



Office of the Secretary

United States of America
FEDERAL TRADE COMMISSION
Washington, D.C. 20580

July 2, 2015

Faith Bautista on behalf of
The National Diversity Coalition
State of California

Re: *In the Matter of Cerberus Institutional Partners V, LP., a limited partnership; AB Acquisition LLC, a limited liability company; and Safeway Inc., a corporation, File No. 141-0108, Docket No. C-4504*

Thank you for your comment regarding the proposed Consent Order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have voiced two concerns: (1) that minority-owned grocery stores may be foreclosed from real estate opportunities by Kimco Realty (part of the investor group seeking to purchase Safeway) and the newly merged Albertsons; and (2) that the newly merged Albertsons could influence Kimco Realty to retaliate against the National Asian American Coalition ("NAAC") and Island Pacific for their opposition to the Acquisition. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration.

The Commission conducted its non-public review of the Acquisition pursuant to its authority under Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. As such, the Commission's authority in this matter is solely to fashion remedies that are required to fix the competitive concerns arising from the Acquisition's violation of these antitrust laws. The Consent Order is therefore tailored to address those particular concerns.

Specifically, the Commission evaluated how the Acquisition might lead to diminished supermarket competition and identified competitive concerns in 130 local geographic markets. To fix those concerns, the Commission crafted the Consent Order to require divestitures of stores to third-party buyers in these markets. As a result of the divestitures, the number of competing supermarket firms in these markets will be the same as before the Acquisition, and in the Commission's judgment, the Acquisition therefore should not result in the newly merged Albertsons acquiring additional market power in these markets. In other local geographic markets, such as Daly City, California, however, the Commission did not view the Acquisition as resulting in a substantial lessening of competition and therefore did not require any divestiture.

After considering your comment and others in light of these factors, the Commission has determined that the public interest would best be served by issuing the Decision and Order as

final. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at <http://www.ftc.gov>.

It always helps the Commission's analysis to hear from a variety of sources regarding its work on antitrust and consumer protection issues. We therefore appreciate your interest in this matter and more broadly, in issues that may impact competition in those markets in which minority-owned grocery stores compete. I can assure you that as a general matter, the Commission is dedicated to protecting competition and consumers, and will take appropriate action against any act or practice in the marketplace that it believes violates any statute it enforces.

By direction of the Commission.

Donald S. Clark
Secretary



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July 2, 2015

Barbara Benziger
State of California

Re: *In the Matter of Cerberus Institutional Partners V, LP., a limited partnership; AB Acquisition LLC, a limited liability company; and Safeway Inc., a corporation, File No. 141-0108, Docket No. C-4504*

Thank you for your comment regarding the proposed Consent Order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have concerns that the Acquisition will result in higher prices, lower quality, and fewer choices within San Diego County. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration.

The Commission conducted its non-public review of the Acquisition pursuant to its authority under Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. As such, the Commission has jurisdiction only to fashion remedies that are required to fix the competitive concerns that arise from violations of federal antitrust law. Accordingly, the Consent Order is designed to address the competitive issues raised by the Acquisition. The Commission evaluated how the Acquisition might lead to diminished supermarket competition in San Diego County and found competitive concerns arising from a violation of federal antitrust law in 19 local geographic markets. To fix the competitive concerns, the Commission crafted the Decision and Order to require a remedy in the form of store divestitures to third-party buyers. Accordingly, the number of competing supermarket firms will be the same as before the Acquisition in the 19 local markets. In local markets where the Commission does not require divestiture, the Commission found that the Acquisition would not result in a substantial lessening of competition with a consequence of higher prices, lower quality, or fewer choices.

The Commission also evaluated the business plan and finances of Haggen and found that Haggen is a sound candidate for the purchase of divested stores.

After considering your comment and others in light of these factors, the Commission has determined that the public interest would best be served by issuing the Decision and Order as final. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at <http://www.ftc.gov>.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues, and we appreciate your interest in this matter.

By direction of the Commission.

Donald S. Clark
Secretary



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July 2, 2015

David Keating
State of Arizona

Re: *In the Matter of Cerberus Institutional Partners V, LP., a limited partnership; AB Acquisition LLC, a limited liability company; and Safeway Inc., a corporation, File No. 141-0108, Docket No. C-4504*

Thank you for your comment regarding the proposed Consent Order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have concerns that the Acquisition will result in store closures that will reduce competition in your immediate area. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration.

