

As Kroger Gears Up Its Push To Further Consolidate The Food Market With Its Acquisition Of Albertsons, A Growing Number Of Lawmakers And Consumer Advocates Warn The Merger Will Result In Higher Food Prices And Lower Wages, Hurting Both Consumers And Workers.

On September 8, 2023, Kroger Announced It Would Sell 413 Stores To C&S Wholesalers In An Effort To "Help Win Antitrust Approval" For Its Merger With Albertsons, Resulting In Shares Jumping 6%, With Kroger CEO Rodney McMullen "Vow[ing] To Fight In Court If Necessary" To Complete The Merger By Early 2024.

On September 8, 2023, Kroger Announced It Would Sell 413 Stores To C&S Wholesalers In An Effort To "Help Win Antitrust Approval For Its \$24.6 Billion Merger With Albertsons," Resulting In Shares Jumping By As Much As 6%.

On September 8, 2023, Kroger Announced It Would "Sell 413 Stores To C&S Wholesalers" In An Effort To "Help Win Antitrust Approval For Its \$24.6 Billion Merger With Albertsons." "Kroger Co. rose the most in six months after agreeing to sell 413 stores to C&S Wholesale Grocers in a divestiture designed to help win antitrust approval for its \$24.6 billion merger with Albertsons Cos. C&S will pay \$1.9 billion in cash for the stores, the companies said in a statement Friday, confirming a Bloomberg News report Tuesday. Closely held C&S is a major grocery wholesaler that also operates Grand Union and Piggly Wiggly stores." [Bloomberg, [09/08/23](#)]

- **The Stores C&S Plans to Buy "Are A Mix Of Kroger And Albertsons Locations In 17 States" And "Mostly Concentrated In The Pacific Coast States And Colorado," Including At Least 8 Distribution Centers.** "The stores C&S will buy are a mix of Kroger and Albertsons locations in 17 states, concentrated in the Pacific Coast states and Colorado, with significant numbers as well in Arizona, Illinois, Louisiana and Texas. C&S will also take East Coast stores in Maryland, Virginia and Washington, DC. The sale includes eight distribution centers and the QFC, Mariano's and Carrs banners, plus exclusive licensing rights to the Albertsons brand name in Arizona, California, Colorado and Wyoming." [Bloomberg, [09/08/23](#)]

The Announcement Resulted In Kroger's Shares Rising As Much As 6% As The Company "Was Tidying Up Its Operations." "Kroger's shares rose as much as 6% in New York trading, the most intraday since March 2, buoyed by a signal that the company was tidying up its operations ahead of the proposed merger. In addition to the store divestitures, the supermarket chain announced a \$1.2 billion settlement over claims it failed to properly monitor opioid prescriptions filled by the company's in-store pharmacies." [Bloomberg, [09/08/23](#)]

Kroger CEO Rodney McMullen Said The Merger "Remains On Track To Close In Early 2024," Adding He Would "Fight In Court If Necessary" To Complete The Deal.

Kroger CEO [Rodney] McMullen Said, "The Acquisition Remains On Track To Close In Early 2024" And "Vowed To Fight In Court If Necessary." "Still, Kroger said the acquisition remains on track to close in early 2024, and McMullen has vowed to fight in court if necessary. The divestiture plan ensures that no stores will be

closed in connection with the Albertsons merger, he said. Frontline workers will remain employed and existing collective-bargaining agreements will continue." [Bloomberg, [09/08/23](#)]

Combined, Kroger And Albertsons Currently Operate Around 5,000 Stores, Slightly Behind Walmart's 5,200 Retail Stores. And Would Add To The Recent Consolidation Of The Market After Amazon Bought Whole Foods Six Years Ago.

Combined, Kroger And Albertsons Currently Have Around 5,000 Stores, Slightly Behind Walmart's 5,200 Retail Locations, And Would Add To The Consolidation Of The Market After Amazon Purchased Whole Foods Six Years Ago. "On a combined basis, Kroger and Albertsons currently have a footprint of about 5,000 stores. Walmart has roughly 5,200 retail locations in the US, including about 600 Sam's Club warehouse stores. Amazon, which is already a force in categories such as diapers and some packaged goods, recently began the biggest overhaul of its grocery business since it acquired Whole Foods Market six years ago." [Bloomberg, [09/08/23](#)]

A Growing Number Of Lawmakers, Consumer Advocates, And Lawmakers Have Railed Against The Proposed Kroger-Albertsons Merger Arguing The Deal Would "Result In The Loss Of \$334 Million In Wages," Lead To More Consolidation Of The Food Retail Market And Lead To "Fewer Grocery Stores And Higher Prices."

