

Did you know...?

Major retailers saw an 80% surge in store closures in 2023 from the year before, according to Coresight Research. In some cases, retailers blamed rising theft for their rationale in closing some locations.

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In 2023, Target, Nike, and REI attempted to negotiate with the city over adding additional police patrols, improving response times, and removing homeless encampments. **Ultimately the companies said the city didn't provide enough support** and they decided to shutter those locations, emails show.

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A D.C. drugstore that became a national symbol of urban lawlessness after **regular ransackings by brazen shoplifters** will shut down next month. In April 2023, Whole Foods announced it would close its flagship store in San Francisco a year after its opening, **citing employee safety**. Bank branches shuttered throughout Philadelphia **citing crime and cratering foot traffic**.

Read more at The Washington Times →







Target, like many big retailers, has complained about retail crime hitting its stores. Now, the company plans to close nine locations across four states, citing elevated levels of theft and safety concerns for its shoppers and employees.

Target's chief executive said they saw a '120 percent increase in theft incidents involving violence or threats of violence' during the first five months of the year.'

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Journal →

RETAILERS CLOSING AMID CRIME SURGE

<u>Due To Violence And Other Factors, There Was An 80 Percent Surge In Store Closures</u> <u>In 2023</u>

In 2023, There Was An 80 Percent Surge In Store Closures With 4,600 Shutting Down For Various Reasons Including Theft. "This year was a rough one for some major retailers, as illustrated by an 80% surge in store closures in 2023 from the year before, according to Coresight Research. The reasons for this year's more than 4,600 store closures are varied, ranging from the bankruptcy of a major retail chain to some operators closing underperforming locations. In some cases, retailers blamed rising theft for their rationale in closing some locations." (Kate Gibson, "Retailers Shuttered 4,600 Stores This Year. Here Are The Stores That Disappeared," CBS News, 12/29/23)

Retail Chains Have Closed Stores Across The Country, Citing Theft And Rising Crime And Violence "Target, Walmart and other large chains have cited multiple reasons for store closures, including rising crime and violence. Meanwhile, Home Depot, Lowe's, Dollar Tree, Dick's Sporting Goods and Ulta have all raised concerns about disappearing inventory — known as 'shrink' — in their last round of earnings calls." (Jaclyn Peiser, "Is There A Shoplifting Crisis? What You Need To Know About Retail Crime.," The Washington Post, 10/3/23)

• "Target, Walmart, Nordstrom, Macy's, CVS And Others Have Blamed Losses From Organized Shoplifting For Their Decision To Shutter Stores, Particularly In Urban Areas." "Target, Walmart, Nordstrom, Macy's, CVS and others have blamed losses from organized shoplifting for their decision to shutter stores, particularly in urban areas. (The latest crime spree hit Philadelphia last week, with looters plundering Apple, Foot Locker and Lululemon.)" (Jennifer A. Kingson, "Why Retail Shopping Is No Fun Anymore," Axios, 10/2/23)

"Retailers Are Seeing Unprecedented Levels Of Theft Coupled With Rampant Crime In Their Stores." "Retailers are seeing unprecedented levels of theft coupled with rampant crime in their stores, and the situation is only becoming more dire,' wrote David Johnson, vice president of asset protection and retail operations at the NRF. 'Far beyond the financial impact of these crimes, the violence and concerns over safety continue to be the priority for all retailers, regardless of size or category." (Harrison Miller, "Retail Theft Losses Mount From Shoplifting, Flash Mobs – And Organized Crime," Investor's Business Daily, 10/6/23)

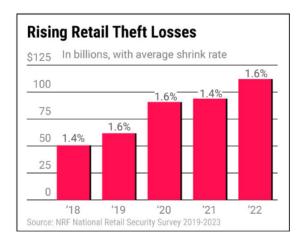
- According To The National Retail Federation: "Retail Crime, Violence And Theft Continue To Impact The Retail Industry At Unprecedented Levels." "And a recent report by the National Retail Federation found that 'retail crime, violence and theft continue to impact the retail industry at unprecedented levels." (Jaclyn Peiser, "Is There A Shoplifting Crisis? What You Need To Know About Retail Crime.," The Washington Post, 10/3/23)
- Vice President David Johnson, In-Store Violence Is "Becoming More Dire," Adding "Far Beyond The Financial Impact Of These Crimes, The Violence Concerns Over Safety Continue To Be The Priority For All Retailers, Regardless Of Size Or Category." "But it is clear that in-store violence has increased and is 'becoming more dire,' David Johnston, the retail federation's vice president for asset protection and retail operations, said in a news release Tuesday. 'Far beyond the financial impact of these crimes, the violence and concerns over safety continue to be the priority for all retailers, regardless of size or category."

