

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

THE STATE OF FLORIDA)
By Attorney General Pamela Jo Bondi)
)
THE STATE OF MAINE)
By Attorney General Janet T. Mills)
)
THE STATE OF MISSOURI)
By Attorney General Chris Koster)
)
THE STATE OF ALABAMA)
By Attorney General Luther Strange)
)
THE STATE OF INDIANA)
By Attorney General Gregory F. Zoeller)
)
THE STATE OF IOWA)
By Attorney General Thomas J. Miller)
)
THE STATE OF MARYLAND)
By Attorney General Brian E. Frosh)
)
THE COMMONWEALTH OF)
MASSACHUSETTS)
By Attorney General Maura Healey)
)
THE STATE OF MISSISSIPPI)
By Attorney General Jim Hood)
)
THE STATE OF NEBRASKA)
By Attorney General Douglas J. Peterson)
)
THE STATE OF OKLAHOMA)
By Attorney General E. Scott Pruitt)
)
THE COMMONWEALTH OF PENNSYLVANIA)
By Attorney General Kathleen Kane)
)
THE STATE OF TENNESSEE)
By Attorney General Herbert H. Slatery III)
)
THE STATE OF VERMONT)
By Attorney General William H. Sorrell)
)

Civil Case No. 1:15-cv-01052

THE COMMONWEALTH OF VIRGINIA)
By Attorney General Mark R. Herring)
)
THE STATE OF UTAH)
By Attorney General Sean D. Reyes)
)
THE STATE OF WEST VIRGINIA)
By Attorney General Patrick Morrissey)
)
Plaintiffs,)
)
vs.)
)
DOLLAR TREE, INC.,)
a corporation;)
)
and)
)
FAMILY DOLLAR STORES, INC.,)
a corporation)
)
Defendants.)
_____)

COMPLAINT

The States of Florida, Maine, Missouri, Alabama, Indiana, Iowa, Maryland, Mississippi, Nebraska, Oklahoma, Tennessee, Vermont, Utah, and West Virginia, and the Commonwealths of Massachusetts, Pennsylvania, and Virginia, by and through their Attorneys General, (“Plaintiff States”) for their complaint herein allege:

I. NATURE OF THE COMPLAINT

1. Plaintiff States bring this civil antitrust action to challenge the merger of two of the largest discount general merchandise retail stores. Plaintiff States allege that the proposed acquisition of Family Dollar Stores, Inc. ("Family Dollar") by Dollar Tree, Inc. ("Dollar Tree") would substantially lessen competition in numerous markets in violation of Section 7 of the Clayton Act, 15 U.S.C § 18 and in violation of Plaintiff States’ applicable

state laws.

2. Plaintiff States seek permanent injunctive relief to prevent, restrain, and/or remedy the adverse effects on competition and consequent harm to the public interest that would result from Dollar Tree's acquisition of Family Dollar.

II. PARTIES, JURISDICTION, AND VENUE

3. Each Plaintiff State is a sovereign state of the United States. This action is filed on behalf of the Plaintiff States by their respective Attorneys General, each of whom is accorded the requisite authority under Section 16 of the Clayton Act, 15 U.S.C. § 26. The Plaintiff States also bring this action in their sovereign capacities and as *parens patriae* on behalf of the citizens, general welfare and economy of each of their states to prevent and restrain Dollar Tree and Family Dollar from violating Section 7 of the Clayton Act, the state statutes cited herein and common law. This authority is buttressed by equitable and common law power vested in the Attorney General and other powers conferred by state law.

4. Defendant Dollar Tree is a corporation organized, existing, and doing business under and by virtue of the laws of the Commonwealth of Virginia with its headquarters and principal place of business located at 500 Volvo Parkway, Chesapeake, Virginia.

5. Dollar Tree is, and at all relevant times has been, engaged in "commerce" as defined in Section 1 of the Clayton Act, 15 U.S.C. § 12.

