

June 21, 2021

Dear Members of the House Judiciary Committee:

On behalf of the National Grocers Association (NGA), we applaud the Committee's consideration of bipartisan House legislation to address monopoly power in the Big Tech sector. While these bills are focused on the technology marketplace, they touch on the biggest issues NGA's members face in the grocery industry: consolidation, buyer power, and economic discrimination.

NGA is the national trade association representing independent community grocers and wholesalers in every Congressional district and state. An independent retailer is a privately owned or controlled food retail company operating a variety of formats. The independent grocery sector is responsible for generating \$255 billion to the U.S. economy, 1.2 million jobs, \$42 billion in wages, and \$36 billion in taxes. NGA members include retail and wholesale grocers, state grocers associations, as well as manufacturers and service suppliers.

For decades, NGA members have witnessed the same troubling behavior in the grocery sector that the Antitrust Subcommittee exposed in Big Tech. In our industry, a small handful of companies have amassed incredible economic power over their rivals and their suppliers. This leverage exists because dominant food retailers are critical "gatekeepers" between suppliers and consumers dictating discriminatory terms and conditions to suppliers, including by demanding more favorable pricing and price terms, more favorable supply, and access to exclusive products. The economic power amassed by dominant retail companies and the Big Tech giants are possible due to lax antitrust enforcement and the inability of existing laws to police anticompetitive conduct in the modern economy. We believe it is time for Congress to act.

We hope this legislative effort is just the start of Congress' work to rein in monopoly power as NGA continues to push for scrutiny of food retail power buyers. Antitrust enforcement and reform would mean more support for local economies and small and independent businesses, more innovation across sectors, and more choices for consumers of all income levels.

NGA supports the bipartisan push to reinvigorate the antitrust laws for the first time in decades. We urge all Judiciary Committee members to consider the importance of a level playing field for independent businesses, especially at a time when small businesses have been decimated by the pandemic.

Please do not hesitate to reach out should you have any questions. To learn more about NGA's approach to antitrust, please visit www.nationalgrocers.org/antitrust.

Sincerely,



Chris Jones
SVP of Government Relations & Counsel
National Grocers Association