

August 16, 2023

The Honorable Lina Khan
Chair Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chair Khan:

As Secretaries of State representing seven states with a total of 4,996 potentially effected stores, we are writing to express our opposition to Kroger Company's proposed \$24.6 billion acquisition of Albertsons Companies, Inc.

The merger would result in Kroger-Albertsons controlling nearly a quarter of the entire U.S. food retail market – a significant consolidation of the already limited competition within the market. Kroger itself has projected the merger would generate a household “savings” of \$5.88 per year, not accounting for inflation.

However, once there is such consolidation in the market, many consumers will no longer have choice. Kroger-Albertsons will have no competitive incentive to bring down prices and – despite what Kroger-Albertsons' claims – consumers will be powerless to hold the company accountable to promises of keeping prices low.

During the pandemic, Kroger chose to increase executive compensation and buy back stock to benefit shareholders, all while laying off workers and closing stores. The truth is these corporations are only responsible to shareholders, who stand to benefit from a \$4 billion payout from a merger while grocery store workers who stock shelves are unable to pay for groceries themselves due to low wages.

It is the government's responsibility to ensure that corporate monopolies do not cheat hardworking Americans into paying artificially high prices, so executives and shareholders can line their own pockets. Under the terms of the merger, Kroger and Albertsons will also need to divest up to 400 stores. It is likely the corporations will target the lowest performing stores – often those in low-income communities. This will certainly exacerbate issues of food accessibility and affordability that already exist.

Moreover, such a merger may also have implications for local suppliers, farmers, and small businesses that rely on a competitive grocery market. If the merger goes through, the lack of competition gives Kroger-Albertsons substantial power to dictate prices that harm growers and shippers who will be forced to cut wages for their own workers.

This corporate merger will put an even larger strain on American families who are already struggling to pay the bills and keep food on the table. Government must stand up to corporate greed as it has done in the past to ensure there is a competitive marketplace for essential goods and services.

As Secretaries of State, we are concerned about preserving a competitive grocery market that ensures fair competition and protects consumers and workers. We are strongly opposed to this merger and urge you to stop this corporate consolidation that is draining Americans of their hard-earned wages and livelihoods.

Sincerely,



Jena Griswold
Secretary of State
Colorado



Gregg Amore
Secretary of State
Rhode Island



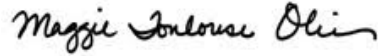
Adrian Fontes
Secretary of State
Arizona



Shenna Bellows
Secretary of State
Maine



Sarah Copeland Hanzas
Secretary of State
Vermont



Maggie Toulouse Oliver
Secretary of State
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Steve Simon
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