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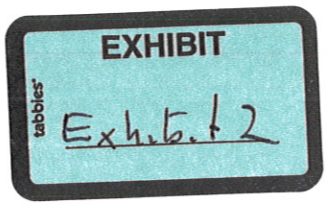
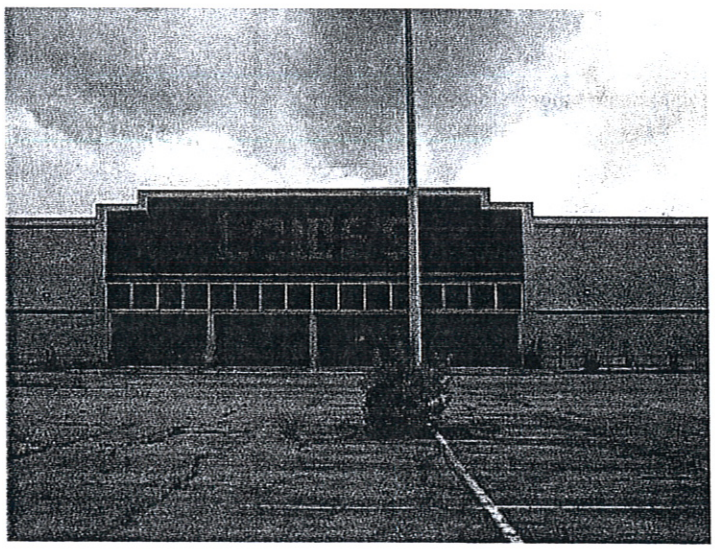


The Downward Spiral

A Requiem for the American Dream

Sunday, November 13, 2011

Even More Housing Crash Fallout: Lowes Closing 20 Stores, Laying Off 1,800



Home Depot and Lowes were riding high on the crest of the housing boom wave back during the middle of this past decade. With the housing bust, however, both are now struggling. No longer in expansion mode, Lowes this week took its first steps toward contraction and consolidation:

> About 105 employees are about to lose their jobs as Lowe's prepares to close its North Kingstown store.
>
> The home improvement store's location was open for business Sunday, and planned to permanently close at the end of the work day.
>
> It's among 20 underperforming stores nationwide being closed by Lowe's, based in Mooresville, N.C.
>
> The 105 workers at the North Kingstown store are among more than 1,800 full-time and part-time Lowe's employees nationwide who will lose their jobs as part of the closings.

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What was interesting about this story was this bizarre tidbit included at the end:

> In August, Lowe's said volatile weather and shoppers' worries about the economy hurt demand, and that the closings will allow it to focus on more profitable locations.

Ummm...volatile weather? Unless an F-5 tornado came along and flattened those stores, that doesn't seem like a legitimate reason to close them. If you don't like the weather, wait a minute, as the old saying goes.

Yes, it was the economy, stupid. Particularly the stupid housing crash.

Posted by Bill Hicks at 1:06 PM

Labels: corporations, housing crash, retail, unemployment

5 comments:

Joan said...

I was under the assumption that weather events always benefited those stores. Hmph...learn sumpin' new everyday. ;)

November 13, 2011 1:16 PM

Patrick said...

Near me, a Lowe's built a store right next to a Home Depot. Literally: If you parked in the Home Depot parking lot, it would take no more than 5 minutes to get to the front doors of Lowe's. Greedy, stupid, and wasteful corporate decisions -- and the $7.00/hr. workers feel the pain. (Oh, and also the two rabbits and three pheasants that used to live in the field where they built the unneeded extra retailer in the first place.)

November 13, 2011 2:05 PM

MrNiceGuy said...

I heard a worrying comment from an economist speaking about retail banking on an MSM radio station and he stated that Walmart was a de facto bank of choice for many and he expected to see Walmart, Target, Home Depot and other big box retailers to be in formal retail banking in the next 5 years.

arrrrrgggghhh

November 13, 2011 6:16 PM

Bill Hicks said...

@MrNiceGuy - isn't it amazing how as a society we keep insisting on doubling down on our bad decisions?

November 13, 2011 6:39 PM

defshepard said...

Watched a Lowe's store close down in Elgin. I used to go by that store on my way to work. Now..., its another empty shell, amoung all the others that are dotting the landscape around here. Empty houses, empty businesses.

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