



FEDERAL TRADE COMMISSION
 PROTECTING AMERICA'S CONSUMERS

FTC Requires Albertsons and Safeway to Sell 168 Stores as a Condition of Merger

Agency's Largest Supermarket Divestiture Order to Date Requires Sales to Four Buyers

FOR RELEASE

January 27, 2015

TAGS: [Retail](#) | [Grocery/Supermarkets](#) | [Bureau of Competition](#) | [Competition](#) | [Merger](#)

Supermarket operators Albertsons and Safeway Inc. have [agreed to sell 168 supermarkets to settle Federal Trade Commission charges](#) that their proposed \$9.2 billion merger would likely be anticompetitive in 130 local markets in Arizona, California, Montana, Nevada, Oregon, Texas, Washington, and Wyoming.

According to the FTC's [complaint](#), [Albertsons and Safeway compete vigorously](#) on the bases of price, quality, product variety, and services, and offer consumers the convenience of one-stop shopping for food and other grocery products. Without a remedy, according to the FTC, the acquisition will lessen supermarket competition to the detriment of consumers in 130 local markets.

"Consumers everywhere rely on local supermarkets for their weekly shopping needs," said FTC Chairwoman Edith Ramirez. "Absent a remedy, this acquisition would likely lead to higher prices and lower quality for supermarket shoppers in 130 communities. This settlement will ensure that consumers in those communities continue to benefit from competition among their local supermarkets."

At the time the proposed acquisition was announced, Albertson's LLC operated 630 supermarkets under the Albertsons banner in 15 states, and under the Market Street, Amigos, and United Supermarkets banners in Texas. New Albertson's, Inc., operated 445 supermarkets under the Jewel-Osco, ACME, Shaw's, and Star Market banners, in the eastern United States. Safeway operated 1,332 supermarkets under the Safeway, Tom Thumb, Randall's, Pak 'n Save, The Market, Vons, Pavilions, and Genuardi's banners located throughout the country.

Under the proposed settlement, Haggen Holdings, LLC will acquire 146 Albertsons and Safeway stores located in Arizona, California, Nevada, Oregon, and Washington; Supervalu Inc. will acquire two Albertsons stores in Washington; Associated Wholesale Grocers, Inc. will acquire 12 Albertsons and Safeway stores in Texas; and Associated Food Stores Inc. will acquire eight Albertsons and Safeway stores in Montana and Wyoming. It is expected that Associated Wholesale Grocers, Inc. will assign its operating rights in the 12 Texas stores it is acquiring to RLS Supermarkets, LLC (doing business as Minyard Food Stores) and that Associated Food Stores Inc. will assign its rights in the eight Montana and Wyoming stores it is acquiring to Missoula Fresh Market LLC, Ridley's Family Markets, Inc., and Stokes Inc.

Also under the proposed settlement, the divestitures to Haggen must be completed within 150 days of the date of the merger; the divestitures to Supervalu Inc. must be completed within 100 days of the date of the merger; and the divestitures to Associated Food Stores Inc. and Associated Wholesale Grocers, Inc. must be completed within 60 days of the date of the merger.

The proposed settlement includes an Order to Maintain Assets, to help ensure that Albertsons maintains the stores until they are divested. The proposed settlement also appoints a monitor to oversee the merging parties' compliance with their obligations under the settlement agreement. Details about the divestitures, including a list of stores and the local markets affected, are set forth in the [analysis to aid public comment](#) for this matter.

The Commission vote to issue the complaint and accept the proposed consent order for public comment was 5-0. The FTC will publish the consent agreement package in the Federal Register shortly. The agreement will be subject to public comment for 30 days, beginning today and continuing through February 26, 2015, after which the Commission will decide whether to make the proposed consent order final. [Comments can be filed electronically](#) or in paper form by following the instructions in the "Supplementary Information" section of the Federal Register notice.

NOTE: The Commission issues an administrative complaint when it has "reason to believe" that the law has been or is being violated, and it appears to the Commission that a proceeding is in the public interest. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of up to \$16,000 per day.

The FTC's Bureau of Competition works with the Bureau of Economics to investigate alleged anticompetitive business practices and, when appropriate, recommends that the Commission take law enforcement action. To inform the Bureau about particular business practices, call 202-326-3300, send an e-mail to antitrust@ftc.gov, or write to the Office of Policy and Coordination, Bureau of Competition, Federal Trade Commission, 600 Pennsylvania Ave., NW,

Contact Information

MEDIA CONTACT:

Betsy Lordan
Office of Public Affairs
202-326-3707

STAFF CONTACTS:

Alexis Gilman
Bureau of Competition
202-326-2579

Dan Ducore
Bureau of Competition
202-326-2526



[ftc.gov](https://www.ftc.gov)