

# Amazon shuts online store fabric.com in cost-cutting move

October 21 2022, by Haleluya Hadero

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The Amazon logo is displayed on a screen at the Nasdaq MarketSite, July 27, 2018. Amazon is shutting down a subsidiary that has been selling fabrics for nearly 30 years. In a note posted on its website, fabric.com said it will no longer sell products and directed customers to shop on Amazon instead. Thursday, Oct. 20, 2022, is the last day customers can place orders on the fabric site. Credit: AP Photo/Richard Drew, File

Amazon is shutting down a subsidiary that's been selling fabrics for nearly 30 years, the latest move by the online retail giant to cut costs.

In a note posted on its website, [fabric.com](http://fabric.com) said it will no longer sell products and directed customers to shop on Amazon instead. Thursday is the last day customers can place orders on the fabric site.

"As part of our regular business planning, we continually evaluate the progress and potential of our offerings and have made the decision to close Fabric.com," Amazon spokesperson Betsy Harden said in a prepared statement.

It's unclear how many employees will be impacted by the closure. Harden said Amazon will work with staff to help them "identify other opportunities" at the company, including at nearby warehouses. Employees who do not stay with Amazon will be given severance, she said.

News of the closure was first reported by the Craft Industry Alliance.

Georgia-based Fabric.com was founded in 1993 under the name Phoenix Textiles Group. It operated as a wholesale distributor of apparel fabrics for several years before it launched its own website and began selling items directly to consumers.

Amazon acquired the company in 2008. At the time, it said it would help the fabric site expand its selection of items and allow Amazon to offer its customers more sewing and crafting supplies.

The closure of the business comes as Amazon is attempting to cut costs amid worries about the wider economic environment and sluggish online sales. In recent months, it has shuttered its hybrid virtual, in-home care service Amazon Care, implemented a hiring freeze on the corporate side

of its retail business and axed some of its other projects.

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