

RENDA LARREE M  
Form 4  
March 14, 2011

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
RENDA LARREE M

(Last) (First) (Middle)

5918 STONERIDGE MALL ROAD

(Street)

PLEASANTON, CA 94588-3229

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
SAFeway INC [SWY]

3. Date of Earliest Transaction (Month/Day/Year)  
03/10/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

Executive Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/10/2011		A		63,214	A	(1) 89,481
Common Stock					12,219.1701	I	(2) By 401(k) Plan
Common Stock					93,145	I	By trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
Employee Stock Option (right to buy) <sup>(3)</sup>	\$ 22.41	03/10/2011		A <sup>(3)</sup>	73,750	<sup>(4)</sup> 03/10/2021	Common Stock 73,750

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RENDA LARREE M 5918 STONERIDGE MALL ROAD PLEASANTON, CA 94588-3229			Executive Vice President	

## Signatures

/s/Laura A. Donald,  
Attorney-in-Fact 03/14/2011

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Restricted Stock granted under the Safeway Inc. 2007 Equity and Incentive Award Plan, which is a Rule 16b-3 plan.
- (2) Based on a plan statement dated as of February 28, 2011.
- (3) Granted under the Safeway Inc. 2007 Equity and Incentive Award Plan, which is a Rule 16b-3 plan.
- (4) The option becomes exercisable in successive annual increments of 20% of the original number of shares subject to the option, beginning on the first anniversary of the date of grant; the option becomes fully exercisable on 03/10/2016.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.