

## BEST BUY TO CUT 400+ WORKERS



It looks like the folks over at Best Buy are getting ready to lose some of their friends and co-workers. The company is getting ready to layoff about 400 workers from its corporate and support operations. Then there are the jobs cuts that are coming, primarily from the closures of some of its stores. The company has not, at this time, released a list of the stores that are going to close, looked at what kind of severance, if any, the company will offer displaced workers. Though given that this is retail it is unlikely that the company will be offering anything to the hundreds of workers it is about to put out of a job. Interestingly enough the cuts are part of an odd transition by the company. They will be closing about 50 of their large locations, the warehouse style building that rival lower price point retailers in size, and instead replacing the with 100 Best Buy Mobile outlets. For those of you who have never seen one a Best Buy Mobile outlet its a much smaller store, kind of like an oversized mall kiosk. While they will undoubtedly take less workers to staff, the selection will be much smaller. In a statement released by the company Best Buy CEO Brian Dunn said the following about the job cuts that need to be made.” In order to help make technology work for every one of our customers and transform our business as the consumer electronics industry continues to evolve, we are taking major actions to improve our operating performance. As part of our multi-channel strategy, we intend to strengthen our portfolio of store formats and footprints – closing some big box stores, modifying others to our enhanced Connected Store format, and adding Best Buy Mobile stand-alone locations – all to provide a better shopping environment for our customers across multiple channels while increasing points of presence, and to improve performance and profitability.” The company has also expressed an interest in growing its sales in China as a way to boost its profits in the current market. Of course, Best Buy is not the only company to experience retail staffing changes. For those of you who missed our [earlier coverage](#) related to the closing of another companies retail closures: “Many of us are familiar with the drug store chain CVS. It is less likely however that you have seen one of their specialty stores, a Beauty 360, which is run by CVS but boasts a modern design and a focus on high-end cosmetics. About four years ago these stores began to launch in smaller markets across the nation. Not places like New York or San Francisco, but small towns all across the nation that did not have a lot of competition around them. Two of those places were the towns of Santa Cruz and Scotts Valley. They, along with the 23 other towns that have these locations, will find that on May 19<sup>th</sup> they are shut down and all of the workers at these stores will be out of a job. An official statement from the company, originally [gathered by a reporter for the Mercury News](#) shows the companies intentions in more detail. Apparently the company “has made the decision to refocus our efforts on the growth and development of our core CVS/pharmacy beauty business in order to satisfy a wider group of our customers.” That comment was made by Erin Pensa, the director of public relations for CVS operations in the US. In just the two towns mentioned about 95 people will be out of a job. At the current moment the company is not releasing any information about how many people exactly will be out of a job. Since the stores website, which also sold products online, will be shut down as well, there may be some layoffs from corporate offices as well, but no details have been released at this time. Thought there is no doubt that, at least in some areas, this will qualify as a mass layoff action.”

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