Attorney General James Protects Supermarket Choices and Competitive Prices for Upstate New York Residents

Sale of 11 Stores Will Preserve Competition in Affected Cities

NEW YORK – New York Attorney General Letitia James today announced an agreement that will help upstate New York residents of several cities maintain choices and competitive prices when shopping at supermarkets. In an <u>agreement with the companies that run the Schenectady-based Price</u>

Chopper supermarket chain and the Williamsville-based Tops Friendly Market supermarket chain, Attorney General James secured the divestment of 11 stores located in New York in connection with the companies' proposed merger. This agreement resolves an eight-month investigation that the Office of the Attorney General (OAG) conducted alongside the Federal Trade Commission, which announced a similar settlement today.

"It's simple: More choices and competition at the supermarket mean better prices and more savings for consumers," said **Attorney General James**. "As many New Yorkers continue to suffer the financial impact of the COVID-19 public health crisis, the last thing that should be happening is for supermarkets to let an anticompetitive merger cut choices and raise prices. The agreement that we're announcing today not only ensures that residents of multiple cities across upstate New York will continue to have choices when grocery shopping at Price Chopper and Tops — protecting their wallets from unrelenting price hikes — but it also preserves existing union contracts — protecting workers' rights and their benefits. My office will continue to do everything in its power to help keep markets competitive for all New Yorkers and protect our workers."

The companies operating Price Chopper and Tops announced their proposed merger in February 2021. While both companies have a large presence in the state — with approximately 150 supermarkets each — the companies largely do not compete head-to-head in most areas.

However, in the regions where the divestitures will occur — the Capital Region, Central New York, the Mohawk Valley, North Country, and the Southern Tier — the OAG found that the merger would have eliminated a direct supermarket competitor; leaving a single supermarket in three cities and, at most, one to two other supermarkets in the remaining cities.

By requiring the parties to sell the Tops stores in those cities to C&S, the largest private wholesale grocery distributor in the country, the OAG will help maintain competition in those areas. Additionally, today's agreement includes notice provisions that will enable the OAG to monitor additional acquisitions by the companies and help avoid future harm to competition.

Attorney General James also considered the effects of the merger on New York's labor market. During the investigation, the OAG met with representatives of the United Food and Commercial Workers

International Union (UFCW), the union which represents thousands of Tops employees. The UFCW has not only come out in support of the merger, but also the agreement secured by Attorney General James today that protects workers' rights and benefits.

"We believe that this merger will be a positive for our membership, preserving union jobs and strengthening the company's prospects into the foreseeable future," said **Frank DeRiso**, **president**, **UFCW Local One**. "We are pleased that we have an agreement with the new owner and they are committed to retaining all of the existing union jobs and contracts. We would like to thank the Office of the New York Attorney General, Senator Chuck Schumer, and our UFCW International Union for their guidance, assistance, and cooperation during this complicated process. This merger will be successful for both consumers and union members."

This matter was handled by Assistant Attorney General Saami Zain of the Antitrust Bureau, under the supervision of Antitrust Bureau Chief Elinor Hoffmann. The Antitrust Bureau is a part of the Division for Economic Justice, which is led by Chief Deputy Attorney General Chris D'Angelo and First Deputy Attorney General Jennifer Levy.

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