



ALASKA STATE LEGISLATURE

Rep. Ivy Spohnholz
1500 W. Benson Blvd
907.269.0123

Rep. Zack Fields
1500 W. Benson Blvd
907.269.0106

October 31, 2022

Dear Chairwoman Lina Khan,

We are writing to request that the Federal Trade Commission intervene to block the proposed merger of Kroger and Albertsons, based on the profound negative impact this merger would have on consumers and front-line workers. Across the United States, this merger would reduce market competition and result in further price inflation in food and household necessities. Price increases would be most acute in Alaska, where the Kroger/Albertsons subsidiaries Fred Meyer and Carrs are the primary competitors in the grocery market, and our food costs are already well above the national average due to high transportation costs.

There is extensive peer-reviewed data about the anti-competitive, inflationary impacts of reduced competition. A transition from a competitive to a largely monopoly market results in higher prices for consumers and less market power and income for front-line workers in the industry. We encourage you to examine Alaska's marketplace for groceries and household necessities to understand just how devastating price increases from an Albertsons/Kroger merger would be.

Alaska's five largest jurisdictions are Anchorage, the Matanuska-Susitna Borough, Fairbanks, Juneau, and Kenai-Soldotna. In every single one of these communities, Fred Meyer (Kroger) and Carrs (Albertsons) are the primary competitors selling groceries and household goods. Fred Meyer and Carrs are Alaska's third and fourth largest employers as measured by number of employees. While there are a number of smaller, neighborhood-serving grocery and household goods retailers, including Sagaya in Anchorage, Three Bears in the Mat-Su Borough, or IGA in Juneau, they lack sufficient scale to compete with either Fred Meyer or Carrs today. This would be only exacerbated if those two firms were consolidated. The fact that Carrs and Fred Meyer are Alaska's primary grocery and household goods competitors is readily apparent from a review of Carrs/Fred Meyer locations in our largest communities.

The short-term benefits -- to a tiny number of executives and the largest corporate shareholders -- from consolidation of the nation's leading grocers do not outweigh the massive costs to consumers and front-line workers. We strongly encourage you to follow the Federal Trade Commission's mandate and block this anti-competitive merger.

Sincerely,

Handwritten signature of Representative Ivy Spohnholz in blue ink.

Representative Ivy Spohnholz
Co-Chair, Alaska House Committee
on Labor & Commerce

Handwritten signature of Representative Zack Fields in black ink.

Representative Zack Fields
Co-Chair, Alaska House Committee
on Labor & Commerce

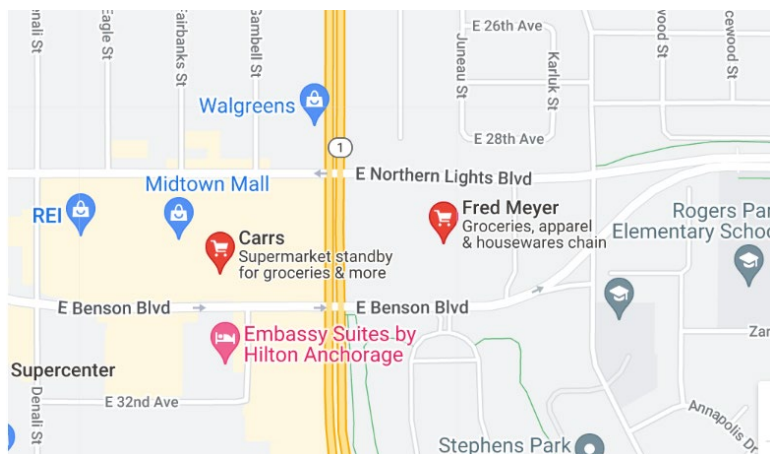


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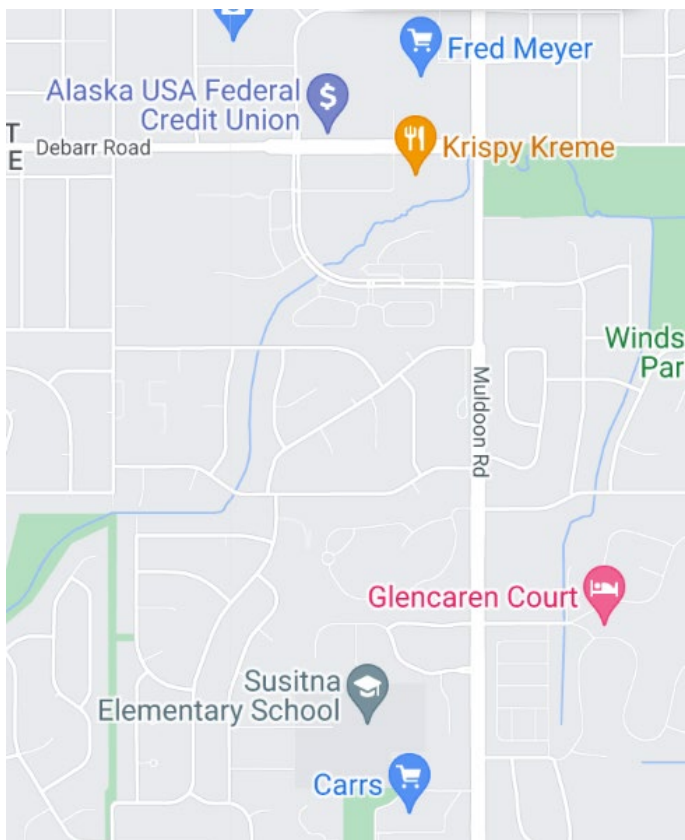
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Midtown Anchorage:



