



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

FTC Requires Dollar Tree and Family Dollar to Divest 330 Stores as Condition of Merger

Divestiture Order Requires Stores in 35 States to Be Sold to Private Equity Firm Sycamore Partners

FOR RELEASE

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

Discount retailers Dollar Tree, Inc. and Family Dollar Stores, Inc. have agreed to sell 330 Family Dollar stores to a private equity firm, Sycamore Partners, to settle Federal Trade Commission charges that Dollar Tree's proposed \$9.2 billion acquisition of Family Dollar would likely be anticompetitive.

According to the FTC's complaint, Dollar Tree and Family Dollar sell deeply discounted general merchandise items – including food, home products, apparel and accessories, and seasonal items – at prices below \$10 (in the case of stores under the “Dollar Tree” banner, all items are priced at \$1.00 or less). Their stores compete head-to-head in terms of price, product assortment, and quality, as well as location and customer service in local markets nationwide. The FTC identified 330 stores in local markets from 35 states where competition would be lost if the acquisition went forward as proposed.

“Dollar stores offer convenience and value by providing a broad assortment of general merchandise at discounted prices in stores close to where consumers live or work,” said Debbie Feinstein, Director of the FTC's Bureau of Competition. “This settlement will ensure that consumers will continue to benefit from competition among their local dollar stores.”

Without a remedy, according to the FTC, the acquisition is likely to lessen competition by eliminating direct competition between Dollar Tree and Family Dollar, and increasing the likelihood that Dollar Tree will unilaterally exercise market power.

The proposed settlement requires the divestitures to Sycamore Partners to be completed within 150 days following the acquisition. The settlement includes an Order to Maintain Assets, to help ensure that Family Dollar maintains the 330 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 the cities in which stores will be divested, 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 4-1, with Commissioner Joshua D. Wright voting no. The Commission issued a statement, and Commissioner Wright issued a separate statement explaining his vote. 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 August 3, 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, Room CC-5422, Washington, DC 20580. To learn more about the Bureau of Competition, read [Competition Counts](#). Like the FTC on [Facebook](#), follow us on [Twitter](#), and [subscribe to press releases](#) for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

[FTC Approves Sycamore Partners II, L.P. Application to Sell 323 Family Dollar Stores to Dollar General](#)

[FTC Seeks Public Comment on Sycamore Partners II, L.P. Application for Approval to Sell 323 Family Dollar Stores to Dollar General](#)

Contact Information

MEDIA CONTACT:

Betsy Lordan
Office of Public Affairs
202-326-3707

STAFF CONTACT:

Sean Pugh
Bureau of Competition
202-326-3201



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