

## STARBUCKS ANNOUNCES 6,700 LAYOFFS AND 300 STORE CLOSINGS WORLDWIDE



Starbucks announced on Wednesday that it will be laying off 6,700 employees and will be closing 300 stores, 200 of which are in the U.S. 6,000 of the job cuts will come from store closures. It was announced that 700 non-store jobs would be cut, which include 350 jobs at the coffee corporation's Seattle headquarters. Starbucks reported a 70% decline in profits from December '07 to December '08, reporting a profit of \$64.3 million for the fourth quarter of last year. CEO Howard Schultz claims that the job cuts and store closures are being caused by the "weakening global consumer environment." "We remain focused on driving the discipline and rigor necessary to create long-term shareholder value," Schultz said. "And we are taking aggressive steps to excite customers by providing relevant value and innovation, even during this challenging time." Starbucks reduced its target for growth once again for 2009 through September. They will open 140 new stores in the U.S. where they had once planned on 200. World-wide, Starbucks plans to open 170 new stores for the fiscal year. Previously, they were to open 270 stores outside of the U.S. In late November, Starbucks had warned that 2009 would be a difficult year. Last year, the company announced that they would be closing 600 stores in the U.S., though those stores were mostly new stores that were poorly placed and were considered to be saturating certain markets. Stay up to date with all Starbucks layoffs at [Employment Crossing](#).