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**New Study Documents Job Losses in Retail Due to Private Equity**

Private equity pillaging of the retail industry has cost over half a million jobs amid over 18,000 store closures through February 2020, according to a new study, the first to examine job losses at the state level.

The job losses occurred in every state, with more than 10,000 jobs lost in 20 states and more than 30,000 lost in California, Florida, and New York, according to the study from Americans for Financial Reform, United for Respect, and the Center for Popular Democracy.

“Private equity has had a disastrous impact on the retail industry, driving dozens of firms into bankruptcy, shutting down tens of thousands of stores, and costing hundreds of thousands of jobs nationwide,” said **Patrick Woodall, senior researcher at Americans for Financial Reform**. “These layoffs upend the already fragile economic security of the low-paid and often Black and Brown women who work in retail.”

“I worked at Art Van Furniture for 13 years before private equity killed my job earlier this year,” said **United for Respect member Melody Crawford of Detroit, MI**. “Driven by greed, T.H. Lee not only denied severance pay for me and thousands of other workers, but they also took away our health insurance in the middle of a pandemic. I’m now on unemployment and struggling to make ends meet.”

"Private equity deals in the retail sector have created a shocking number of bankruptcies and destroyed over half a million jobs,” said **Charles Khan, organizing director of the Strong Economy For All Coalition and advisor of Wall Street and Corporate Accountability for the Center For Popular Democracy.** “Their deals aren't designed to work in the favor of the employees, who lose benefits and jobs, the customers, who lose favored products, or the long-term viability of these retailers. Wall Street's strategy can be summarized as ‘We get rich, workers get ditched.’”

**Key findings include:**

• Private equity has been a driving force in retail bankruptcies: More than half (55.4 percent) of retail bankruptcies since 2015 were at private equity chains. Before the pandemic, from 2015 to 2019, nearly two-thirds (62.5 percent) of retail chains that entered bankruptcy were owned by private equity firms. During 2020, when the pandemic drove a broader retail downturn, nearly two out of five (39.3 percent) of bankruptcies were at private equity-owned chains.

• Private equity-owned retailers had slashed over half a million jobs before the pandemic: They cost nearly 542,000 jobs and closed nearly 18,000 stores by February 2020. Total job losses were substantial and widespread with more than 10,000 jobs lost in 20 states and more than 30,000 jobs lost in California, Florida, and New York.

• These job losses disproportionately hit women and people of color: Low-wage retail jobs are often the only ones available to marginalized and oppressed communities and are predominantly held by women and people of color. An estimated 300,000 women, 101,000 Latinx, and 68,000 Black workers lost their jobs at private equity-owned retailers based on their share of the retail workforce.

• Private equity retail job destruction was nearly quadruple job creation: Although some private equity chains added jobs through mergers or expansions, these gains were swamped by the job losses (542,000 jobs lost compared to 145,500 jobs added).

• Private equity-owned retailers had net job losses of nearly 400,000: The private equity-driven retail failures and downsizing caused a net job loss of 396,300 by February 2020, even accounting for the more modest job growth at private equity retailers. Most states had substantial net private equity retail job losses. Seven states had private equity-owned retail net job losses of 20,000 workers (Florida, California, Ohio, New York, Pennsylvania, New Jersey, and Illinois).

• Precarious private equity-owned retailers employed 215,000 workers as the pandemic broke: As the pandemic unfolded, twelve of the private equity-owned chains were at risk of collapse and some went into bankruptcy, such as J. Crew, Neiman Marcus, and Guitar Center. There were more than 215,000 workers at these 12 chains at heightened risk of job loss in 2020. Some of these workers may have already lost their jobs as retailers shutter locations or reorganize during the bankruptcy process. Thirteen states have more than 5,000 workers at vulnerable private equity-owned retailers — four states (California, Florida, North Carolina, and Texas) have more than 10,000 workers at these retailers.

The full report can be found **here**.

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