

Don't Let Anybody Fool You!

These Things Will Happen If The Anti-Trust Lawyers Have Their Way

When the anti-trust lawyers from Washington filed their suit against A&P, we told the American people, our customers, our suppliers and our employees how this attack would affect them.

We said that this attack, if successful, would mean the end of A&P as you know it.

We said that it would mean higher food prices for American consumers.

We said that if they succeed in destroying A&P the way would be cleared for the destruction of other efficient large-scale retailers.

We thought the American people were entitled to know about this threat to their welfare and standard of living.

Since that time, however, the anti-trust lawyers have been making speeches, talking over the radio, writing letters and giving stories to the newspapers, in which they say we are all wrong.

They say that this suit will not close a single A&P store; and that instead of raising food prices it will lower them.

And they have tried to give the impression that nobody will be hurt by this decision except the present owners of A&P.

We don't think that the American people want to be confused by these statements. We know that when they have the facts, they will understand that this case can affect the living standards and the way of life of every American citizen.

Here are the facts:

It Will Destroy A&P

The anti-trust lawyers have repeatedly stated that "the suit will not result in the closing of a single A&P store", and that "the purpose of the suit is to enjoin A&P from continuing activity which has been held to violate the law."

The fact is that the suit is designed not only to "enjoin" A&P from alleged illegal activities, but actually to destroy the company.

Here is what they have asked the court to do:

Break up A&P's retail stores into seven groups, each of which must be sold to different owners, and operated under new management.

Order us to sell A&P's factories, which produce many of the fine foods you find in our stores, to still other new owners.

Prevent any of the seven groups of stores from operating any of the factories.

None of the present owners, who have made A&P what it is today, can have anything to do with either the stores or the factories.

The first A&P store was opened 90 years ago. For the past 50 years the

company has been managed by George L. Hartford and John A. Hartford. These are the men who have pioneered the policy of low-cost, low-profit, low-price food retailing which has won A&P the patronage of millions of American families and given them more good food for their money.

If the anti-trust lawyers have their way, these men and other company executives will be completely out of the picture. No one can predict what the policies of the new owners of the various parts of A&P will be.

No one can predict that they will sell the same quality food at the same low prices, or that they will keep the same employees, or give them the same high wages, short hours, pensions and security.

Nor, despite the anti-trust lawyers' statement, can anyone tell how many A&P stores will remain open or will be closed.

So, while there may be a food store where your A&P is now located, it won't be your A&P store.

Make no mistake about it. If the anti-trust lawyers win their suit it will mean the end of A&P as you know it.

Your Food Will Cost More

The anti-trust lawyers have repeatedly stated that the suit will not increase, but should decrease, grocery prices.

Anybody who has ever shopped in an A&P store, or has ever taken a high-school course in economics, knows better than that.

Everyone knows that A&P's policy has always been to keep costs and profits at a minimum so that it can sell good food cheap.

The very heart of the anti-trust lawyers' case is that A&P's methods, which they claim are illegal, have enabled the company to undersell competitors. How can anyone possibly say that you will get lower food prices by eliminating the company that has done so much to bring them down?

Actually, there is no question that this suit, if successful, will mean higher food prices for A&P customers.

Here is just one of a number of reasons:

We manufacture many of the quality foods we sell in our stores, such as Boker, Red Circle and Eight O'Clock coffees, Ann Page foods, White House milk, and many others.

The anti-trust lawyers admit that we pass along these manufacturing savings to our customers in the form of lower prices.

But, the anti-trust lawyers have asked the court to order us to get rid of our manufacturing facilities, which would put an end to all these savings.

This means that if these A&P brands continued to be manufactured, you would have to pay higher prices for them wherever you found them.

The anti-trust lawyers say that food prices would go down in other stores. They claim that food manufacturers would be able to sell cheaper to other grocers because they would not have to make up alleged losses they now incur in selling to A&P.

This, of course, is pure nonsense. The suppliers who voluntarily seek our business and are now rushing to our defense obviously find it profitable to deal with A&P. Actually, their sales to this company enable them to build up their volume, reduce their costs, and sell more cheaply to all grocers.

The elimination of A&P from the picture would tend to increase, rather than decrease, the wholesale cost of food; and this, in turn, will be reflected in increases in retail prices.

Make no mistake about it. If the anti-trust lawyers succeed in putting A&P out of business you will find your food bill is higher.

Others Will Be Hurt

The anti-trust lawyers have insisted that this suit will not affect other distributors, "nor will it destroy any efficiencies of mass distribution."

The fact is that the anti-trust lawyers ask the court to break up the company, make it get rid of its admittedly legal manufacturing operations and in general destroy many of the efficiencies which have enabled it to sell food cheap.

If such an attack is successful, it immediately raises the likelihood of similar attacks on other chain stores.

The anti-trust lawyers are saying that they "do not contemplate any other suits of this nature at this time."

But that does not mean that they cannot undertake such suits at any future time if they win this case.

As a matter of fact, the anti-trust lawyers made practically the same allegations against two of our largest competitors that they are making against us.

And it can also be used as the basis for an attack against other grocers and merchants in other lines.

There are today literally thousands of chain stores, voluntary groups and individual merchants operating with the same methods and in the same pattern here under attack.

If A&P is destroyed, no businessman could safely pursue an aggressive sales policy designed to lower prices and give his customers a better deal if by so doing he takes business away from any competitor.

Even if the anti-trust lawyers have no intention now of prosecuting other suits, a decision against A&P will establish a precedent that could be used by the present anti-trust lawyers, or any future anti-trust lawyers, to destroy any efficient business that buys cheaply, sells cheaply, and grows big in the process.

Such a decision would mean the end of the vigorous, healthy price competition which has given this country the highest standard of living ever enjoyed by any people anywhere in the history of the world.

The anti-trust lawyers are trying to give a new interpretation to the anti-trust laws that, instead of preserving competition, will reduce competition.

They are trying, by court decision, to impose a new kind of economic policy on the people of this country.

Make no mistake about it. If they succeed in destroying A&P they will be destroying the method of distribution that has helped make the American standard of living the envy of the world.

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