East Anchorage:



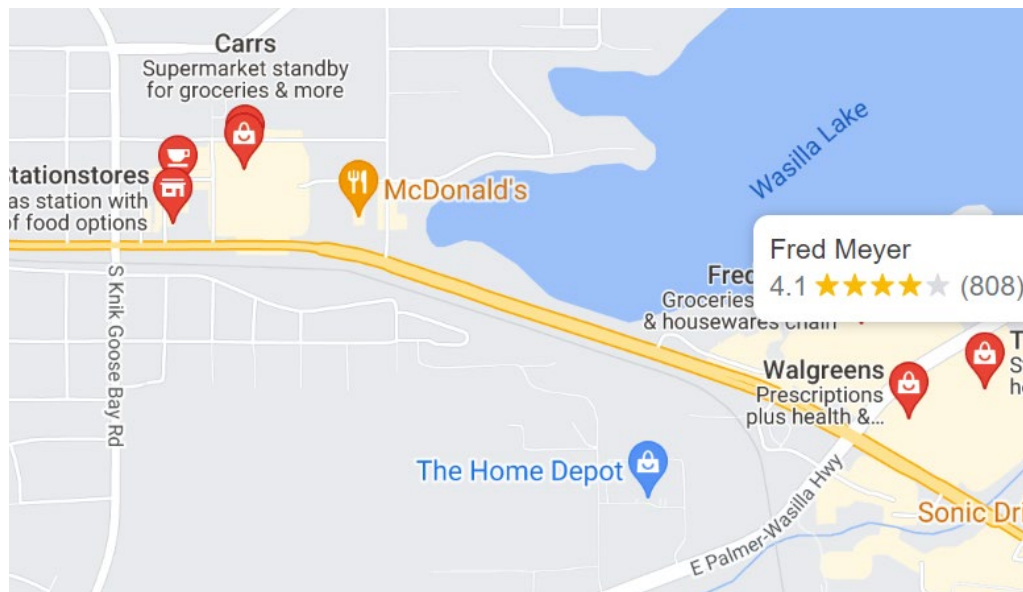


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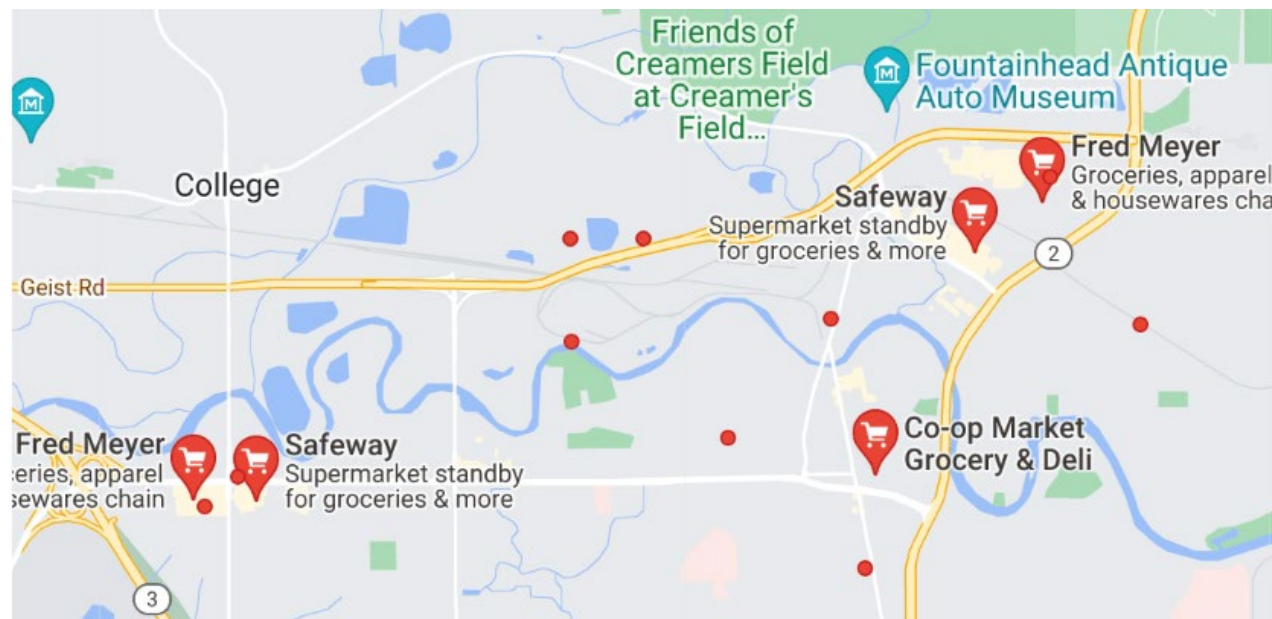
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Matanuska-Susitna Borough:



Fairbanks:





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Juneau:

