

# GROWERTALKS

## GT in Brief

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### Grocery Merger News

*Chris Beytes*

If you sell to grocers, you've already been following the news about the proposed merger of Kroger and Albertsons, the two largest supermarket chains in the U.S., and perhaps you already know what it means to your business with them.

In order for the merger to go through, the two chains have been forced to divest themselves of 413 stores, 8 distribution centers, 2 offices and 5 private label brands across 17 states and the District of Columbia in order to get regulatory approval. Otherwise, the merger would create a grocery monster with \$200 billion in annual sales and some 5,000 stores—too big for the regulators to allow, most likely.

So they're selling those 400-plus stores and other assets to a third smaller grocery operator, C&S Wholesale Grocers, for \$1.9 billion. C&S operates Grand Union and Piggly Wiggly stores in the south and Midwest, plus serves independent grocery stores, military bases and institutions.

Here are how many and where:

Washington: 104 Albertsons and Kroger stores

California: 66 Albertsons and Kroger stores

Colorado: 52 Albertsons stores

Oregon: 49 Albertson and Kroger stores

Texas/Louisiana: 28 Albertson stores

Arizona: 24 Albertsons stores

Nevada: 15 Albertsons stores

Illinois: 14 Kroger stores

Alaska: 14 Albertsons stores

Idaho: 13 Albertsons stores

New Mexico: 12 Albertsons stores

Montana/Utah/Wyoming: 12 Albertsons stores

Maryland/Virginia/DC: 10 Harris Teeter stores

As to which specific banners they'll be selling? We couldn't find out. Albertsons has a bunch of them: Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, Acme, Tom Thumb, Randalls, United Supermarkets, Pavilions, Star Market, Haggen, Carrs, Kings Food Markets and Balducci's Food Lovers Market.

For Kroger's part, they own the banners Kroger, Ralphs, Dillons, Smith's, King Soopers, Fry's, QFC, City Market, Owen's, Jay C, Pay Less, Baker's, Gerbes, Harris Teeter, Pick 'n Save, Metro Market, Mariano's and Fred Meyer.

The whole deal is scheduled to close early next year.

This isn't the only grocery merger taking place. Recently, discount grocer Aldi said it plans to buy 400 Winn-Dixie and Harveys supermarkets in the southern U.S. **GT**