

Koninklijke Ahold nv

2. Respondent Koninklijke Ahold nv ("Royal Ahold") is a corporation organized, existing and doing business under and by virtue of the laws of The Netherlands, with its executive offices located at Albert Heijnweg 1, 1507 EH Zaandam, The Netherlands.

3. Respondent Royal Ahold owns and operates five regional supermarket chains in the United States. Royal Ahold owns a chain of supermarkets that operate under the trade name "Edwards" in Connecticut, Rhode Island, and Massachusetts.

4. Respondent Royal Ahold is, and at all times relevant herein has been, engaged in commerce as "commerce" is defined in Section 1 of the Clayton Act, as amended, 15 U.S.C. § 12, and is a corporation whose business is in or affecting commerce as "commerce" is defined in Section 4 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 44.

Ahold USA, Inc.

5. Respondent Ahold USA, Inc. ("Ahold USA"), a wholly-owned subsidiary of Royal Ahold, is a corporation organized, existing and doing business under and by virtue of the laws of Delaware, with its executive offices at One Atlanta Plaza, 950 East Paces Ferry Road, Suite 2575, Atlanta, GA 30326.

6. Respondent Ahold USA is, and at all times relevant herein

Acquisition

7. On or about March 27, 1996, Ahold and Stop & Shop entered into an agreement whereby Ahold agreed to purchase the voting stock of Stop & Shop.

Trade and Commerce

8. The relevant line of commerce in which to analyze the effects of the acquisition described herein is the retail sale of food and grocery products in supermarkets.

9. The relevant sections of the country in which to analyze the acquisition described herein are the areas in and around the following incorporated cities and towns:

- a) New Milford, Connecticut;
- b) Windham and Mansfield, Connecticut;
- c) Wallingford and Meriden, Connecticut;
- d) Waterbury, Watertown, and Naugatuck, Connecticut;
- e) "the greater Hartford, Connecticut, area," which includes Hartford, New Britain, Newington, Wethersfield, Farmington, West Hartford, Bloomfield, Windsor, South Windsor, East Hartford, Manchester, Glastonbury, and Vernon, Connecticut;
- f) Avon and Simsbury, Connecticut;
- g) Enfield, Somers, East Windsor, Suffield, and Windsor Locks, Connecticut;
- h) Southington and Plainville, Connecticut;
- i) Milford, Orange, West Haven, and New Haven, Connecticut;
- j) East Haven, Branford, Guilford, Madison, Clinton, and Old Saybrook, Connecticut;
- k) Fairfield, Stratford, Bridgeport, Trumbull, and Shelton, Connecticut;
- l) South Kingstown and Narragansett, Rhode Island;
- m) "the greater Providence, Rhode Island, area," which includes East Providence, Providence, Pawtucket,

Warwick, Cranston, Central Falls, Lincoln, Smithfield, Barrington, Bristol, Cumberland, North Providence, Johnston, West Warwick, East Greenwich, and Coventry, Rhode Island; and Attleboro and Seekonk, Massachusetts; and

n) Chicopee, Massachusetts

Market Structure

10. The retail sale of food and grocery products in supermarkets in the relevant sections of the country is concentrated, whether measured by the Herfindahl-Hirschman Index (commonly referred to as "HHI") or by two-firm and four-firm concentration ratios.

Entry Conditions

11. Entry into the retail sale of food and grocery products in supermarkets in the relevant sections of the country is difficult and would not be timely, likely, or sufficient to prevent anticompetitive effects in the relevant sections of the country.

Actual Competition

12. Prior to the acquisition described herein, Ahold and Stop & Shop were actual competitors in the relevant line of commerce in the relevant sections of the country.

Effects

13. The effect of the acquisition may be substantially to lessen competition in the relevant lines of commerce in the relevant sections of the country in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45, in the following ways, among others:

- a. by eliminating direct competition between supermarkets owned or controlled by Ahold and supermarkets owned or controlled by Stop & Shop,
- b. by increasing the likelihood that Ahold will unilaterally exercise market power, or
- c. by increasing the likelihood of, or facilitating, collusion or coordinated interaction,

each of which increases the likelihood that the prices of food, groceries, or services will increase, and the quality and

selection of food, groceries, or services will decrease, in the relevant sections of the country.

Violations Charged

14. The acquisition as described in Paragraph 7 constitutes a violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45.

15. The acquisition as described in Paragraph 7, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45.

IN WITNESS WHEREOF, the Federal Trade Commission has caused this complaint to be signed by its Secretary and its official seal to be hereto affixed, at Washington, D.C., this thirtieth day of September, 1996.

By the Commission.

Donald S. Clark
Secretary

Seal: