

UFCW Locals 5, 7, 324, 400, 770, 1564, 3000

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## Coalition of UFCW Local Unions Raise Concern and Caution About Kroger/Albertsons Divestiture Deal with C&S Wholesale Grocers

**Denver, CO** (September 8, 2023) – Today, a coalition of United Food & Commercial Workers local unions in fourteen states and the District of Columbia representing more than 100,000 Kroger and Albertsons workers released the following statement regarding the <u>announcement</u> of a divestiture deal to sell hundreds of Kroger and Albertsons stores to C&S Wholesale Grocers:

"We have raised alarms about the proposed Kroger/Albertsons merger from the very beginning— from threats of store closures, higher prices and reduced competition, the harm to unionized workers' ability to negotiate strong contracts, as well as the negative ripple effects lower union density would have on workers throughout the grocery industry. News of a deal with C&S to buy hundreds of stores as part of the proposed merger in no way reduces those alarms. Indeed, in many respects this announcement raises the level of concern for our members.

"Workers and shoppers have been seriously harmed by large-scale selloffs in the past, orchestrated as part of a potential merger. It was only in 2015 private equity-owned Haggen acquired a large number of stores as part of a divestiture scheme to appease antitrust regulators in the Albertsons/Safeway merger. It took less than a year for that company to go bankrupt and for Albertsons to pick up the very same stores it had divested for a fraction of what Haggen paid only months before, thus undoing the remedy to resolve antitrust concerns. Moreover, thousands of workers lost their jobs and were forced to start over. Today's announcement of a nearly identical divestiture scheme is a troubling sign that history could repeat itself."

The above statement can be attributed to the following UFCW local presidents:

John Nunes, UFCW Local 5 President Kim Cordova, UFCW Local 7 President Andrea Zinder, UFCW Local 324 President Mark Federici, UFCW Local 400 President Kathy Finn, UFCW Local 770 President Greg Frazier, UFCW Local 1564 President Faye Guenther, UFCW Local 3000 President