 (Jaclyn Peiser, "Is There A Shoplifting Crisis? What You Need To Know About Retail Crime.," The Washington Post, 10/3/23)

<u>According To The National Retail Federation, Losses From Theft Increased To 112.1</u> Billion In 2022

According To Its 2023 National Retail Survey, "Retail Theft Losses Swelled To \$112.1 Billion In 2022, Up 19% From \$93.9 Billion The Year Before. "Retail theft losses swelled to \$112.1 billion in 2022, up 19% from \$93.9 billion the year before. Those somber numbers come from the 2023 National Retail Security Survey, released in late September by the Loss Prevention Research

Council and the National Retail Federation." (Harrison Miller, "Retail Theft Losses Mount From Shoplifting, Flash Mobs – And Organized Crime," <u>Investor's Business Daily</u>, 10/6/23)



"In The 2023 Survey Of 117 Retail Brands, 88% Reported Shoplifters Have Grown More Aggressive And Violent Than A Year Earlier." (Harrison Miller, "Retail Theft Losses Mount From Shoplifting, Flash Mobs – And Organized Crime," Investor's Business Daily, 10/6/23)

"As For Perpetrators Of Organized Retail Crime, ORC For Short, 67% Of Respondents Say They're Growing Even More Violent And Aggressive, Compounding On Increased Violence From Prior Years." (Harrison Miller, "Retail Theft Losses Mount From Shoplifting, Flash Mobs – And Organized Crime," Investor's Business Daily, 10/6/23)

• "Seventy-Eight Percent Of Respondents In The Latest Survey Said Organized Retail Crime Was More Of A Priority." (Harrison Miller, "Retail Theft Losses Mount From Shoplifting, Flash Mobs – And Organized Crime," Investor's Business Daily, 10/6/23)

Retailers Plagued By Theft Are Fleeing Urban Areas

Numerous Retailers Have Announced Store Exits From Urban Areas While Major Cities Like D.C., San Francisco, Portland, Philadelphia, Chicago, Atlanta And Seattle Reporting Stores Pulling Out. "Walmart, Whole Foods, Nike, Kroger, Nordstrom, Old Navy and Target have announced store exits in recent years from major urban areas. In addition to D.C., other cities seeing news of stores pulling out include San Francisco, Portland, Philadelphia, Chicago, Atlanta and Seattle." (Jaclyn Peiser, "Is There A Shoplifting Crisis? What You Need To Know About Retail Crime.," *The Washington Post*, 10/3/23)

"Major Metropolises Like Los Angeles, San Francisco, Chicago, Portland And Washington, D.C., Were Plagued By Retail Thieves Ransacking Malls And Department Stores." "Major metropolises like Los Angeles, San Francisco, Chicago, Portland and Washington, D.C., were plagued by retail thieves ransacking malls and department stores, with many of the instances caught on video that were posted on social media." (Brianna Herlihy, "Big-City Crime In 2023 Had Some Business Saying Enough Is Enough," Fox Business, 12/26/23)

- In California, Shoplifting Rates Have Increased By Nearly 50 Percent Since 2019. "Recent studies show that retail theft has increased in some of California's big cities with shoplifting rates jumping nearly 50% in San Francisco since 2019 while some rural and suburban areas of the state have seen a drop in those crimes." (Anabel Sosa, "California Lawmakers Want To Curb Retail Theft, But Say It's Not As Easy As It Sounds," Los Angeles Times, 12/30/23)
- In Portland, Oregon, Shoplifting Rates Were Up 22 Percent In The First Half Of 2023, Compared To The Same Period In 2019. "Shoplifting rates in Portland were up 22% in the first half of 2023 when compared with the same period in 2019, according to a Journal analysis of city crime data. The increase in Portland's shoplifting rate over the period was well above the average among 24 cities studied by the Council on Criminal Justice, a think tank." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," *The Wall Street Journal*, 1/20/24)

<u>In September 2023, Target Announced It Would Close Multiple Stores In Portland, Seattle, San Francisco And New York City Over Theft And Safety Concerns</u>

Last Year, Target Announced It Would Close Nine Locations In New York City, Seattle, San Francisco And Portland Oregon, Citing Theft And Safety Concerns Of Shoppers And Employees. "Target, like many big retailers, has complained about retail crime hitting its stores. Now, the company plans to close nine locations across four states, citing elevated levels of theft and safety concerns for its shoppers and employees. The retailer said Tuesday that stores in the New York City, Seattle, San Francisco and Portland, Ore., markets would close effective Oct. 21." (Ben Glickman, "Target To Close Stores In San Francisco And Other Cities, Citing Theft," *The Wall Street Journal*, 9/26/23)

