use the tagged information and rely on it to make investment decisions, then it might be appropriate to consider attaching liability for a willful failure to comply with the SEC standards.

11. **Should any or all interactive data be encompassed within the scope of officer certifications? Is there any reason to treat interactive data differently from traditional format data in this respect?** We believe that interactive data should not be encompassed within the scope of officer certifications. In addition to our comments in #10 above, interactive data, currently furnished as Exhibit 100 to a Form 8-K, is not human-readable as are the traditional formats. We do not believe it is appropriate to require an officer to certify data that is not human-readable (and that is dependent on third-party-provided software "readers" to convert to a human-readable format). Certainly, additional time would be necessary to certify interactive data, and exceptions would need to be made for any tagging errors that third-party reader software either mask or fail to identify to the certifying officer.

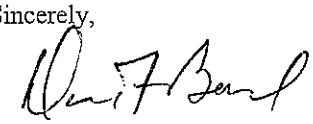
12. **Should any or all interactive data be deemed filed for purposes of Section 34(b) of the Investment Company Act and, if so, should it be regardless of compliance with proposed rule 405 or a filer's good faith and reasonable efforts to comply?** We believe that all interactive data should be deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934 and Section 34(b) of the Investment Company Act.

13. **Should we require the involvement of auditors, consultants, or other third parties in the tagging of data? If assurance should be required, what should be its scope and should any such requirement be phased in?** We do not believe the Commission should require the involvement of auditors, consultants or other third parties in the tagging of data.

14. **Should the proposed rules eliminate the requirement that the financial information be submitted in traditional format, in addition to interactive data format? Should cautionary language from the voluntary program be eliminated or modified and, if not, why not?** In our opinion, the proposed rules should not eliminate the requirement that the financial information be submitted in the traditional format. We believe that it is necessary for users of financial information to have human-readable financials. It will take time for financial statement users to depend solely on interactive data.

We appreciate the opportunity to provide comments on this proposal. We would be happy to discuss our comments with the Commission or its staff.

Sincerely,



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