

August 5, 2025

The Honorable Andrew Ferguson
Chair
Federal Trade Commission
600 Pennsylvania Ave, NW
Washington, DC 20580

The Honorable Abigail Slater
Assistant Attorney General
Antitrust Division
United States Department of Justice
950 Pennsylvania Ave, NW
Washington, DC 20530

Dear Chair Ferguson and Assistant Attorney General Slater,

I write to urge you to closely scrutinize Dick's Sporting Goods, Inc.'s ("Dick's Sporting Goods" or "Dick's") proposed acquisition of Foot Locker, Inc. ("Foot Locker"), and to block the deal if you determine that it violates antitrust laws.

In May 2025, Dick's Sporting Goods announced its intention to acquire Foot Locker for \$2.4 billion, combining the U.S.'s largest sports retailer with one of the largest athletic shoe retailers in the country.¹ This deal comes on the heels of a series of mergers and acquisitions in the athletic footwear sector that have led to market consolidation and the closure of thousands of independent shoe stores.² The combination of Dick's Sporting Goods and Foot Locker would decrease competition in the retail athletic footwear markets, cut jobs, raise prices, and leave Americans to foot the bill. This is particularly concerning given that more than half of parents "plan to sacrifice necessities, such as groceries," because of rising prices for back-to-school shopping, including sneakers.³

Consistent with federal antitrust law, as reflected in the Federal Trade Commission (FTC) and Department of Justice (DOJ)'s Merger Guidelines, I urge the FTC and DOJ to closely scrutinize

¹ NPR, "Dick's Sporting Goods is buying Foot Locker for \$2.4 Billion," Alina Selyukh, May 15, 2025, <https://www.npr.org/2025/05/15/nx-s1-5399732/dicks-sporting-goods-foot-locker>; Dick's Sporting Goods, "Investor Presentation | May 2025," May 28, 2025, https://s27.q4cdn.com/812551136/files/doc_financials/2025/q1/1Q25_Investor-Presentation_vF.pdf; New York Times, "Dick's Sporting Goods to acquire Foot Locker in \$2.4 billion deal: Analysis," Dan Shanoff, May 15, 2025, <https://www.nytimes.com/athletic/6358988/2025/05/15/dicks-sporting-goods-to-acquire-foot-locker-in-2-4-billion-deal-analysis/>.

² Financial Times, "Nike welcomes Dick's Foot Locker deal as its grip on retailers weakens," Laura Onita, Gregory Meyer, and Florian Müller, May 27, 2025, <https://www.ft.com/content/f66adc5c-e11f-4245-b487-09aaf7c87546>; U.S. Census Bureau, "All Sectors: Comparative Statistics for the U.S. (2017 NAICS Basis): 2022 and 2017, Economic Census, Table EC2200COMP," 2025, <https://data.census.gov/table/ECNCOMP2022.EC2200COMP?q=shoe+stores>; New York Times, "Shut Out by Shoe Giants, 'Mom and Pop' Stores Feel Pinched," Murray Carpenter, June 18, 2019, <https://www.nytimes.com/2019/06/18/business/shut-out-by-shoe-giants-mom-and-pop-stores-feel-pinched.html>.

³ CreditKarma, "Back-to-school 2025: Financial stress, tariff worries and Labubu dolls," press release, July 17, 2025, <https://www.creditkarma.com/about/commentary/back-to-school-2025-financial-stress-tariff-worries-and-labubu-dolls>.

Dick's Sporting Goods' proposed acquisition of Foot Locker and oppose this deal if it would substantially lessen competition in the athletic footwear market.⁴

Dick's Proposed Acquisition of Foot Locker Threatens to Increase Consolidation and Prices

The consolidation of Foot Locker and Dick's Sporting Goods would create a new sporting goods conglomerate, combining the nation's largest sporting goods retailer (Dick's) and one of the largest athletic footwear retailers (Foot Locker) in the United States.⁵ Reporting about the deal has highlighted that the combined entity would control more than 15 percent of the U.S. sporting goods market, with Dick's currently controlling 11.1 percent and Foot Locker controlling 4.3 percent.⁶ However, antitrust agencies should closely examine the deal's impact on the athletic footwear store market, where Foot Locker currently is one of the largest players in the nation.⁷ This deal would catapult the combined company to become one of the largest athletic shoe retailer by number of stores: Foot Locker has more than 1,500 stores in the U.S. and Dick's has slightly over 850.⁸ The new company's retail footprint would consist of more than 2,300 stores, creating a duopoly with the current largest athletic footwear retailer, JD Sports.⁹

Although public information about the proportion of the athletic footwear store market the new company will control is scarce, information on the companies' current sales in this space indicate that it will be significant. One third of Dick's revenue in 2024, or almost \$4 billion, came from sales of athletic footwear, which is its fastest growing sector in terms of sales growth in the last five years.¹⁰ Foot Locker sales are almost \$8 billion per year.¹¹ The size of the deal and each company's significant presence in the athletic footwear market suggests this deal merits significant scrutiny from antitrust agencies.

⁴ U.S. Department of Justice and the Federal Trade Commission, "Merger Guidelines," December 2023, p. 1, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

⁵ Statista, "Number of Dick's Sporting Goods stores in the United States from fiscal 2005 to fiscal 2024," Kasia Davies, June 3, 2025, <https://www.statista.com/statistics/205746/number-of-dicks-sporting-goods-stores-in-the-us-since-2005/>; Dick's Sporting Goods, "Investor Presentation | May 2025," May 28, 2025, https://s27.q4cdn.com/812551136/files/doc_financials/2025/q1/1Q25_Investor-Presentation_vF.pdf; IBISWorld, "Foot Locker, Inc. - Company Profile," June 2025, <https://www.ibisworld.com/united-states/company/foot-locker-inc/8746/>.

⁶ Bloomberg, "Foot Locker Will Give Dick's \$2.4 Billion in Buyer's Remorse," Andrea Felsted, May 15, 2025, <https://www.bloomberg.com/opinion/articles/2025-05-15/foot-locker-deal-will-give-dick-s-sporting-goods-buyer-s-remorse>.

⁷ New York Times, "Dick's Sporting Goods to acquire Foot Locker in \$2.4 billion deal: Analysis," Dan Shanoff, May 15, 2025, <https://www.nytimes.com/athletic/6358988/2025/05/15/dicks-sporting-goods-to-acquire-foot-locker-in-2-4-billion-deal-analysis/>; IBISWorld, "Foot Locker, Inc. – Company Profile," June 2025, <https://www.ibisworld.com/united-states/company/foot-locker-inc/8746/>.

⁸ Foot Locker, Inc., "2024 Annual Report," April 10, 2025, p. 2, <https://investors.footlocker-inc.com/static-files/b44cc2f0-c483-45f3-b126-6e345da30942/>; Statista, "Number of Dick's Sporting Goods stores 2005-2024," Kasia Davies, June 3, 2025, <https://www.statista.com/statistics/205746/number-of-dicks-sporting-goods-stores-in-the-us-since-2005/>; Dick's Sporting Goods, "Investor Presentation | May 2025," May 28, 2025, https://s27.q4cdn.com/812551136/files/doc_financials/2025/q1/1Q25_Investor-Presentation_vF.pdf.

⁹ JD Sports Fashion Plc, "Annual Report & Accounts 2025," June 2, 2025, pp. 4-5, https://s204.q4cdn.com/980191062/files/doc_downloads/results_centre/2025/05/24467_JD_Sports_AR25_Web.pdf.

¹⁰ Statista, "Sporting goods in the United States - Net sales of Dick's Sporting Goods in the United States from 2008 to 2024 by merchandise category (in million U.S. dollars 2025, p. 40, <https://www.statista.com/study/10925/sporting-goods-in-the-us-statista-dossier/>

¹¹ Foot Locker, Inc., "2024 Annual Report," April 10, 2025, p. 19, <https://investors.footlocker-inc.com/static-files/b44cc2f0-c483-45f3-b126-6e345da30942/>.

Dick's proposed acquisition of Foot Locker threatens to eliminate substantial competition between current competitors, which suggests the deal may violate antitrust law.¹² Dick's and Foot Locker "are longtime rivals — both competing to sell the same brands in their stores."¹³ By combining, Dick's and Foot Locker would cease to compete. Even if the brands remain independent, as executives have suggested,¹⁴ their common ownership would disincentivize true competition, and would merely give consumers the illusion of choice. As the antitrust agencies have noted, "[c]ompetition often involves firms trying to win business by offering lower prices, new or better products and services, more attractive features, higher wages, [or] improved benefits."¹⁵ If competitors Dick's and Foot Locker combined, the resulting elimination of competition could lead to higher prices for consumers and other negative effects. Parents facing back-to-school shopping this year are already struggling to cover costs for things like clothes and shoes: 39 percent of parents say "they can't afford back-to-school shopping this year," and 44 percent "plan to take on debt to cover the cost of school supplies."¹⁶ Higher prices on athletic footwear could lead to further economic hardship for parents.

Similar concerns have been raised in prior deals that would consolidate competitors, including Disney's proposed acquisition of competitor Fubo,¹⁷ which is facing antitrust scrutiny;¹⁸ Choice Hotels' attempted hostile takeover of Wyndham Hotels & Resorts, which was ultimately abandoned after antitrust scrutiny;¹⁹ and the proposed merger between Kroger and Albertsons,²⁰ which was blocked after a federal judge found it would violate federal antitrust law.²¹ Following Kroger and Albertsons' loss in court, the new CEO of Albertsons revealed the benefits of preserving competition by describing how the company now planned to improve to keep prices low "to attract more shoppers" in order to compete with rival companies.²² This is a striking example of the benefits of competition for consumers, and should give antitrust agencies the confidence to continue vigorously enforcing antitrust law.

¹² U.S. Department of Justice and the Federal Trade Commission, "Merger Guidelines," December 2023, pp. 6-7, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

¹³ CNBC, "Dick's Sporting Goods to acquire Foot Locker for \$2.4 Billion in effort to corner Nike market," Gabrielle Fonrouge and Ali McCadden, May 15, 2025, <https://www.cnbc.com/2025/05/15/dicks-sporting-goods-to-acquire-foot-locker-for-2point4-billion.html>.

¹⁴ *Id.*

¹⁵ U.S. Department of Justice and the Federal Trade Commission, "Merger Guidelines," December 2023, p. 7, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

¹⁶ CNBC, "Trump tariffs, inflation have some parents worried about back-to-school shopping costs," Jessica Dickler, July 23, 2025, <https://www.cnbc.com/2025/07/23/trump-tariffs-inflation-back-to-school-shopping.html>.

¹⁷ Letter from Senator Elizabeth Warren to Acting DOJ AAG for Antitrust Assefi, February 19, 2025, https://www.warren.senate.gov/imo/media/doc/warren_letter_to_doj_antitrust_on_disney_fubo_acquisition.pdf.

¹⁸ Front Office Sports, "Disney's Fubo Takeover Now Faces DOJ Antitrust Review," Eric Fisher, April 23, 2025, <https://frontofficesports.com/disneys-fubo-takeover-now-faces-doj-antitrust-review/>.

¹⁹ Letter from Senator Elizabeth Warren to FTC Chair Khan, February 28, 2024, <https://www.warren.senate.gov/imo/media/doc/2024.02.28%20Letter%20to%20FTC%20on%20Choice%20Hotels%20-%20Wyndham%20Takeover.pdf>.

²⁰ Letter from Senators Elizabeth Warren, Mazie Hirono, Bernie Sanders, and Cory Booker to FTC Chair Khan, December 12, 2023, <https://www.warren.senate.gov/imo/media/doc/2023.12.11%20Letter%20to%20FTC%20on%20Kroger-Albertsons%20Merger%20Divestitures.pdf>.

