



August 23, 2023

Chair Lina M. Khan  
Federal Trade Commission  
Bureau of Competition  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
Sent via: [ewilkins1@ftc.gov](mailto:ewilkins1@ftc.gov)

Dear Chair Khan,

We write to express our opposition to the proposed merger between the grocery chains Kroger and Albertsons. We believe that this merger may have significant adverse effects on the financial well-being of the people of our states, and we respectfully request that the Federal Trade Commission oppose this merger.

Our primary concern is the reduction in wages that would occur as a result of the merger. According to a study conducted by the Economic Policy Institute (EPI) the merger could result in a total loss of \$334 million in wages for 746,000 grocery store workers in over 50 metropolitan areas, equating to an average annual wage decrease of approximately \$450 per worker.<sup>1</sup> The ramifications of these wage reductions extend beyond individual workers and their ability to sustain themselves and their families, they would also have broader consequences for the economies of our states and municipalities.

The impact on wages would not be limited to employees of Kroger and Albertsons alone; all grocery store workers in the affected cities would potentially experience suppressed earnings. Furthermore, if the merger leads to layoffs or hours cuts, the consequences for affected workers would be even more severe. We are additionally concerned that the merger would affect the companies' suppliers. The merger may force them to lower prices, which, in turn, will result in reduced wages for their workers.

Moreover, the consolidation of the chains would diminish workers' ability to organize and negotiate for better wages and working conditions. A key aspect of successful negotiation lies in the workers' capacity to seek alternative employment options. By reducing the number of

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<sup>1</sup> <https://www.epi.org/publication/kroger-albertsons-merger/>

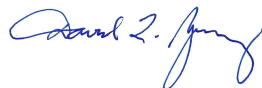
outside options available to workers, the merger would significantly limit competition in hiring and retaining employees, undermining their bargaining power.

Furthermore, we are deeply concerned about the potential consequences of this merger on the accessibility of essential goods and services. The consolidation of Kroger and Albertsons may lead to the creation of food deserts, which disproportionately affect vulnerable populations and can have severe health implications. Additionally, the merger may impact the availability and accessibility of prescription medicine, potentially exacerbating existing healthcare disparities. Beyond the wage and cost impacts of the merger, the creation of food deserts will not only impact the health of workers in our states but raise costs for their families as well, as they have to travel to obtain groceries.

In light of these concerns, we ask the Federal Trade Commission to carefully consider the potential negative consequences of the proposed merger between Kroger and Albertsons and oppose this merger. We believe that the interests of our constituents and the long-term economic security of our states would be better served by opposing this merger.

Thank you for your attention to this matter. We would welcome the opportunity to discuss our concerns further and provide any additional information or assistance that may be necessary.

Sincerely,



David L. Young, Colorado State Treasurer



Colleen C. Davis, Delaware State Treasurer



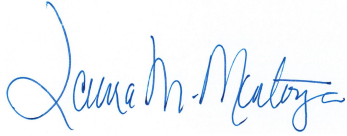
Henry E. M. Beck, Maine State Treasurer



Deborah B. Goldberg, Massachusetts State Treasurer and Receiver-General



Zach B. Conine, Nevada State Treasurer



New Mexico State Treasurer Laura M. Montoya



Michael J. Pellicciotti, Washington State Treasurer