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UFCW Local 7 Applauds Colorado Attorney General Weiser for Filing Lawsuit Challenging the Proposed Mega-Grocery Merger

Denver, CO – The 23,000 members of UFCW Local 7, many of whom work in grocery stores from all across the state of Colorado, applaud Colorado Attorney General Phil Weiser's action today to file a lawsuit and challenge the proposed mega-merger of Kroger and Albertsons. Kroger is the parent company of Colorado and Wyoming grocers King Soopers, City Market, and Smith's Foods. Albertsons is the parent company of Colorado and Wyoming grocers Safeway and Albertsons. UFCW Local 7 also applauds Weiser's actions over the past year as he has gone all around the state to listen to grocery store workers and others from local communities as they expressed concerns about this proposal – from Denver to Greeley, Pueblo to Cortez, Golden to Gunnison and over a dozen other cities and towns.

"Time and time again, in big cities and small towns all across this great state of Colorado, what Attorney General Weiser has heard is what we knew from day one – that this proposed mega merger of Kroger and Albertsons is a devastatingly bad idea," said Kim Cordova, President of UFCW local 7. "This proposed merger is driven by greed and seeks to consolidate power in an industry that is already too consolidated, an industry where too few companies have too much control over our food supply. We need to make sure it is stopped, and this lawsuit is a big help in that cause."

Stopping this consolation is important to help ensure competition that results in lower prices, better access to markets for farmers and ranchers, and avoids outcomes like closed stores and laid off workers. The devastation resulting from the Safeway Albertsons merger nine years ago is still felt in communities across Colorado with closed stores and grocery deserts. Kroger and Albertsons proposed divestiture to C&S Wholesale Grocers will do little to ensure Colorado remains a competitive marketplace for groceries and pharmaceuticals and is eerily reminiscent of the failed divestiture to Haggan as part of the Safeway-Albertsons merger nine years ago.

As the Attorney General's Complaint makes clear, Kroger and Albertsons entered into illegal nopoaching and no-solicitation agreements in the days leading up to the January 2022 strike called by Local 7 against King Soopers. These illegal agreements show the extent to which Kroger and Albertsons are willing to go in order to try and limit the power of workers and unions. Without competition that the merger threatens to end, there can be no doubt that Kroger's efforts to crush workers and consumers will only worsen.

UFCW local 7 is one of a handful of local unions from across the country that came together immediately after the proposed merger of Kroger and Albertsons was announced in mid-October of 2022 and started to speak out against the proposed merger and the harm that would come from it if it were allowed. We helped build a national coalition of hundreds of organizations and have been taking action ever since.

Across these states of California and Washington and some states back east as well as Colorado, to date we as a coalition have:

- Held dozens of events with thousands of members across the nation including attending AG Weiser listening sessions across Colorado.
- Held scores of actions in front of stores to connect with customers and community.
- Met directly on multiple occasions with federal regulators at the FTC and likewise with state regulators and Attorneys General, such as Attorney General Weiser, as well as in other states.
- Met recently with the Kroger and Albertsons and C&S Wholesale the company they proposed to divest stores to including here in Colorado.
- Funded a study that resulted in a widely circulated report by Marshall Steinbaum, an Assistant Professor of Economics at the University of Utah.
- We have helped build <u>NoGroceryMerger.com</u> to coordinate opposition, generate thousands of signature petitions to the FTC.
- We have issued press releases, held press conferences and done interviews with members of the press to raise our concerns that have put our concerns into hundreds of TV, radio and newspaper stories and reached millions of people across the nation over the past year and a half.

We are a leading force in the country raising concerns about this proposed merger. We recognize the very important and prominent role of Attorneys General in protecting the people of our states and applaud the actions today of AG Weiser and his lawsuit on behalf of the people of Colorado to prevent the devastation that he, and the rest of us, have witnessed as a result of the past mergers: loss of jobs, closed stores fronts, causing blights in our towns and food deserts in a land of plenty.

Local 7 represents approximately 18,000 workers at Kroger and Albertsons grocery stores across Colorado and Wyoming. As recently as just a couple years ago Local 7 members struck in the cold of January against King Soopers. That strike ended after 10 days and secured big gains for workers at both Kroger and Albertsons subsidiaries here in Colorado and beyond. The Kroger-Albertsons merger would mean a real and substantial loss in the ability for workers to secure gains in the future, something Attorney General Weiser recognized in his <u>lawsuit</u>.

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<u>Local 7</u>, is the largest private-sector Union in Colorado and Wyoming. It is affiliated with the United Food and Commercial Workers International Union which represents over 1.3 million workers in the United States and Canada, one of the largest private-sector Unions in North America. UFCW members work in a wide range of industries, including retail food, food processing, agriculture, retail sales, and health care.

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