• According To Target's Chief Executive, Its Stores Saw A "120 Percent Increase In Theft Incidents Involving Violence Or Threats Of Violence" In The First Five Months Of 2023. "Brian Cornell, Target's chief executive, said on a second-quarter earnings call last month that stores saw a '120 percent increase in theft incidents involving violence or threats of violence' during the first five months of the year." (Jaclyn Peiser, "Is There A Shoplifting Crisis? What You Need To Know About Retail Crime.," The Washington Post, 10/3/23)

California Target closing stores

The three stores in the San Francisco/Oakland market closing are:

- SF Folsom and 13th St: 1690 Folsom St
- Oakland Broadway & 27th: 2650 Broadway
- Pittsburg: 4301 Century Blvd

Closing Portland Target stores

- Portland Galleria: 939 SW Morrison St.
- Portland Powell: 3031 SE Powell Blvd.
- Portland Hollywood: 4030 NE Halsey St.

New York Target store closing

• New York City: 517 E 117th Street, Harlem

Seattle Target closing stores

- Seattle University Way: 4535 University Way NE
- Seattle Ballard: 1448 NW Market St, Suite 100

(Kelly Tyko and Nathan Bomey, "Target Closing 9 Stores Due To 'Theft And Organized Retail Crime," Axios, 9/26/23)

In November 2023, Target Announced That It Would No Longer Open A New Store Currently Under Construction In Philadelphia. "Target has abandoned plans to open a new store that is currently under construction in a Philadelphia neighborhood, just one month after announcing the closure of nine other stores across the country due to ongoing retail theft." (Stephen Sorace, "Target Scraps Plan To Open New Store In Philadelphia After Crime Cirsis Led To Other Store Closures Nationwide," Fox Business, 11/2/23)

In Portland, Various Well-Known Retailers Have Closed Stores Due To Crime

In 2023, Target, Nike, And REI Closed Stores In The City As The City Did Not Do Enough To Clamp Down On Crime. "Target, Nike, and REI all complained about crime in Portland privately before announcing plans to close stores in the city in 2023. The closures followed months—and in some cases years—of negotiations between company officials and the city over getting

additional police patrols near their locations, improving response times and removing homeless encampments, according to emails reviewed by The Wall Street Journal. Ultimately the companies said the city didn't provide enough support and they decided to shutter those locations, emails show." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," *The Wall Street Journal*, 1/20/24)

According To *The Wall Street Journal*, "Shoplifting Rates In Portland Were Up 22% In The First Half Of 2023 When Compared With The Same Period In 2019." "Shoplifting rates in Portland were up 22% in the first half of 2023 when compared with the same period in 2019, according to a Journal analysis of city crime data." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," *The Wall Street Journal*, 1/20/24)

• "The Increase In Portland's Shoplifting Rate Over The Period Was Well Above The Average Among 24 Cities Studied By The Council On Criminal Justice, A Think Tank." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," The Wall Street Journal, 1/20/24)

Nike Permanently Shut Down Its Factory Store After Lobbying Unsuccessfully With The City To Boost Its Police Presence. "Nike temporarily shut down its Portland factory store in August 2022, without noting issues related to retail crime. It announced this past September that the location wouldn't reopen, months after privately lobbying the city to boost the police presence near the Store." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," *The Wall Street Journal*, 1/20/24)

REI Closed Its Store After Seeing In 2022 The Highest Number Of Thefts In Two Decades. "REI last April said that it would close its city store in February 2024 when the lease expires. The outdoor-gear retailer said the store in 2022 had the highest number of thefts in two decades and that it lost confidence in its ability to serve customers there." (Inti Pancheco, "One City And Three Retailers Tried To Fight Shoplifting. The Stores Closed Anyway," *The Wall Street Journal*, 1/20/24)

<u>In San Francisco, Numerous Retailers Like Nordstrom, Target, Whole Foods And Walgreens Are Leaving Downtown</u>

