TO ALL OF OUR MEMBERS AND #STOPTHEMERGER COALITION PARTNERS AND ALLIES:

We wanted to share a brief update with you on where things stand with the proposed Kroger/ Albertsons merger and our collective efforts to stop this harmful deal.

First off, we want to clarify where things stand right now. Despite recent news <u>reports</u> to the contrary, the FTC does *not* need to make a decision this week.

The bottom line is this: based on the information we have now, we expect the FTC to make a decision on the proposed merger early in the new year. This is consistent both with our understanding of the process and with public statements made by FTC chair Lina Khan.

Once the FTC has completed its investigation of the merger deal, there are three possible outcomes:

- 1. The FTC can seek to stop the transaction by filing a preliminary injunction in federal court and the case will go to administrative trial. *We believe our campaign has in part made this the most likely outcome and the trial will take many months to conclude. OR*
- 2. The FTC can enter into a negotiated consent agreement with the companies and allow the deal to go forward under certain conditions, e.g. divestitures. *This is how past mergers of this kind have been treated under previous administrations, but we believe it is unlikely in this case under the Biden administration. OR*
- 1. The FTC closes its investigation and allows the deal to move forward unchallenged. *We believe this is the least likely scenario.*

Secondly, we'd like to draw your attention to some recent activities and developments:

- A new report was issued by economist Marshall Steinbaum from the University of Utah demonstrating how the deal could dampen labor power and thus lead to devastating outcomes for workers. You can <u>download</u> the report and view our <u>press release</u> highlighting it, which was picked up in a <u>few</u> media <u>stories</u>.
- This week, our union siblings at the Teamsters International union have come out against the companies' plans to divest hundreds of stores to C&S. You can read their press release <u>here</u>.
- Last month, our friends at American Economic Liberties Project hosted a great virtual event on the "disaster in the making" that is this merger, featuring workers, independent grocers, farmers, and consumers that the proposed merger would directly impact. <u>Check out the video on YouTube</u>.

Lastly, we'd like to thank all of you for being a part of this effort to protect workers and our communities from the devastating impacts of this proposed mega-merger. As always, please do not hesitate to reach out to us if you have any questions or suggestions.

In Solidarity,



#StopTheMerger Coalition www.nogrocerymerger.com