

Amazon pauses 18 warehouses in a 12 states, bringing total site closures to over 40

August 1 2022, by Amanda Pérez Pintado



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After expanding its fulfillment network during the pandemic, Amazon has delayed or canceled the launch of over a dozen warehouses across the country, a company spokesperson confirmed.

Amazon's distribution center in Cocoa, Florida, won't operate until at least some time next year, Florida Today, a U.S. TODAY Network site, reported this week.

Earlier this month, the freight industry trade publication FreightWaves reported that Amazon had canceled or delayed plans for opening at least 16 warehouse facilities in 12 states this year.

The company confirmed the accuracy of those numbers to U.S. TODAY. The Cocoa location is in addition to the sites the publication reported.

"Amazon so far this year has canceled, closed, listed for sublease or put on hold more than 25 delivery stations and fulfillment centers across the U.S. and has delayed opening 15 more, according to MWPVL data," the Wall Street Journal reports.

Amazon closes or pauses more new sites

Amazon declined to answer questions from U.S. TODAY regarding how many new jobs were slated to open in the facilities that will no longer open this year or how jobs would be affected by a company pause in site openings.

The company also would not answer questions about whether it will continue paying [property taxes](#) on the sites or how local and state subsidies used to attract Amazon to each area would now be affected.

"In total, Amazon has canceled, closed, delayed or put on hold more than 40 centers across the country, according to supply chain consultancy MWPVL International," FreightWaves reports.

Amazon didn't say whether it plans to reopen all of its paused sites and

launch them at a later date.

"We weigh a variety of factors when deciding where to develop future sites to best serve customers," Amazon spokesperson Alisa Carroll said in an email.

"We have dozens of fulfillment centers, sortation centers and delivery stations under construction and evolving around the world. It's common for us to explore multiple locations simultaneously and adjust timetables based on needs across the network," Carroll said.

Carroll declined to answer questions about whether recent unionization efforts at its facilities had affected decisions to pause or cancel site openings.

Why is Amazon closing buildings?

In the first quarter of the year, Amazon reported a \$3.84 billion financial loss.

Amazon Chief Financial Officer Brian Olsavsky said during an April 28 earnings conference call that, with the emergence of the omicron variant, many fulfillment network employees went on leave and the company hired new workers to cover the absences.

"As the variant subsided in the second half of the quarter and employees returned from leave, we quickly transitioned from being understaffed to being overstaffed, resulting in lower productivity," Olsavsky said. "This lower productivity added approximately \$2 billion in costs compared to last year."

In the second quarter of the year, the [company](#) reported revenue of \$121.2 billion, up 7% from a year earlier, but a net loss of \$2 billion.

"Despite continued inflationary pressures in fuel, energy, and [transportation costs](#), we're making progress on the more controllable costs we referenced last quarter, particularly improving the productivity of our fulfillment network," CEO Andy Jassy said in a statement.

Despite delays and closures of facilities, Amazon's plans for a massive distribution center in Niagara, New York, are moving forward, according to local reports.

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Citation: Amazon pauses 18 warehouses in a 12 states, bringing total site closures to over 40 (2022, August 1) retrieved 10 April 2024 from <https://techxplore.com/news/2022-08-amazon-warehouses-states-total-site.html>

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