

LAW OFFICES OF
KRENDL KRENDL SACHNOFF & WAY
PROFESSIONAL CORPORATION

370 SEVENTEENTH STREET, SUITE 5350
DENVER, COLORADO 80202
TELEPHONE 303-629-2600
FACSIMILE 303-629-2606

LEE F. SACHNOFF

Sender's Direct Dial:
303-629-2629
Sender's e-mail:
lfs@krendl.com

March 19, 2010

Mr. Kenneth Libby
Bureau of Competition
FTC Office of the Secretary
600 Pennsylvania Avenue N.W.
Washington, D.C. 20580

Re: In the Matter of Whole Foods Market, Inc., Docket Number 9324

Dear Mr. Libby:

We represent A-M Holdings, LLC ("A-M") which entered into agreements with Whole Foods, Inc. to purchase the Whole Foods Market store located at 1651 Broadway in Boulder, Colorado and the intellectual property pertaining to Alfalfa's Markets. In furtherance of its proposal to purchase the Alfalfa's intellectual property, A-M offers the following comments.

First and foremost, A-M proposes to reopen and operate the store under the "Alfalfa's Market" name. As such it is the only prospective purchaser of the Alfalfa's intellectual property that will compete head to head with Whole Foods at the grocery store level. Moreover, A-M's agreements with Whole Foods provide that if the FTC approves it as the purchaser for the Boulder, Broadway store, but A-M cannot purchase the Alfalfa's intellectual property, then A-M has the right to terminate the Asset Purchase Agreement and not acquire the store.

The "Alfalfa's Market" name has a long standing association with Boulder. The store on Broadway was the birthplace of Alfalfa's Market in 1982 and helped Boulder become an epicenter of the organic and natural foods industry. Whole Foods even announced plans at the time of its acquisition of Wild Oats to restore the Alfalfa's name to this particular store, although the plans never materialized. There is even a Facebook page/group dedicated to the old Alfalfa's stores. Therefore, A-M believes that obtaining the sole rights to the Alfalfa's Market intellectual property and opening a store under the "Alfalfa's Market" name is a unique opportunity to restore competition in the Boulder market.

Prior to Whole Foods' acquisition of Wild Oats, there were three Wild Oats stores competing against Whole Foods, and Wild Oats planned to open its flagship store a few blocks to the south of Whole Foods' single store in Boulder. Following the acquisition, Whole Foods converted all the Wild Oats stores to Whole Foods and insisted that the nearly completed Wild Oats flagship store not be relet to any food store. While the principals of A-M competed successfully in the past against Whole Foods, they have no illusions that there will be challenges operating a single store surrounded by multiple Whole Foods sites. Acquiring and obtaining the

Mr. Kenneth Libby
FTC Office of the Secretary
March 19, 2010
Page 2

exclusive rights to the Alfalfa's Market intellectual property will help A-M compete effectively with Whole Foods in the Boulder market.

For these reasons and the materials previously submitted to the FTC, A-M requests that it be approved as the sole purchaser of the Alfalfa's intellectual property.

Sincerely yours,

KRENDL KRENDL SACHNOFF & WAY
Professional Corporation

Lee F. Sachnoff

LFS/ntv

cc: Mark Retzloff (via e-mail)
Barney Feinblum (via e-mail)