²¹ NPR, "Kroger and Albertsons Grocery megamerger halted by two courts," Alina Selyukh, December 10, 2024, <https://www.npr.org/2024/12/10/nx-s1-5114999/kroger-albertsons-merger-ftc-lawsuit-court-ruling>.

²² Wall Street Journal, "The Aisle-Prowling Albertsons CEO Taking On Kroger," Patrick Thomas, June 17, 2025, <https://www.wsj.com/business/retail/the-aisle-prowling-albertsons-ceo-taking-on-kroger-ca731c1f>.

The proposed deal is particularly concerning given the rapid consolidation of the athletic shoe store sector. JD Sports, the largest competitor to Foot Locker and Dick's Sporting Goods, has concentrated market control through a buying spree of U.S. shoe chains in recent years including Alabama-based Hibbett (2024), DTLR (2021), Shoe Palace (2020), and Finish Line (2018).²³ Dick's acquisition of Foot Locker would further reduce the number of market players, allowing a few multi-billion dollar companies control an outsize share of the shoe store market in the U.S. In 2012 only four companies owned roughly 4,000 athletic shoes stores, around two-thirds of the entire U.S. market.²⁴ If this acquisition is approved, around 5,000 athletic shoe stores in the U.S. will be owned by only two companies: JD Sports and a Dick's-Foot Locker entity.²⁵

Federal antitrust law enforcement guidelines provide that a deal can violate the law when it significantly increases concentration in a highly concentrated market, or when it entrenches or extends a dominant position,²⁶ which may reduce the new company's "longer-term incentives to improve its products and services."²⁷ Enforcement guidelines specifically provide that a deal may be unlawful if it enables the merging companies to "extend a dominant position from one market into a related market."²⁸ Antitrust agencies should pay particular attention to whether this deal would result in Dick's extending its dominance in the athletic goods market to the athletic shoe store market, where it is already a significant player, though smaller than Foot Locker,²⁹ as well as whether the deal would enable Dick's to extend its dominance in suburban locations to urban locations, where Foot Locker is currently more dominant.³⁰

Finally, the deal poses a threat to workers. Recognizing the overlap in Dick's and Foot Locker stores, Foot Locker has already determined that some stores would likely close as a result of the merger.³¹ The resulting job losses could put additional strain on local communities, which are already facing

²³ Financial Times, "Nike welcomes Dick's Foot Locker deal as its grip on retailers weakens," Laura Onita, Gregory Meyer, and Florian Müller, May 27, 2025, <https://www.ft.com/content/f66adc5c-e11f-4245-b487-09aaf7c87546>.

²⁴ U.S. Census Bureau, "Retail Trade: Subject Series - Establishment and Firm Size: Summary Statistics by Concentration of Largest Firms for the U.S.: 2012 - Economic Census, Table EC1244SSSZ6," 2012, <https://data.census.gov/table/ECNSIZE2012.EC1244SSSZ6?q=Athletic+footwear+stores>.

²⁵ Foot Locker, Inc., "2024 Annual Report," April 10, 2025, <https://investors.footlocker-inc.com/static-files/b44cc2f0-c483-45f3-b126-6e345da30942/>; Statista, "Number of Dick's Sporting Goods stores 2005-2024," Kasia Davies, June 3, 2025, <https://www.statista.com/statistics/205746/number-of-dicks-sporting-goods-stores-in-the-us-since-2005/>; Dick's Sporting Goods, "Investor Presentation | May 2025," May 28, 2025, pp. 5, https://s27.q4cdn.com/812551136/files/doc_financials/2025/q1/1Q25_Investor-Presentation_vF.pdf.

²⁶ U.S. Department of Justice and the Federal Trade Commission, "Merger Guidelines," December 2023, p. 2-3, <https://www.justice.gov/d9/2023-12/2023%20Merger%20Guidelines.pdf>.