6. Defendant Family Dollar is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware with its headquarters and principal place of business located at 10401 Monroe Road, Matthews, North Carolina.

7. Family Dollar is, and at all relevant times has been, engaged in "commerce" as defined in Section 1 of the Clayton Act, 15 U.S.C. § 12.

III. THE ACQUISITION

8. Pursuant to an Agreement and Plan of Merger dated as of July 27, 2014, as amended on September 4, 2014, Dollar Tree proposes to purchase all issued and outstanding common stock of Family Dollar in a transaction valued at approximately \$9.2 billion ("the Acquisition").

IV. THE RELEVANT PRODUCT MARKET

9. The relevant line of commerce in which to analyze the Acquisition is no narrower than discount general merchandise retail stores. "Discount general merchandise retail stores" means small-format, deep-discount retailers that sell an assortment of consumables and non-consumables, including food, home products, apparel and accessories, and seasonal items, at prices typically under \$10 (*i.e.*, dollar stores) and the retailer Wal-Mart.

10. In certain geographic markets the relevant line of commerce may be as broad as the sale of discounted general merchandise in retail stores (*i.e.*, discount general merchandise retail stores as well as supermarkets, pharmacies, mass merchandisers, and discount specialty merchandise retail stores).

11. Whether the relevant line of commerce is discount general merchandise retail stores or discounted general merchandise in retail stores depends on the specifics of the geographic market at issue, such as population density and the density and proximity of the Defendants' stores and competing retailers.

V. THE RELEVANT GEOGRAPHIC MARKETS

12. The relevant geographic markets in which to analyze the competitive effects of the Acquisition are local markets. The size of the geographic market depends on the specific area at issue. In highly urban areas, the geographic markets are generally no broader than a half-mile radius around a given store. In highly rural areas, the geographic market is generally no

narrower than a three-mile radius around a given store. In areas neither highly urban nor highly rural, the geographic market is generally within a half-mile to three-mile radius around a given store.

VI. ENTRY CONDITIONS

13. Entry into the relevant markets that is timely and sufficient to prevent or deter the expected anticompetitive effects of the Acquisition is unlikely. Entry barriers include the time, costs, and feasibility (which may be limited by restrictive-use covenants in lease agreements) associated with identifying and potentially constructing an appropriate and available location for a discount general merchandise retail store; the resources required to support one or more new stores over a prolonged ramp-up period; and the sufficient scale to compete effectively.

VII. EFFECTS OF ACQUISITION

14. The Acquisition, if consummated, is likely to substantially lessen competition in the relevant line of commerce in the following ways, among others:

- a. by eliminating direct and substantial competition between Defendants Dollar Tree and Family Dollar; and
- b. by increasing the likelihood that Defendant Dollar Tree will unilaterally exercise market power.

15. The ultimate effect of the Acquisition would be to increase the likelihood that prices of discounted general merchandise will increase, and that the quality, selection, and services associated with the sale of such merchandise will decrease, in the relevant geographic markets.

VIII. VIOLATIONS ALLEGED

A. First Cause of Action

16. Plaintiff States repeat and reallege every preceding allegation as if fully set forth herein.

17. The agreement described in Paragraph 8 constitutes a violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

B. Second Cause of Action

18. Plaintiff States repeat and reallege every preceding allegation as if fully set forth herein.

19. The Merger, if consummated, would violate or threaten to violate the prohibitions contained in the following state statutes:

- a. Florida: Florida Antitrust Act, Fla. Stat. § 542.28, *et seq.* and the Florida Deceptive and Unfair Trade Practice Act, Fla. Stat. § 501.201, *et seq.*
- b. Maine: Maine Monopolies and Profiteering law, 10 M.R.S. § 1101 *et seq.*
- c. Missouri: Missouri Antitrust Act, Mo. Rev. Stat. §§ 416.011-416.161.
- d. Alabama: Alabama Unlawful Trade Practices Act, Ala. Code § 8-19-5, *et seq.*
- e. Indiana: Indiana Antitrust Act, Ind. Code § 24-1 *et seq.*
- f. Iowa: Iowa Code Chapter 553 (the Iowa Competition Law).
- g. Maryland: Maryland Antitrust Act, Md. Code Ann., Com. Law § 11-201. *et seq.*
- h. Massachusetts: The Massachusetts Consumer Protection Act, Mass. Gen. Laws ch. 93A, § 2.