In May 2023, Nordstrom Announced It Would Shutter Its Downtown San Francisco Stores Partly Due To Crime. "Nordstrom is the latest retailer to shutter stores in downtown San Francisco as crime, rising costs and the fallout from remote work forces lead companies across the country to reevaluate viability in major urban cities. The Seattle-based retailer, citing dwindling foot traffic, will not renew leases for its store in Westfield Mall and a Nordstrom Rack across the street, according to an email sent to staff from chief stores officer Jamie Nordstrom and shared with The Washington Post. The Westfield store will be open until the end of August, and the Rack location will close July 1." (Jaclyn Peiser, "Nordstrom Leaves Downtown San Francisco, Joining Big-City Retail Exodus," *The Washington Post*, 5/2/23)

• The Departure Was Blamed On "The Deteriorating Situation In Downtown San Francisco" With "Unsafe Conditions For Customers, Retailers And Employees." "Decisions like this are never easy, and this one has been especially difficult,' Nordstrom wrote. 'But as many of you know, the dynamics of the downtown San Francisco market have changed dramatically over the past several years, impacting customer foot traffic to our stores and our ability to operate successfully.' In a statement to The Post, Westfield attributed the closure to 'the deteriorating situation in downtown San Francisco' and blamed the departure of businesses on 'unsafe conditions for customers, retailers, and employees, coupled with the fact that these significant issues are preventing an economic recovery of the area." (Jaclyn Peiser, "Nordstrom Leaves Downtown San Francisco, Joining Big-City Retail Exodus," *The Washington Post*, 5/2/23)

In April 2023, Whole Foods Announced It Would Close Its Flagship Store In San Francisco A Year After Its Opening, Citing Employee Safety. "Last year, with pandemic lockdowns in the rearview mirror, Whole Foods Market made a bet on a gritty San Francisco neighborhood. The high-end supermarket chain opened a giant flagship store in a part of the city that is home to both tech companies like Twitter and open-air drug dealing. But the store was soon

confronted head-on with many of the problems plaguing the area. People threatened employees with guns, knives and sticks. They flung food, screamed, fought and tried to defecate on the floor, according to records of 568 emergency calls over 13 months, many depicting scenes of mayhem. ... When Whole Foods announced in mid-April that it was closing the store, citing the safety of its employees, many in San Francisco saw it as a representation of some of the city's most intractable problems: property crimes like shoplifting and car break-ins, an entrenched network of dealers selling fentanyl and other illicit drugs and people suffering from untreated mental illness wandering the streets." (Thomas Fuller and Sharon LaFraniere, "In San Francisco, A Troubled Year At A Whole Foods Market Reflects A City's Woes," *The New York Times*, 4/30/23)

In September 2023, Target Announced It Would Close Three Stores In The Bay Area, Citing "Theft And Organized Retail Crime" That Threatened The Safety Of Its Customers And Employees. "Target announced Tuesday that it planned to close three of its Bay Area stores next month, citing 'theft and organized retail crime' that was threatening the safety of our team and guests, and contributing to unsustainable business performance,' the company said in a statement. On Oct. 21, the company said it would close its San Francisco store on Folsom and 13th streets. In Oakland, Target will close its store on Broadway and 27th Street, its only location in the city, according to its website. The Target in Pittsburg on Century Boulevard is also closing." (Nora Mishanec and Roland Li, "Target To Close 3 Bay Area Stores Next Month, Citing Rampant Retail Crime," San Francisco Chronicle, 9/27/23)

In October 2021, Walgreens Announced It Would Close Five Stores In San Francisco Due To Retail Theft. "Walgreens said Tuesday that it will close five stores in San Francisco in November, citing the company's concerns over retail theft in the city. 'Organized retail crime continues to be a challenge facing retailers across San Francisco, and we are not immune to that,' Walgreens spokesperson Phil Caruso said in a statement." (Andres Picon, "Walgreens To Close 5 More S.F. Stores, Citing Rising Costs Of Retail Crime," San Francisco Chronicle, 10/13/21)

• "The Closures Will Bring To 22 The Number Of Walgreens Stores Closed In San Francisco In The Past Five Years." (Andres Picon, "Walgreens To Close 5 More S.F. Stores, Citing Rising Costs Of Retail Crime," San Francisco Chronicle, 10/13/21)

<u>Chicago Lost Four Walmart Stores Due To Million Dollar Losses And Theft And</u> Security Issues

In April 2023, Walmart Announced It Would Shutter Four Locations In Chicago As The Company Has Lost Tens Of Millions Of Dollars Since They Were First Opened. "Walmart last month announced it was closing four locations in Chicago — half of its stores there — saying it has lost tens of millions of dollars on them every year since its first store opened in the city 17 years ago. The company also closed stores in D.C. and Portland." (Jaclyn Peiser, "Nordstrom Leaves Downtown San Francisco, Joining Big-City Retail Exodus," *The Washington Post*, 5/2/23)