²⁷ *Id.*, p. 18.

²⁸ *Id.*, p. 21.

²⁹ Foot Locker, Inc., "2024 Annual Report," April 10, 2025, <https://investors.footlocker-inc.com/static-files/b44cc2f0-c483-45f3-b126-6e345da30942/>; Statista, "Number of Dick's Sporting Goods stores 2005-2024," Kasia Davies, June 3, 2025, <https://www.statista.com/statistics/205746/number-of-dicks-sporting-goods-stores-in-the-us-since-2005/>; Dick's Sporting Goods, "May 2025 Investor Presentation," May 28, 2025, p. 5, <https://investors.dicks.com/investors/default.aspx>.

³⁰ CNBC, "Dick's Sporting Goods to acquire Foot Locker for \$2.4 Billion in effort to corner Nike market," Gabrielle Fonrouge and Ali McCadden, May 15, 2025, <https://www.cnbc.com/2025/05/15/dicks-sporting-goods-to-acquire-foot-locker-for-2point4-billion.html>.

³¹ *Id.*

historic rates of retail store closures, with retail store closures outpacing openings for the first time in recent years during the last quarter of 2024.³²

The Consolidation of the Sporting Good and Athletic Footwear Industry Threatens Small Businesses

The combination of Dick's Sporting Goods and Foot Locker poses a fresh threat to independent shoe shops. For years, mom and pop shops have been pushed out by large corporate wholesalers like Foot Locker and Dick's, which are able to secure favorable terms with shoe manufacturers.³³ The proposed deal between Dick's and Foot Locker will continue to threaten small businesses, potentially forcing closures and worsening industry consolidation.

Dick's and Foot Locker currently compete with each other and with independent retailers to secure deals with suppliers.³⁴ The new giant would have significantly increased power to extract favorable conditions with manufacturers. This could mean that independent retailers are at a disadvantage when it comes to negotiating with suppliers, which could give Dick's and Foot Locker an incentive to engage in anticompetitive conduct to restrict suppliers from dealing with independent retailers.³⁵

As large shoe retailers consolidated from 2017 to 2022, the number of shoe stores in the U.S. declined from 24,844 to 19,083, a loss of nearly 6,000 shops.³⁶ In the span of five years, one out of every four shoe stores across the U.S. closed.³⁷ This resulted in the loss of more than 25,000 jobs in the same period.³⁸ Shoe store closures have hit independent, small businesses particularly hard.³⁹ Now, the consolidation of Dick's Sporting Goods with Foot Locker's storefronts could accelerate this downward spiral of Main Street, threatening the closure of more independent shoe shops in the coming years.⁴⁰

³² Retail Dive, "Store closures outpace openings amid 'historic shift' to service-based tenants," Nate Delesline III, February 21, 2025, <https://www.retaildive.com/news/retail-store-closures-openings-shift-service-tenants/740615/>.

³³ New York Times, "Shut Out by Shoe Giants, 'Mom and Pop' Stores Feel Pinched," Murray Carpenter, June 18, 2019, <https://www.nytimes.com/2019/06/18/business/shut-out-by-shoe-giants-mom-and-pop-stores-feel-pinched.html>.

³⁴ Retail Dive, "Why Dick's Foot Locker acquisition is a big bet on Nike," Cara Salpini, Senior Editor, July 9, 2025, <https://www.retaildive.com/news/dicks-sporting-goods-foot-locker-acquisition-big-bet-nike-turnaround/751420/>; Morningstar, "Dick's Sporting Goods Seeks to Strengthen Its Relationships With Vendors and Athletes," David Swartz and Ari Felhandler, June 16, 2025, <https://www.morningstar.com/company-reports/1292545-dicks-sporting-goods-seeks-to-strengthen-its-relationships-with-vendors-and-athletes>.

³⁵ Federal Trade Commission, "Price Discrimination: Robinson-Patman Violations," 2025, <https://www.ftc.gov/advice-guidance/competition-guidance/guide-antitrust-laws/price-discrimination-robinson-patman-violations>.