- i. Mississippi: Mississippi Antitrust Act, Miss. Code Ann. Section 75-21-1 *et seq.*
- j. Oklahoma: Oklahoma Antitrust Reform Act, 79 O.S. § 201 *et seq.*
- k. Nebraska: Nebraska: Nebraska Consumer Protection Act, Neb. Rev. Stat. § 59-1601 *et seq.* and Nebraska Attorney General's Antitrust Authority, Neb. Rev. Stat. § 84-211 through § 84-214.
- l. Pennsylvania: The Commonwealth of Pennsylvania asserts a claim under Pennsylvania common law doctrine against unreasonable restraint of trade. The Commonwealth of Pennsylvania, by and through its Attorney General, can bring an antitrust suit as *parens patriae* on behalf of natural persons. *See* Commonwealth Attorneys Act, 71 P.S. § 732-204 (c).
- m. Tennessee: Tennessee Trade Practices Act, Tenn. Code Ann. § 47-25-101 *et seq.*
- n. Virginia: The Virginia Antitrust Act, Virginia Code § 59.1-9.1 to 9.17.
- o. Vermont: Vermont Consumer Protection Act, 9 V.S.A. §§ 2451, *et. seq.*
- p. Utah: Utah Antitrust Act, Utah Code Sections 76-10-3101 through 76-10-3118.
- q. West Virginia: The West Virginia Antitrust Act, W.Va. Code §§ 47-18-1 *et seq.*

IX. REQUESTED RELIEF

Accordingly, the Plaintiff States request this Court:

- (A) Adjudicate that the acquisition by Dollar Tree of Family Dollar violates Section 7 of the Clayton Act, 15 U.S.C. § 18, and the laws of the Plaintiff States as alleged above;

- (B) Preliminarily and permanently enjoin Dollar Tree from carrying out the Merger, or from combining its own and Family Dollar's assets and operations in any other manner;
- (C) Award Plaintiff States their reasonable costs and attorneys' fees; and
- (D) Award such other further relief as the Court may deem just and proper.

Respectfully submitted,

STATE OF FLORIDA
PAMELA JO BONDI
ATTORNEY GENERAL



PATRICIA A CONNERS

Associate Deputy Attorney General

LIZABETH A. BRADY

Chief of Multistate Antitrust Enforcement
Office of the Attorney General of Florida
The Capitol, PL-O1

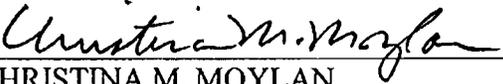
Tallahassee, FL 32399-1050

(850) 414-3851

Liz.Brady@myfloridalegal.com

ATTORNEYS FOR THE STATE OF FLORIDA

STATE OF MAINE
JANET T. MILLS
Attorney General of Maine


CHRISTINA M. MOYLAN
Assistant Attorney General
Office of Maine Attorney General
Consumer Protection Division
6 State House Station
Augusta, ME 04333-0006
207/626-8800
christina.moylan@maine.gov

ATTORNEYS FOR THE STATE OF MAINE

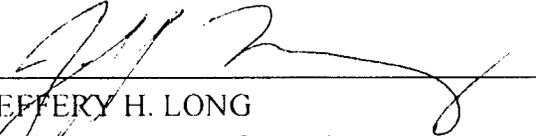
STATE OF MISSOURI
CHRIS KOSTER
ATTORNEY GENERAL

Anne Schneider

ANNE SCHNEIDER
Assistant Attorney General/Antitrust Counsel
Office of the Attorney General
PO Box 899
Jefferson City, MO 65102
(573) 751-7445
Anne.Schneider@ago.mo.gov

