



Trade-Off: Sobeys Gains Approval for Safeway Acquisition

Description

By Cameron Conway

The Federal Competition Bureau announced yesterday that it has reached a Consent Agreement with **Empire** ([TSX:EMP.A](#)) subsidiary Sobeys regarding its proposed acquisition of Canada **Safeway** (NYSE:SWY).

In a statement, Sobeys President & CEO Marc Poulin said, “We are delighted to have received regulatory clearance from the Competition Bureau. Our focus now turns to closing the deal, which we expect to do in early November, and beginning to serve our customers in Western Canada as one company.”

The locations that are on the block are a mix from both companies. They include Sobeys, Safeway, IGA, Thrifty Foods, and Price Chopper locations around Manitoba, Saskatchewan, Albert and B.C. (Note: The full list of closures is included in the Sobeys press release [here](#).) Once these 23 stores hit the market, [it's expected](#) that major players such as **Loblaws** and **Overwaitea Food Group** may be interested — which would affirm the beliefs of John Pecman, Commissioner of Competition, who wants competitive prices for Canadian grocery consumers.

Yesterday's news should relieve anxious investors waiting for this acquisition to close. And this announcement should also give closure to consumers loyal to either company, left wondering which side of the street they'll need to go for their groceries.

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Cameron Conway does not own shares of any companies mentioned.

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1. Investing

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1. TSX:EMP.A (Empire Company Limited)

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