In August 2023, Seven State Treasurers Wrote To Federal Trade Commission Chair Lina Khan Opposing The Proposed Merger Between Kroger And Albertsons Citing Evidence It "Could Result In The Loss Of \$334 Million In Wages," "Harm Worker Bargaining Power," And "Increase The Risk Of Food Deserts, Which Disproportionately Affect Vulnerable Populations."

August 2023: "Seven State Treasurers Urged The FTC To Oppose The \$24.6 Billion Merger Between" Kroger And Albertsons, "Citing Concerns About A Reduction In Employees' Wages." "Seven state treasurers urged the FTC to oppose the \$24.6 billion merger between grocery giants Kroger Co. and Albertsons Cos., citing concerns about a reduction in employees' wages as a result." [Bloomberg Law, [08/23/23](#)]

- **The Treasurers Represented Colorado, Delaware, Maine, Massachusetts, Nevada, New Mexico, And Washington State.** [Bloomberg Law, [08/23/23](#)]

The Treasurers Sent A Letter To FTC Chair Lina Khan And "Pointed To A May Economic Policy Institute Study That Found The Merger Could Result In The Loss Of \$334 Million In Wages For Three-Quarters Of A Million Grocery Workers Across More Than 50 Metro Areas." "In a Wednesday letter to Federal Trade Commission Chair Lina Khan, the treasurers of Colorado, Delaware, Maine, Massachusetts, Nevada, New Mexico, and Washington pointed to a May Economic Policy Institute study that found the merger could result in the loss of \$334 million in wages for three-quarters of a million grocery workers across more than 50 metro areas. That's an average annual wage shortfall of about \$450 per worker." [Bloomberg Law, [08/23/23](#)]

"They Also Raised Concerns About How Consolidation Could Harm Worker Bargaining Power And Increase The Risk Of Food Deserts, 'Which Disproportionately Affect Vulnerable Populations And Can Have Severe Health Implications.'" "They also raised concerns about how consolidation could harm worker bargaining power and increase the risk of food deserts, 'which disproportionately affect vulnerable populations and can have severe health implications,' the treasurers wrote in the letter, shared first with Bloomberg Law." [Bloomberg Law, [08/23/23](#)]

In May 2023, ParentsTogether Action, Along With The "Stop The Merger" Coalition, Announced It Had Received More Than 13,000 Signatures In Opposition To The Proposed Kroger-Albertsons Merger.

May 2023: ParentsTogether Action, Along With "Stop The Merger" Coalition, "Protested Outside The Federal Trade Commission" To Voice Opposition To The Proposed Kroger Albertsons Merger. "On Wednesday, ParentsTogether Action, in collaboration with the national 'Stop the Merger' coalition, protested outside the Federal Trade Commission headquarters in Washington, D.C., to voice opposition to the grocery deal. Parents, children and activists joined together in an attempt to persuade the agency, which has yet to rule on the merger. ParentsTogether Action is a national, parent-led organization that helps parents stay up to date on issues affecting parents." [Supermarket News, [05/26/23](#)]

- **According To Its Website, ParentsTogether Action Advocates On Issues Such As "Paid Family Leave, Education, And Keeping Immigrant Families Together."** "ParentsTogether Action is working to build a world where every child has the support and opportunities we all want for our own kids. We do that by taking action on issues that benefit families — like paid family leave, education, and keeping immigrant families together. Oh, and voting. We're all about getting parents to vote, especially with their kids! Check out our helpful #FamilyVote guide for activities and inspiration." [ParentsTogether Action, accessed [09/08/23](#)]
- **StopTheMerger Is A Coalition Of "Union Grocery Workers, Consumers, Elected Officials, And Community Members" "Standing To Fight For Access To Nutritious Food" And "Fight Against Corporate Greed."** "A merger of two of the largest grocery companies in the nation will no doubt create a monopoly in the grocery industry, leading to store closures, thousands of lost jobs, and higher food prices. The merger also poses a huge threat to farm producers and other suppliers as well as smaller independent grocers. Union grocery workers, consumers, elected officials, and community members are standing together to fight for access to nutritious food, safe shopping experiences, and investment in good jobs in our communities. Join us in our fight against corporate greed." [StopTheMerger, accessed [09/08/23](#)]

The Coalition Said, "More Than 13,000 [Had] Signed A Position To Stop" The Merger. "According to the coalition, more than 13,000 have signed a petition to stop the Kroger, Albertsons deal." [Supermarket News, [05/26/23](#)]

In May 2023, The Center For Science In The Public Interest (CSPI), A Consumer Advocacy Group, Warned The Proposed Kroger-Albertsons Merger Would Create The Second-Largest Food Retailer Controlling 22% Of The Market, "Result[ing] In Fewer Grocery Stores And Higher Food Prices."

