

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**       **Joseph J. Simons, Chairman**  
                                  **Noah Joshua Phillips**  
                                  **Rohit Chopra**  
                                  **Rebecca Kelly Slaughter**  
                                  **Christine S. Wilson**

**In the Matter of** )  
                                  ) )  
                  **US Foods Holding Corp.,** )  
                  **a corporation,** ) )  
                                  ) )  
                  **Services Group of America, Inc.,** )  
                  **a corporation,** ) )  
                                  ) )  
                                  **and** ) )  
                                  ) )  
                  **Food Services of America, Inc.,** )  
                  **a corporation.** ) )  
                                  ) )  
                                  ) )

**Docket No. C-4688**

**COMPLAINT**

Pursuant to the provisions of the Clayton Act and the Federal Trade Commission Act (“FTC Act”), and by the virtue of the authority vested in it by said Acts, the Federal Trade Commission (“FTC” or “Commission”), having reason to believe that Respondent US Foods Holding Corp. and US Foods, Inc. (together “USF”), corporations subject to the jurisdiction of the Commission, and Respondent Services Group of America, Inc., Respondent Food Services of America, Inc., and Amerifresh, Inc., Ameristar Meats, Inc., GAMPAC Express, Inc., and Systems Services of America, Inc. (collectively “SGA”), corporations subject to the jurisdiction of the Commission, have reached an agreement (the “Proposed Acquisition”) in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, pursuant to which US Foods, Inc. will acquire 100% of outstanding common stock for each of SGA’s Food Group of Companies, which, if consummated, would violate Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18, and Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, and, it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its Complaint, stating its charges as follows:

**I. RESPONDENTS**

1. US Foods Holding Corp. is a publicly traded corporation organized under the laws of Delaware with headquarters in Rosemont, Illinois. US Foods, Inc. is a wholly owned subsidiary of US Foods Holding Corp. USF is the second-largest distributor of food and food-related products in the United States. USF operates 64 distribution centers from which it provides broadline foodservice distribution throughout the United States. In its fiscal year 2017, USF generated approximately \$2.4 billion in sales to more than 200,000 stores nationwide.

2. Respondent SGA is a holding company made up of six operating companies. SGA’s Food Group of Companies—the five companies at issue in the Proposed Acquisition—include Food Services of America, Inc. (“FSA”), a broadline foodservice distributor; Systems Services of America, Inc. (“SSA”), a systems distributor; Amerifresh, Inc., a fresh produce distributor; and Stoodra, a



## VI. EFFECTS OF THE PROPOSED ACQUISITION

13. The Proposed Acquisition would eliminate direct and substantial price and ~~price~~ competition between USF and FSA in the relevant markets. The elimination of this vigorous competition would allow USF to unilaterally exercise market power following consummation of the Proposed Acquisition.
14. The ultimate effect of the Proposed Acquisition would be to increase the likelihood that prices for the provision of broadline foodservice distribution will increase and that the quality associated with such services will decrease in ~~the~~ relevant geographic markets.

## VII. ENTRY CONDITIONS

15. New entry or expansion by existing market participants is unlikely to occur in a timely or sufficient manner to deter or counteract the likely anticompetitive effects of the Proposed Acquisition in the relevant markets

## VIII. THE VIOLATION CHARGED

16. The Proposed Acquisition constitutes an unfair method of competition in violation of Section 5 of the FTC Act, as amended, 15 U.S.C. § 45, and if consummated, may substantially lessen competition in the relevant markets in violation of Section 5 of the ~~FTC~~ Act as amended, 15 U.S.C. § 45, and Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

WHEREFORE, THE PREMISES CONSIDERED, Federal Trade Commission on this tenth day of September 2019, issues its complaint against said Respondents.

By the Commission.

April J. Tabor  
Acting Secretary

SEAL