

will use the screen to our left, so we'll probably have to shift around a bit to see it.

Mr. Nadler began the initial food price survey on his own, and up to the present time has worked voluntarily with HDC. He has given his full time for no pay at all up till now, and he has done a very fine job in collecting data and arranging it, and now we'd like to hear from Mr. Nadler.

Mr. NADLER. I want to give you just a brief history of how I got interested in food price discrimination.

I was a graduate student at George Warren Brown School of Social Work at Washington University and I was doing field work at Kingdom House, which is in a poverty area in St. Louis on the near South Side. In March I went out to buy some food for a party there and I found that the prices were much higher than what my wife, Ellen, had been paying for the same kinds of food, and I got permission from the agency to go out and do a survey to see just how universal this was. When I found the results, I took it to HDC, and from there we worked a much larger survey of which we are going to be reporting today.

I want to make clear that there were two different surveys. The survey that we are going to be talking about now is primarily the survey that was conducted in October. For this purpose, we want to go over very briefly the methodology of how we did the survey.

We started with our compiling a list of different items that we'll show on the screen over here. This is what the survey list looked like. There is a list of items, a section for prices, quantities and amounts are stated. These were handed out to several people to go into the stores and obtain the prices for those items. The lists were compiled independently. In March I had gone around to several people in the poverty area, asked them to give me items for the kinds of things that they thought would be in a typical market basket. Independently, Gene went out and did the same thing. We obtained two price lists and then when we got together for the survey, we brought the two lists together and they were almost identical. We made a couple of revisions for purposes of research and came up with the list that you see up there.

We decided that we needed a fairly large number of stores, so we selected stores in the poverty areas representing five different chains or organizations. Now, I think we'd best define what we meant by chains and organizations.

A grocery chain was any group of stores that is corporately owned, has the benefits of joint advertising and joint costs, joint buying, this sort of thing.

The organizations, a grocery organization is the same thing to us except they are not corporately owned. They do have the benefits of joint advertising and the benefits of joint purchasing.

Mr. ROSENTHAL. You mean somebody like A-G stores?

Mr. NADLER. A-G and IGA are the two organizations we dealt with. The chains that we dealt with are Kroger, National, and A. & P.

We selected stores in three different sections of St. Louis. We had had an idea that price zones existed and we wanted to make sure that we were selecting stores from different areas for the best possible representation. We selected stores from far north county, far south county and Metropolitan St. Louis, intercity, rather, and that is this map