The Commission conducted its non-public review of the Acquisition pursuant to its authority under Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. As such, the Commission has jurisdiction only to fashion remedies that are required to fix the competitive concerns that arise from violations of federal antitrust law. Accordingly, the Consent Order is designed to address the competitive issues raised by the Acquisition. The Commission evaluated how the Acquisition might lead to diminished supermarket competition in Arizona and found competitive concerns arising from a violation of federal antitrust law in nine local geographic markets. To fix the competitive concerns, the Commission crafted the Decision and Order to require a remedy in the form of store divestitures to third-party buyers. Accordingly, the number of competing supermarket firms will be the same as before the Acquisition in the nine local markets. In local markets where the Commission does not require divestiture, the Commission found that the Acquisition would not result in a substantial lessening of competition. Moreover, a post-acquisition store closure is not, by itself, a violation of federal antitrust law.

After considering your comment and others in light of these factors, the Commission has determined that the public interest would best be served by issuing the Decision and Order as final. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at <http://www.ftc.gov>.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues, and we appreciate your interest in this matter.

By direction of the Commission.

Donald S. Clark
Secretary



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July 2, 2015

Arthur Mensor
State of California

Re: *In the Matter of Cerberus Institutional Partners V, LP., a limited partnership; AB Acquisition LLC, a limited liability company; and Safeway Inc., a corporation, File No. 141-0108, Docket No. C-4504*

Thank you for your comment regarding the proposed Consent Order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have concerns that the Acquisition will result in less choices and higher prices for consumers. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration.

The Commission conducted its non-public review of the Acquisition pursuant to its authority under Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. As such, the Commission has jurisdiction only to fashion remedies that are required to fix the competitive concerns that arise from violations of federal antitrust law. Accordingly, the Consent Order is designed to address the competitive issues raised by the Acquisition. The Commission evaluated how the Acquisition might lead to diminished supermarket competition and found competitive concerns arising from a violation of federal antitrust law in 130 local geographic markets, 61 of which are located in California. To fix the competitive concerns, the Commission crafted the Decision and Order to require a remedy in the form of store divestitures to third-party buyers. Accordingly, the number of competing supermarket firms will be the same as before the Acquisition in the 130 local markets. In local markets where the Commission does not require divestiture, the Commission found that the Acquisition would not result in a substantial lessening of competition with a consequence of higher prices or lower quality.

After considering your comment and others in light of these factors, the Commission has determined that the public interest would best be served by issuing the Decision and Order as final. A copy of the final Decision and Order is enclosed for your information. Relevant materials also are available from the Commission's website at <http://www.ftc.gov>.

It helps the Commission's analysis to hear from a variety of sources in its work on antitrust and consumer protection issues, and we appreciate your interest in this matter.

By direction of the Commission.

Donald S. Clark
Secretary



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July 2, 2015

Donna Nesbitt
State of Oregon

Re: *In the Matter of Cerberus Institutional Partners V, LP., a limited partnership; AB Acquisition LLC, a limited liability company; and Safeway Inc., a corporation, File No. 141-0108, Docket No. C-4504*

Thank you for your comment regarding the proposed Consent Order accepted by the Federal Trade Commission for public comment in the above-captioned matter. As we understand your comment, you have concerns that, in Portland, Oregon, the Acquisition will result in higher prices and, because of store closures, an increase in the distance you will have to travel for groceries. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and it has been given careful consideration.

The Commission conducted its non-public review of the Acquisition pursuant to its authority under Section 7 of the Clayton Act, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. As such, the Commission has jurisdiction only to fashion remedies that are required to fix the competitive concerns that arise from violations of federal antitrust law. Accordingly, the Consent Order is designed to address the competitive issues raised by the Acquisition. The Commission evaluated how the Acquisition might lead to diminished supermarket competition in the Portland, Oregon area and found competitive concerns arising from a violation of federal antitrust law in six local geographic markets. To fix the competitive concerns, the Commission crafted the Decision and Order to require a remedy in the form of store divestitures to third-party buyers. Therefore, the number of competing supermarket firms will be the same as before the Acquisition in the six local markets. In local markets where the Commission does not require divestiture, the Commission found that the Acquisition would not result in a substantial lessening of competition with a consequence of higher prices. Moreover, a post-acquisition store closure is not, by itself, a violation of federal antitrust law, even though such closure unfortunately could increase the travel burden for local consumers.

The Commission also evaluated the business plan and finances of Haggen and found that Haggen is a sound candidate for the purchase of divested stores.

After considering your comment and others in light of these factors, the Commission has determined that the public interest would best be served by issuing the Decision and Order as

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Donald S. Clark
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