

# WHAT CORPORATIONS DON'T WANT YOU TO KNOW ABOUT INFLATION

We're all reeling from the pain at the pump these days.

But what really smarts is that soaring corporate profits are the real reason working people are paying more.

The pandemic, the Russian invasion of Ukraine and other recent supply chain pressures may give companies cover to raise prices, but make no mistake, gouging plays a central role in corporate America's business plan.

As we fill up at \$5 a gallon or more, oil companies openly stated that they're intentionally limiting gasoline production and inflating prices to amass record profits on the backs of working families. In the meantime, they're pumping billions of dollars into shareholders' pockets through dividends and stock buybacks.

In sector after sector, money-grabbing corporations are emulating Big Oil, fueling the 8 percent inflation that's now walloping everyday Americans at every turn. Ultimately, greedy executives aren't merely profiting from inflation, they're engineering and sustaining it.

## **NOTHING BUT A BOWL OF TRIX**

General Mills, a maker of cereals and hundreds of other foods, cited higher costs and logistical issues stemming from the pandemic in attempting to justify sweeping price increases this year.

Talk about a bowl of Trix.

The company raised its prices up to 20 percent and in the process saw its net profits hit \$4.5 billion in the most recent quarter alone. It also spent \$375 million on stock buybacks to line shareholders' pockets over the past two years.

General Mills' larder is full. It's taking bigger bites out of consumers' paychecks just because it can.

Other food manufacturers and grocery companies also jacked up prices to fatten their bottom lines.

Kroger, a supermarket chain known for paying workers so little that they struggle to buy their own food, raised prices despite huge profits that paved

the way for \$1 billion in stock buybacks. Albertsons, another big grocery chain, brags about its continued market growth even as its price hikes and profiteering squeeze shoppers, especially those receiving Supplemental Nutrition Assistance Program benefits.

## **PUSHING HOME OWNERSHIP OUT OF REACH**

Along with feeding our families, putting a roof over our loved ones' heads is one of the most important obligations we have. But that's getting harder to do because, right now, home construction companies would rather build profits than houses.

As the cost of homes skyrocketed about 19 percent last year, major builders like PulteGroup and Lennar deliberately limited construction starts to send prices ever higher. They're posting enormous profits—up as much as 97 percent over the past two years for PulteGroup—and shelling out billions in stock buybacks while pushing the average American's dream of home ownership further and further out of reach.

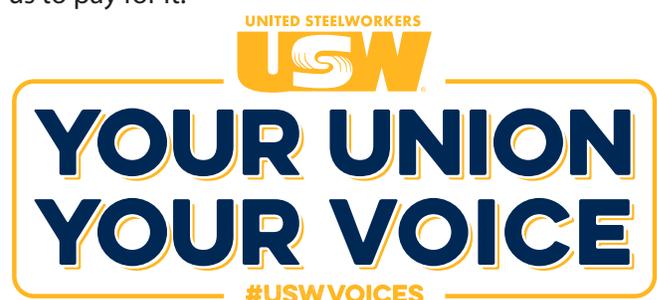
## **NO DEALS ON ESSENTIALS**

Even the so-called dollar stores are piling on.

As inflation-battered shoppers began flocking to Dollar Tree in hopes of scoring deals on essentials, the chain exploited this need and raised prices on most items to \$1.25. And this even though the company's enormous profits enabled it to shower shareholders with billions in buybacks.

Americans want to move beyond the pandemic. We know we have the strength and skill to bounce back and build a stronger country.

But instead of joining us, corporate titans just want to take as much as they can for themselves—and leave us to pay for it.



# RISING PRICES, FATTER PROFITS

This chart shows how many of America's best-known corporations are fueling inflation — and raking in the profits — at the expense of working families.

COMPANY	PRODUCTS	PRICE INCREASE (Y/Y)	PROFIT GROWTH (MARCH 2020- MARCH 2022)	QUARTERLY NET INCOME (MOST RECENT QUARTER)	BUYBACKS
<b>MATTEL</b>	RETAIL	RAISED PRICES IN 2021*	\$21.5M	111,400%	\$9.0BN
<b>TYSON</b>	MEAT	19.6%	\$829M	115%	\$500M
<b>ALBERTSONS</b>	GROCERY	10%	\$455M	671%	NONE
<b>DOLLAR TREE</b>	RETAIL	25%	\$536.4M	269%	\$2.5BN
<b>CHEVRON</b>	OIL	48% (INDUSTRY-WIDE AVERAGE)	\$6.3BN	144%	\$10.0BN
<b>LENNAR</b>	HOMES	19%	\$503.6M	78%	\$2.5BN
<b>GENERAL MILLS</b>	FOOD PRODUCTION	20%	\$660.3M	45%	\$375M

\*Mattel declined to disclose the amount of the price increases "for competitive reasons."

For more information:

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