

RETAIL

## US retail lobby NRF alarmed at looting of stores, unsure of speed of economic recovery

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*The National Retail Federation has asked for restraint from store-ransacking protesters who have to violence since the death last week of George Floyd in Minneapolis police custody. Image credit: National Retail Federation*

By LUXURY DAILY NEWS SERVICE

The National Retail Federation's top executive has expressed alarm at the ransacking and looting of retail stores across the United States following the death last week of George Floyd in Minneapolis police custody.

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Matthew Shay, NRF president/CEO, put out a public appeal asking for restraint from outraged citizens who threaten the lives and livelihoods of employees working in retail stores nationwide. Cities such as Minneapolis, Los Angeles, Washington and New York have seen rioting and looting, with Chanel, Louis Vuitton, Nordstrom and Bloomingdale's suffering extensive damage in some stores.

"Defacing, looting and plundering businesses, whether viewed as a direct outgrowth of fury or an opportunistic act of vandalism and theft, impedes progress and healing," Mr. Shay said.

Washington-based **NRF** is the largest trade organization worldwide for retailers.

Violence no answer to racism

Here is Mr. Shay's statement in its entirety:

"It is with deep dismay and shared outrage that our communities express their anger and frustration through peaceful protests over the unjustifiable death of George Floyd last week in Minneapolis.

"Yet racial injustice continues. There is a real problem and divide in this country that we share the responsibility to address. It requires leadership in the municipal, state and federal levels of government, in our schools, our places of worship, our businesses and our homes, so we can work together honestly, transparently and inclusively to find solutions.

"Defacing, looting and plundering businesses, whether viewed as a direct outgrowth of fury or an opportunistic act of vandalism and theft, impedes progress and healing. Of primary concern to our retailers is the safety of their

teams, the communities they serve and the emotional and physical well-being of their African American colleagues and customers. Retailers are committed to the values of diversity, inclusion and opportunity and that has always been at the heart of our industry. The actions of a few are impacting not just stores, but also putting at risk the people who work and shop there.

"We must stand together to stop racial injustice. We must work together to create greater understanding of the challenges faced by African American men and women, young and old, in communities large and small. We urge people to stop looting and destruction under the name of protest. It denies access to goods, services and jobs for those who need help the most, and takes focus away from the conversation we must have if we are to heal these wounds not with talk, but through action."



*National Retail Federation chief economist Jack Kleinhenz is not sure if the U.S. economy has seen the worst of the COVID-19 pandemic yet. Image credit: National Retail Federation*

### Uncertainty abounds

In the meanwhile, NRF chief economist Jack Kleinhenz said it is too early to say how quickly or smoothly the nation's economy will recover from the lockdowns caused by the COVID-19 coronavirus outbreak.

Mr. Kleinhenz's remarks came in the [June issue of NRF's Monthly Economic Review](#), which said the U.S. economy "changed course almost overnight" from the longest expansion on record to an "historic economic slump" because of the shutdowns mandated by various U.S. states to curb the spread of COVID-19, a deadly virus that originated in the central Chinese city of Wuhan.

"Is it possible the worst of the coronavirus pandemic is behind us? Maybe, but we are not out of the woods yet, and uncertainty abounds," Mr. Kleinhenz said.

"Predicting what will happen is even more challenging than usual," he said. "While history often helps guide us, previous downturns offer little guidance on what is likely to unfold over the next six to 12 months.

"There is no user's manual in which government, businesses or consumers can find precise solutions for what we are going through."

The U.S. economy's record drops in employment, gross domestic product, retail sales and other indicators have resulted in "such unparalleled numbers that it is not comparable to anything in economic history and it has yet to catch up with the reality of what we are experiencing," Mr. Kleinhenz said.

"With such sizeable disruptions, it is difficult to tally the damage or determine the future," he said.

Monthly and quarterly government data is unable to keep pace with the rapid changes occurring during the pandemic.

THAT SAID, NRF and Mr. Kleinhenz are looking forward to three new weekly studies that the U.S. Census Bureau is producing: the [Household Pulse Survey](#), [Small Business Pulse Survey](#) and a [weekly version](#) of the Business Formation Statistics report.

The first two surveys reveal that households have seen reductions in income and most businesses do not expect to resume full operations for six months.

However, the third study found that new businesses are still being formed despite the pandemic, with 9,000 applications for companies planning to hire workers filed in a single week in mid-May alone, NRF pointed out.

Another report from the Conference Board and labor market analytics firm Burning Glass Technologies found online help-wanted ads were down 60 percent from February as of mid-April, but only 40 percent since then a sign

that the downturn may be easing and "seeds for recovery are being planted," Mr. Kleinhenz said.

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