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UFCW Local 7 Members

Update on our efforts to protect workers and customers from the proposed Kroger-Albertsons Merger / C&S Divestiture Update

January 16, 2024

Local 7 Members,

I wanted to provide you with an update to the ongoing proposed merger between The Kroger Company (parent company of King Soopers, City Market, and Smith's Foods) and Albertsons Companies, Inc. (parent company of Safeway and Albertsons stores here in Colorado) and their proposed divestiture of stores to C&S Wholesale Grocers.

First, On Monday, January 15, 2024, Washington State Attorney General Bob Ferguson [filed a lawsuit in King County, Washington court](#) to block the proposed merger. Several other states Attorneys General from Colorado and California have announced investigations and indicated that there may be legal action on the horizon as well.

Second, the Federal Trade Commission (FTC) is continuing its review of the proposed merger, and we continue to work closely with them. Many analysts feel it is more than likely that the FTC will challenge the merger. Our local Union, [in coalition with other local unions from across the United States](#), provided extensive information about the proposed merger to the FTC. I remain hopeful that the FTC will also challenge the proposed merger. Both courts and the FTC have the power to potentially block the merger from being completed.

Recently, Kroger and Albertsons [have announced a delay](#) to the merger timeline, until potentially as late as August. No doubt this delay is in response to both news of the lawsuit and the pressure campaign mounted by a broad swath of consumer groups, unions, farmers, ranchers, and others committed to preventing the harmful effects of this merger.

- No sale of Kroger or Albertsons stores to C&S Wholesale Grocers unless and until a merger were approved.
- The planned divestiture of at least 52 stores in Colorado and up to a dozen stores in Wyoming, would not move forward unless ultimately approved by regulators, and now, because of the Washington State lawsuit, the courts.

- Contrary to comments made by these companies, this proposed merger is not at all necessary. Nor does their announced divestiture plan remedy our concerns. Both Kroger and Albertsons are well financially and making strong profits.
- The proposed merger is really about greed. These two companies have already profited so much from the labor of grocery store workers all while often understaffing stores and over-charging customers. Instead of investing in improved working conditions and reduced prices, they have prioritized high CEO pay, large dividends, including an Albertsons \$4 Billion give away in early 2023, and massive stock buy backs.

Our efforts over the past year and a half, from actions at the store level, to meeting with regulators, to helping to educate the public and generate hundreds of TV, radio and newspaper stories across the nation, have and continue to have an impact. We can't let up now. The proposed Kroger-Albertsons merger would no doubt be disastrous for consumers in the form of higher prices, for workers in the form of lost jobs, lower wages, and crippling losses to pension and health benefit plans, for farmers and ranchers who will lose a major buyer of their products, and for thousands of Americans who would find themselves living in food and drug-store deserts without adequate access to everyday necessities. If you haven't done so already, please [tell the FTC](#) and [Colorado Attorney General Phil Weiser](#) that you oppose the proposed merger.

Please join us on **Tuesday, January 23, 2024** for a member webinar for additional information:

January 23, 2024 9:00 AM

https://us02web.zoom.us/webinar/register/WN_xqEdzqqSSjqr40aQiei4Lg

January 23, 2024 6:00 PM

https://us02web.zoom.us/webinar/register/WN_q56a2WAFQSu21Edqqb4HMA

I will continue to update you as we get more information.

In Solidarity,



Kim C. Cordova

UFCW Local 7 President

UFCW International Vice President