

Amazon shuts cashierless convenience stores in 3 major markets

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Amazon is closing eight Go convenience stores, including two in Seattle, as it continues to evaluate its brick-and-mortar strategy.

The closures hit the company's network of Amazon Go shops, [convenience stores](#) that sell snacks, grab-and-go items and drinks. They feature Amazon's Just Walk Out technology that allows customers to skip checkout lines. In addition to Amazon Go, the company operates Amazon Fresh grocery stores and acquired Whole Foods in 2017.

A spokesperson confirmed Friday that Amazon would permanently shutter two stores in Seattle, two in New York City and four in San Francisco. In Seattle, the closing stores are located at Third Avenue and Pine Street inside the former Macy's building, and at Fourth Avenue and Pike Street.

The spokesperson said both locations had already been closed for some time. Amazon closed the [store](#) at Fourth and Pike in August "for the safety of our store employees, customers and third-party vendors." The store in the former Macy's building closed in February 2020. Amazon moved its workers out of offices in the building last March, citing crime concerns.

"Like any physical retailer, we periodically assess our portfolio of stores and make optimization decisions along the way," the spokesperson said. "We remain committed to the Amazon Go format, operate more than 20 Amazon Go stores across the U.S., and will continue to learn which locations and features resonate most with customers as we keep evolving our Amazon Go stores."

Before Friday's announcement, Amazon had seven Amazon Go stores and five Amazon Fresh stores in Washington. Nationally, the company operates 44 Amazon Fresh stores and has Amazon Go stores in Chicago, San Francisco, Seattle and New York.

The company said earlier this year that it was expecting to close some locations as it worked to refine the store format. Chief Financial Officer

Brian Olsavsky told investors in February that Amazon had paused expansion of Amazon Go and Amazon Fresh stores and was looking at some locations to shut down.

The decision to slow its grocery expansion comes amid a year of cost-cutting measures, including the end of some experimental projects, a corporate hiring freeze and job cuts that impacted 18,000 roles.

Last March, Amazon announced it would close its physical bookstores, Amazon 4-star stores and mall pop-up kiosks. On Friday, continuing to evaluate its physical footprint almost a year later, Amazon said it would pause construction on its second headquarters in Arlington, Virginia.

Yet, amid the closures, Amazon is still opening some new stores. It opened an Amazon Go store in Puyallup in February as part of its push to open stores in the suburbs and bring products closer to customers' homes. The first store for that new format opened in Mill Creek in April.

The concept for Amazon Go was unveiled in 2016 and the company opened its first Amazon Go to the public in 2018 in Seattle, on the ground floor of Amazon's Day 1 skyscraper at the intersection of Seventh Avenue and Blanchard Street.

The stores are equipped with Amazon's Just Walk Out technology, a network of sensors and software that allows customers to skip the checkout line when they're done shopping.

Using Just Walk Out, customers can enter the store using their palm, a code on their phone or their credit card. Once through the turnstile, the technology keeps track of what they pick up and what they put back on the shelf. Amazon charges their account after they leave.

In February, CEO Andy Jassy told investors Amazon plans to continue to accelerate its grocery business, even as it reevaluates some stores and some leases.

"We're doing a fair bit of experimentation today in those stores to try and find the right format that resonates with customers and is differentiated in some meaningful fashion and where we like the economics," Jassy said. "We've decided over the last year or so that we're not going to expand the physical Fresh store until we have that equation. ... We're optimistic that we're going to find that in 2023."

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