

We talked to Robert Miller of the customer relations department, as the division manager was out of town. At the Kroger chain we talked to the advertising manager, Eugene Fanger, because the divisional vice president was out of town, and at National Food Stores, Division Manager Robert O'Neal was in town and we spoke with him. All three chain spokesmen denied that there was any discriminatory policy followed. All three claimed that their chains followed the practice of using a uniform price list within a given warehousing area. They said there were no price zones used. Prices cannot be above their uniform price list, but they may be reduced at the discretion—

Mr. ROSENTHAL. This is what they all said?

Mrs. DAMES. Yes; at the discretion of the store manager to move perishable goods and in order to meet competition. These were the only two reasons that they could be reduced, but there were no competing chains in the inner-city stores nearby, so there was really nothing for them to compete with.

Mr. ROSENTHAL. Continue.

Mrs. DAMES. All three spokesmen claimed that their chain policy was to cut prices on dented cans and discount distressed produce or throw it out, but this was not what we found in the store. The three chain spokesmen were asked if the higher cost of food in the inner city could be caused by higher operating costs, greater insurance, more theft. Each spokesman said that to their knowledge prices in the inner-city stores were the same as in suburban stores, and when we mentioned that we had not found this to be so, they thought human error would be the only reason. Chain officers said no discriminatory policies were intended and although our survey was quite small it was honestly made and it does suggest to us that the inner-city shopper got considerably less for his shopping dollar, seven of 13 items, and that's conservative because we could have taken nine out of 13.

If you would like to know more about what Don Franklin saw in the Kroger chain.

Mr. ROSENTHAL. Yes, I would. Thank you.

STATEMENT OF DONALD FRANKLIN, REPORTER, ST. LOUIS POST-DISPATCH

Mr. FRANKLIN. I surveyed two stores, Kroger stores on two different occasions. The first occasion was the Friday of the 20th of October of this year and the second occasion was Monday the 23d and again I went to the Kroger stores, one in the inner city and the other in Clayton.

Mr. ROSENTHAL. Identify the address for us.

Mr. FRANKLIN. The inner-city store is right near Pruitt-Igoe housing development, the address is 2625 Stoddard Avenue. The Clayton store is at 8104 Maryland in Clayton, Mo., a suburb of St. Louis, of course.

I used the same list developed by the Post-Dispatch and Mrs. Dames, and I found that there was some difference in prices, however the main differences that I found occurred in the quality of food rather than in the price. I suppose mainly that is because of the limited amount of items on the list.