³⁶ U.S. Census Bureau, "All Sectors: Comparative Statistics for the U.S. (2017 NAICS Basis): 2022 and 2017, Economic Census, Table EC2200COMP," 2025, <https://data.census.gov/table/ECNCOMP2022.EC2200COMP?q=shoe+stores>.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*; New York Times, "Shut Out by Shoe Giants, 'Mom and Pop' Stores Feel Pinched," Murray Carpenter, June 18, 2019, <https://www.nytimes.com/2019/06/18/business/shut-out-by-shoe-giants-mom-and-pop-stores-feel-pinched.html>.

⁴⁰ Reuters, "Dick's Sporting to Buy Foot Locker for \$2.4 Billion to fight soft demand," Mishra Savyata, May 15, 2025, <https://www.reuters.com/markets/deals/dicks-sporting-goods-acquire-foot-locker-24-billion-2025-05-15/>.


Tariffs Are Already Raising Athletic Shoe Prices for Everyday Americans

This megadeal also comes as consumers face increased athletic shoe costs from President Trump's chaotic tariff policy.⁴¹ According to the Footwear Distributors and Retailers of America, 99 percent of all footwear sold in the United States is made abroad.⁴² As a result of the Administration's erratic trade policy—and the uncertainty it has created—economists project that shoe prices are slated to rise by 44 percent.⁴³ The tariffs have prompted Nike, Adidas, and Puma to announce that they will increase prices on most footwear (by as much as \$10 a pair).⁴⁴ This latest round of increased prices squeezing consumers comes after years of steady price hikes on sneakers.⁴⁵ If the Dick's Sporting Goods and Foot Locker deal is approved, it could further reduce competition and raise prices for consumers.

Conclusion

Dick's Sporting Goods's proposed acquisition of Foot Locker would combine two of the nation's largest athletic footwear retailers, creating a giant that would have increased power across the business, from suppliers to workers to customers. This deal could raise prices for families already facing higher sneaker costs from President Trump's tariffs and threaten workers and small businesses. The FTC and DOJ should carefully scrutinize this merger and block it if it illegally harms competition in violation of federal law.

Sincerely,



Elizabeth Warren
United States Senator

⁴¹ Bloomberg, "Dick's Sporting Goods to Buy Foot Locker for \$2.4 Billion," Lindsay Dutch, May 15, 2025, <https://www.bloomberg.com/news/videos/2025-05-15/dick-s-sporting-goods-to-buy-foot-locker-for-2-4b-video>.

⁴² WXYZ 7 News Detroit. "'Prices are going to go up': what tariffs could mean for metro Detroit shoe stores," Brett Kast, Marlon Falconer, and Ryan Marshall, April 10, 2025, <https://www.wxyz.com/news/prices-are-going-to-go-up-what-tariffs-could-mean-for-metro-detroit-shoe-stores>.

⁴³ The Budget Lab at Yale, "State of U.S. Tariffs: July 14, 2025," July 14, 2025, <https://budgetlab.yale.edu/research/state-us-tariffs-july-14-2025>.

⁴⁴ CNBC, "Nike will raise prices on a wide range of products as soon as this week," Gabrielle Fonrouge, May 21, 2025, <https://www.cnbc.com/2025/05/21/nike-price-increases-tariffs.html>; Reuters, "Adidas, Puma expected to hike sportswear prices following Nike as US tariffs hit," Helen Reid, May 22, 2025, <https://www.reuters.com/business/retail-consumer/adidas-puma-expected-hike-sportswear-prices-following-nike-us-tariffs-hit-2025-05-22/>.

⁴⁵ U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, "Producer Price Index by Commodity: Rubber and Plastic Products: Rubber and Plastics Footwear, Including Athletic Footwear [WPU071301]," July, 2025, <https://fred.stlouisfed.org/series/WPU071301>.
<https://fred.stlouisfed.org/graph/?id=WPU071301,WPU07130109>.