May 2023: The Center For Science In The Public Interest (CSPI), A Consumer Advocacy Group, Urged the FTC To Block The Proposed Kroger Albertsons Merger, Arguing It "Would Result In Fewer Grocery Stores And Higher Food Prices." "The list of those against the \$24.6 billion Kroger, Albertsons merger continues to grow. The Center for Science in the Public Interest (CSPI), a consumer advocacy organization, is now calling on the Federal Trade Commission to block the merger, stating it 'would result in fewer grocery stores and higher food prices — negatively impacting food and nutrition security for consumers around the country.'" [Supermarket News, [05/16/23](#)]

The Consumer Group Said "The [Post-Merger Company] Would Control 22% Of The Food Retail Market," "Mak[ing] It The Nation's Second-Largest Food Retailer," With Kroger And Walmart Controlling 55% Of The Market. "In its call for FTC rejection, CSPI said the merger would control 22% of the food retail market and make it the nation's second-largest food retailer. In addition, post-merger the combined

companies plus the largest food retailer, Walmart, would control 55% of the food retail market." [Supermarket News, [05/16/23](#)]

In May 2023, The United Food And Commercial Workers International Union (UFCW), Representing 1.3 Million Workers, "Rejected The Largest Grocery Store Merger In History," Citing A "Lack Of Transparency" And "The Impact A Merger Between Two Of The Largest Supermarket Companies Could Have On Essential Workers – And The Communities And Customers They Serve"

May 2023: The United Food And Commercial Workers International Union (UFCW), Representing 1.3 Million Workers, "Rejected The Largest Grocery Store Merger In History." "The largest private sector union in the country has now officially rejected the largest grocery store merger in history. The United Food and Commercial Workers International Union (UFCW) and its 1.3 million members recently voted unanimously to reject the \$24.6 billion Kroger, Albertsons deal." [Supermarket News, [05/09/23](#)]

UFCW International President Marc Perrone Said The Union "'Ha[d] Called For Transparency, Engaged Independent Experts, And Assessed The Publicly Available Information On This Proposed Merger'" To Assess Its "'Widespread Impact.'" "'For months, the UFCW has called for transparency, engaged independent experts, and assessed the publicly available information on this proposed merger to determine the widespread impact it will have on our members and the communities they serve,' said UFCW International President Marc Perrone." [Supermarket News, [05/09/23](#)]

Perrone Added: "'Given The Lack Of Transparency, And The Impact A Merger Between Two Of The Largest Supermarket Companies Could Have On Essential Workers – And The Communities And Customers They Serve – The UFCW Stands United In Its Opposition To The Proposed Kroger And Albertsons Merger." "Given the lack of transparency, and the impact a merger between two of the largest supermarket companies could have on essential workers – and the communities and customers they serve – the UFCW stands united in its opposition to the proposed Kroger and Albertsons merger." [Supermarket News, [05/09/23](#)]

In February 2023, Senators Elizabeth Warren (D-MA) And Bernie Sanders (I-VT) Sent A Letter To Kroger Criticizing The Company After It Allegedly Engaged In Wage Theft Despite "'[Its] Ongoing Attempt To Push Through A Merger That Would Harm Both Consumers And Workers.'"

February 2023: Senators Elizabeth Warren (D-MA) And Bernie Sanders (I-VT) Wrote To Kroger "Asking Whether The Grocery Store Chain Plans To Pay Its Workers Who Say They Were Victims Of Wage Theft." "Sens. Elizabeth Warren (D-Mass.) and Bernie Sanders (I-Vt.) sent a letter to Kroger on Wednesday asking whether the grocery store chain plans to pay its workers who say they were victims of wage theft." [HuffPost, [02/16/23](#)]

In The Letter, The Two Say The Company Has A "'Record Of Anti-Worker Policies'" Despite "'[Its] Ongoing Attempt To Push Through A Merger That Would Harm Both Consumers And Workers.'" "'Given your company's record of anti-worker policies, and your ongoing attempt to push through a merger that would harm both consumers and workers,' the senators wrote, "'we are writing to request a full explanation of how your workers will be compensated for any lost or delayed wages, and how you will prevent future wage theft.'"