



## Major retailers, e-tailers preparing for economic implosion as they shed massive amounts of warehouse space

### Description

USA: In another sign that a major economic downturn is coming fast in the era of Joe Biden — Walmart, Target and other major wholesalers and retailers are shedding warehouse space and drawing down inventories.

And so is the world's biggest e-tailer, Amazon.

The online selling behemoth is reportedly “stuck with too much warehouse capacity” now that the spending spree seen during COVID-19 pandemic lockdowns and closures is easing. As such, Amazon will seek to end leases with some of its current landlords, [Bloomberg News reported](#).

At present, Amazon has excess warehouse capacity in New York, New Jersey, Southern California and Atlanta, Ga., the report noted. The excess capacity is reportedly around 10 million square feet, but another source estimated that the real figure could be three times higher.

The report notes that Amazon has the option of negotiating terminations of those leases with some landlords, which include Prologis. But the 10 million square feet the company would like to unload or sublease is only about five percent of the square footage added during the pandemic.

An Amazon spokeswoman noted: “Subleasing is a very common real estate practice. It allows us to relieve the financial obligations associated with an existing building that no longer meets our needs. Subleasing is something many established corporations do to help manage their real estate portfolio.”

News that Amazon needs to get rid of its massive warehouse inventory comes following a quarter in which the company warned investors about profit guidance and said that it overbuilt during the pandemic. By the close of 2021, the company had leased twice as much warehouse space as it possessed just two years earlier.

In late April, Amazon posted the worst revenue growth numbers in nearly 10 years as profit margins also fell well below expectations.

And now that Biden and his Marxist handlers are purposely crashing the economy through policies that are spiking gas and diesel fuel prices, the economic fallout is only going to get worse.

In addition to shedding storage and warehouse space, Amazon, along with Walmart and other retailers, is also going to begin off-loading employees as their business falls off, [according to Zero Hedge](#):

*Walmart admitted this week that the company underwent “weeks of overstaffing” during Q1 2022[2] as a result of the pandemic. It had hired extra associates toward the end of 2021 to replace those who were out on Covid leave, but those employees came back sooner than expected, the report says.*

*Meanwhile, Amazon was having trouble hiring workers, before eventually overstocking its coffers.*

Amazon Chief Financial Officer Brian Olsavsky noted just this week: “As the [Omicron] 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.”

The company has said that added \$2 billion in overall operating costs.

The overage of warehousing comes as the economic conditions throughout the country [are deteriorating fast](#), thanks to the purposeful collapse of our economy by Biden’s Marxist handlers.

“With tensions already strained over inflation, record high gas prices, massive food price increases, as well as shortages, with experts warning of more shortages upcoming, we see the ‘fights’ over missing baby formula have begun,” [Susan Duclos of AllNewsPipeline reported this week](#).

She included a video of two mothers arguing over baby formula; one of the mothers cleared the shelf of around two dozen containers of formula, leaving none for anyone else.

Duclos adds:

*That confrontation was verbal, but as we have all seen when witnessing the food riots in other countries, a situation being seen in Sri Lanka right now, with rioters attacking police and burning down the homes of politicians, because of extremely high prices for food and gas, along with severe food shortages, when people go hungry, when they cannot feed their families, things get very ugly, very fast.*

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## Category

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