• Regarding The Closures, Walmart Cited Lack Of Profits, Theft And Security Issues. "It was packed at the Walmart Supercenter in Chatham in the final days before four Walmart stores across the city close on Sunday. ... Because of a lack profits, theft and security issues, Walmart announced four Chicago locations are closing on Sunday. That includes the supercenter in Chatham and three neighborhood markets in Lakeview, Little Village and Bronzeville." (Stephanie Wade, "We Feel Abandoned': Chatham Residents Pack Walmart Supercenter Before Closure On Sunday," ABC7, 4/16/23)

Wawa Has Closed Numerous Stores Throughout Philadelphia Due To Crime

In 2022 And 2023, Wawa Shuttered Numerous Stores Due To Crime And Excessive Panhandling. "Another Wawa is shutting its doors in Philadelphia, this time in Headhouse Square, amidst warnings about an increase in crime near South Street. ... Residents believe the closures may be due to crime and excessive panhandling. ... Other Wawa locations that have closed around the city include Broad and Walnut, 12th and Market, 19th and Market and the store at 9th and South." (Shawnette Wilson, "Wawa Closing Headhouse Square Location As Crime Persists Near South Street," Fox29, 6/16/23)

Amidst A Crime Wave In Seattle, Various Stores In Seattle Have Shuttered Their Doors

In January 2023, Nike, Which Had Maintained A Store In Downtown Seattle Since 1996, Announced It Would Permanently Close. "A downtown Nike store is shuttering its doors, marking an end to the storefront's decades-long presence in Seattle amid a sharp spike in violent crime and a homelessness crisis. ... The store has been a downtown staple since it opened in 1996, but after the pandemic and rising crime, the shoe giant has switched gears announcing that they will be closing their doors along with other Seattle stores, like Starbucks, Seattle Credit Union, and a host of local small businesses." (Sarah Rumpf, "Nike Closing Downtown Seattle Store Amid Crime Wave," Fox Business, 1/18/23)

Seattle-Based Starbuck Had Closed Six Locations Over Safety Concerns In 2022. "Nike is following several other downtown businesses that have recently closed, including multiple Starbucks locations which also left over increasing crime in the area. Starbucks, which is based out of Seattle, closed at least six Starbucks locations in the city over safety concerns in 2022." (Sarah Rumpf, "Nike Closing Downtown Seattle Store Amid Crime Wave," Fox Business, 1/18/23)

"The Seattle Credit Union Also Shut Down Branches In The City Due To Crime And Cratering Foot Traffic." (Sarah Rumpf, "Nike Closing Downtown Seattle Store Amid Crime Wave," Fox Business, 1/18/23)

<u>In Washington, DC, A CVS And Numerous Restuarants Have Closed Due To The Crime Wave</u>

In February 2024, A CVS In DC That Was Often Targeted By Theives Shuts Its Doors. "A D.C. drugstore that became a national symbol of urban lawlessness after regular ransackings by brazen shoplifters will shut down next month. More than half of the shelves in the Columbia Heights CVS were bare Wednesday when the announcement was made. For months, thieves have snatched bath and beauty products, toilet paper, frozen foods and other goods from the 14th Street Northwest location. Photos and videos of the empty shelves went viral last year on social media, and news stories about the store and its policy of avoiding confrontations with thieves spread." (Matt Delaney, "Shoplifter-Ravaged D.C. Drugstore To Close, Became National Symbol Of Rampant Retail Theft," *The Washington Times*, 1/24/24)

Numerous Restaurants In D.C.'s H Street Neighborhood Have Shut Down Due To The City's Ongoing Crime Issues. "Sticky Fingers Diner is closing its H Street, Northeast restaurant in D.C., citing declined sales over the past year and the rise in neighborhood crime, even as growth for its much larger wholesale and retail baking business is soaring. ... The H Street closing adds to a growing list of small businesses souring on the neighborhood. Last month, D.C. Craft Beer Cellar closed after seven years. Pursuit Wine Bar & Kitchen, a victim of multiple break-ins, closed its doors in December. Brine Oyster and Seafood House closed its H Street location in November, citing crime. Its owners also closed their Biergarten Haus beer garden on H Street last summer. DC Harvest closed its H Street restaurant last month after almost a decade, saying on social media, 'Unfortunately the neighborhood has changed and nobody is coming out." (Jeff Clabaugh, "Another H Street Loss: Sticky Fingers Diner Is Closing, Citing Crime," WTOP, 2/13/24)