ATTORNEYS FOR THE STATE OF MISSOURI

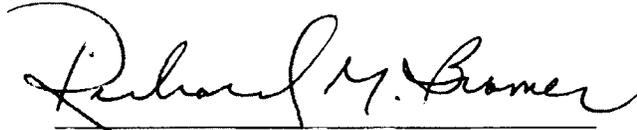
STATE OF ALABAMA
LUTHER STRANGE
State of Alabama Attorney General



JEFFERY H. LONG
Assistant Attorney General
OFFICE OF THE ATTORNEY GENERAL
501 Washington Avenue
Montgomery, AL 36130
(334) 353-9171
(334) 242-7391 (fax)
jlong@ago.state.al.us

ATTORNEYS FOR THE STATE OF ALABAMA

STATE OF INDIANA
GREGORY F. ZOELLER
ATTORNEY GENERAL



Richard M. Bramer
Deputy Attorney General
Director, Consumer Protection Division
302 West Washington Street, 5th Floor
Indianapolis, IN 46204
317-232-1008
Richard.Bramer@atg.in.gov

ATTORNEYS FOR THE STATE OF INDIANA

STATE OF IOWA
THOMAS J. MILLER
Attorney General of Iowa



LAYNE M. LINDEBAK

Assistant Attorney General
Special Litigation Division
Hoover Office Building-Second Floor
1305 East Walnut Street
Des Moines, IA 50319
Tel: (515) 281-7054
Fax: (515) 281-4902

ATTORNEYS FOR THE STATE OF IOWA

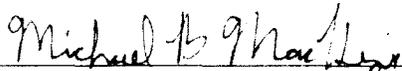
STATE OF MARYLAND
BRIAN E. FROSH
ATTORNEY GENERAL



ELLEN S. COOPER
Chief, Antitrust Division
JOHN R. TENNIS
Deputy Chief, Antitrust Division
200 St. Paul Place, 19th Floor
Baltimore, MD 21202-2021
(410) 576-6470
jtennis@oag.state.md.us

ATTORNEYS FOR THE STATE OF MARYLAND

COMMONWEALTH OF MASSACHUSETTS
MAURA HEALEY
ATTORNEY GENERAL



MICHAEL B. MACKENZIE

Assistant Attorney General

WILLIAM T. MATLACK

Chief, Antitrust Division

Office of the Attorney General of Massachusetts

One Ashburton Place, 18th Floor

Boston, MA 02108

617-963-2369

Michael.mackenzie@state.ma.us

**ATTORNEYS FOR THE COMMONWEALTH OF
MASSACHUSETTS.**

STATE OF MISSISSIPPI
JIM HOOD
ATTORNEY GENERAL



CRYSTAL UTLEY SECOY
SPECIAL ASSISTANT ATTORNEY GENERAL
MSBN 102132
Consumer Protection Division
Mississippi Attorney General's Office
Post Office Box 22947
Jackson, Mississippi 39225
Telephone: (601) 359-4213
Fax: (601) 359-4231
cutle@ago.state.ms.us

ATTORNEYS FOR THE STATE OF MISSISSIPPI

**STATE OF NEBRASKA
DOUGLAS J. PETERSON
ATTORNEY GENERAL**

Collin Kessner

Collin Kessner
Assistant Attorney General
Office of the Nebraska Attorney General
2115 State Capitol
Lincoln, NE 68509
Telephone: (402) 471-2683
Fax: (402) 471-4725
collin.kessner@nebraska.gov

ATTORNEYS FOR THE STATE OF NEBRASKA

STATE OF OKLAHOMA
E. SCOTT PRUITT
ATTORNEY GENERAL



Rachel A. Irwin, oba #31598
Assistant Attorney General
Public Protection Unit
Office of the Oklahoma Attorney General
393 N.E. 21st Street
Oklahoma City, OK 73105
Telephone: (405) 521-1015
Fax: (405) 522-0085

