

Press Release

Office of Attorney General announces settlement requiring major food retailers to divest stores in central Pa.

7/25/2016

HARRISBURG — Attorney General Kathleen G. Kane's office today announced Pennsylvania and five other states have reached a settlement with two major food retailers that will require the divestiture of 76 supermarket stores nationwide for the retailers to proceed with a proposed \$28 billion merger.

The settlement with Koninklijke Ahold N.V, the owner of Giant-Carlisle and Martin's supermarkets, and Delhaize Group NV/SA, the owner of Food Lion supermarkets, follows a review conducted by Attorney General Kane's office, other state Attorneys General and the Federal Trade Commission.

The retailers are the parent companies of multiple supermarket chains in the United States and Europe. Of the 76 stores that will be divested, four of the stores are located in central Pennsylvania.

"The sale of these stores will not only preserve the competition necessary to keep prices low, but it will also provide an excellent alternative for consumers," Attorney General Kane said.

The Attorney General's office worked to ensure the divestitures to two businesses. Saubel's, an independent, family-owned grocer, will acquire the Food Lion store located in York at 3611 E. Market St.

Supervalu, well known as an independently owned chain of grocery stores, will acquire three Food Lion stores located in Waynesboro and Chambersburg. The stores are located at 4170 Philadelphia Ave., Chambersburg; 875 Lincoln Way West, Chambersburg; and 11105 Buchanan Trail, Waynesboro.

Ahold announced in June 2015 its agreement to merge with Delhaize. The settlement announced today was filed in the form of a lawsuit and proposed consent judgment in the U.S. District Court for the District of Columbia. Other states joining the settlement are Delaware, Maryland, Massachusetts, Virginia and West Virginia.

This matter was handled on behalf of Pennsylvanians by Senior Deputy Attorney General Jennifer Kirk and Deputy Attorney General Aaron Schwartz of the Office of Attorney General's Antitrust Section. The Antitrust Section is tasked with protecting the free enterprise system by detecting anti-competitive practices and taking legal action to stop them.

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