

Amazon severs ties with delivery firms, more than 1,200 drivers may get laid off

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Amazon has made a move that will leave more than 1,200 delivery drivers and package dispatchers without jobs.



The tech giant recently ended its relationship with several small <u>delivery</u> firms across the U.S. By shedding the contracts, roughly 1,205 <u>drivers</u> will lose their jobs, CNBC reports.

Amazon's delivery service partners (DSP) made the revelation via Worker Adjustment and Retraining Notification filings submitted to various state governments in recent weeks. The WARN Act helps ensure employers offer advance notice in cases of qualified plant closings and mass layoffs.

Amazon's contracted delivery providers are letting go of staff across several states, including Pennsylvania, Wisconsin, Georgia and New York.

An Amazon spokesperson told U.S. TODAY that the company continuously evaluates its delivery partnerships with privately owned small businesses, and the latest round of cuts isn't unusual.

Still, Systemize Logistics, an Amazon service partner in Connecticut, said in government filings that it plans to shut down in September citing Amazon's decision not to renew its contract.

"The employment status of all employees will be impacted and all (employees) will be separated from employment (on) September 29, 2020. This closure is expected to be permanent," the small business said. Systemize Logistics is letting go of 49 drivers and four dispatchers.

Courier Distribution Systems is letting go of 178 workers in Pennsylvania. TL Transportation in Rockland, New York said "loss of contract" is to blame for its letting go of 76 staffers. New Jersey-based Prime EFS is shedding 274 jobs across three cities and another 114 in Pennsylvania.



Sheffield Express in Connecticut said it's losing 95 delivery drivers by closing its shop next month.

"All affected employees were notified of their separation date, and that their separation will be permanent," Sheffield Express said in its filing.

An Amazon spokesperson said the delivery partner cuts won't cause package delays for customers in nearby areas. The company says it works with drivers who lost jobs to find opportunities with other partners.

Amazon first launched its delivery partnership program in 2018, enabling entrepreneurs to start last-mile courier companies that drop packages off at your door. In August, the e-commerce behemoth said the service created nearly 85,000 jobs, many of which are in the U.S.

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