ATTORNEYS FOR THE STATE OF OKLAHOMA

**COMMONWEALTH OF PENNSYLVANIA
KATHLEEN KANE
ATTORNEY GENERAL**

Tracy Wertz
Chief Deputy Attorney General



Jennifer Kirk
Deputy Attorney General
Antitrust Section
14th Floor, Strawberry Square
Harrisburg, PA 17120
(717) 787-4530

ATTORNEYS FOR THE COMMONWEALTH OF PENNSYLVANIA

STATE OF TENNESSEE
HERBERT H. SLATERY III
Attorney General & Reporter of Tennessee



VICTOR J. DOMEN, JR.
Senior Counsel
Office of the Tennessee Attorney General
500 Charlotte Avenue
Nashville, TN 37202
(615) 253-3327
Vic.Domen@ag.tn.gov

ATTORNEYS FOR THE STATE OF TENNESSEE

**STATE OF VERMONT
WILLIAM H. SORRELL
Vermont Attorney General**



Jill S. Abrams
Assistant Attorney General
109 State Street
Montpelier, VT 05609
802-828-1106
Jill.Abrams@state.vt.us

ATTORNEYS FOR THE STATE OF VERMONT

FOR PLAINTIFF COMMONWEALTH OF VIRGINIA:

MARK R. HERRING

Attorney General of Virginia

CYNTHIA E. HUDSON

Chief Deputy Attorney General

JEFFREY M. BOURNE

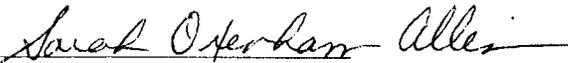
Deputy Attorney General

Transportation, Real Estate, & Construction Division

DAVID B. IRVIN

Senior Assistant Attorney General and Chief

Consumer Protection Section

By: 

SARAH OXENHAM ALLEN

Assistant Attorney General

Consumer Protection Section

Office of the Attorney General

900 East Main Street

Richmond, VA 23219

Tel: (804) 786-6557

Fax: (804) 786-0122

SOAllen@oag.state.va.us

TYLER T. HENRY

Fellow

Consumer Protection Section

Office of the Attorney General

900 East Main Street

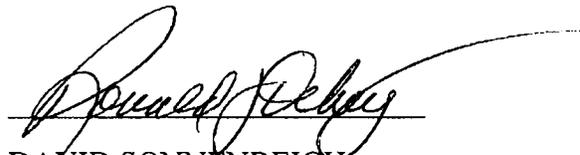
Richmond, VA 23219

Tel: (804) 692-0485

THenry@oag.state.va.us

ATTORNEYS FOR THE COMMONWEALTH OF VIRGINIA

STATE OF UTAH
SEAN D. REYES
Attorney General of Utah

A handwritten signature in black ink, appearing to read "David Sonnenreich", is written over a horizontal line.

DAVID SONNENREICH
Assistant Attorney General
RONALD J. OCKEY
Assistant Attorney General
Office of the Attorney General of Utah
Markets and Financial Frauds Division
160 East 300 South, Fifth Floor
P.O. Box 140872
Salt Lake City, UT 84114-0872
Phone: 801-366-0310
FAX: 801-366-0315
dsonnenreich@utah.gov
rockey@utah.gov

ATTORNEYS FOR THE STATE OF UTAH

STATE OF WEST VIRGINIA
PATRICK MORRISEY
ATTORNEY GENERAL



DOUGLAS L. DAVIS

Assistant Attorney General
Office of the Attorney General of West Virginia
812 Quarrier St.
P. O. Box 1789
Charleston, WV 25326
(304) 558-8986
Douglas.L.Davis@wvago.gov

ATTORNEYS FOR THE STATE OF WEST VIRGINIA