

# Retailers take union-busting to new heights

## Article

**The trend:** More retailers are taking aggressive action to curb unionization activity.

- **Starbucks** is delaying bargaining talks, closing stores, and withholding raises from unionized employees in an attempt to slow momentum and blunt the union's impact.
- **Trader Joe's** abruptly closed its New York City wine shop without notice after workers began unionization talks, per Gothamist.
- **Chipotle** permanently closed a store in Augusta, Maine, last month after employees successfully filed to form a union.

- **Amazon** filed a challenge with the National Labor Relations Board (NLRB) over the results of a successful unionization vote at a Staten Island, New York, warehouse.

**Public support stays strong:** While unpopular with employers, the burgeoning US labor movement has widespread support across industries and the country. And retail isn't the only industry experiencing an uptick in union activity: Organizing initiatives have reached [Big Tech firms](#), [video game companies](#), and [publishers like The New York Times](#).

- **A majority (59%) of US workers said they would support an increase in unionization at their workplace**, [per](#) a May survey by CNBC and Momentive.
- At the same time, union membership is at its lowest point in decades: Slightly more than one in 10 US workers belong to one, making organizing an unfamiliar experience for many.

**Confidence Level of US Adults in Organized Labor, by Demographic, June 2022**

% of respondents in each group

	Female	Male	18-34	35-54	55+	Total
A great deal	9%	10%	9%	10%	10%	10%
Quite a lot	18%	18%	26%	16%	14%	18%
Some	52%	41%	49%	44%	47%	46%
Very little	18%	29%	15%	29%	26%	24%
Don't know/refused	2%	1%	1%	1%	2%	1%
None	1%	1%	-	1%	2%	1%

Note: n=1,015; numbers may not add up to 100% due to rounding

Source: Gallup, "June Wave 1," July 5, 2022

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**Retailers sense an opening:** Despite a still-tight labor market, growing economic uncertainty may tilt the balance of power ever-so-slightly in favor of employers, who can wield the threat of layoffs and reduced pay to keep workers in line.

- For example, Starbucks Workers United accused the coffee chain of closing stores in retaliation for unionizing efforts, per CNBC. The union noted that of 19 Starbucks locations that had closed or were scheduled to shut down, eight had either unionized or were in the process of doing so.
- The threat of job loss at a time of record inflation and rising living costs could act as a significant deterrent for workers thinking about organizing.

**Waiting it out:** The tactic that's yielded the most success thus far is stonewalling—which has been particularly effective in industries like retail with high turnover.

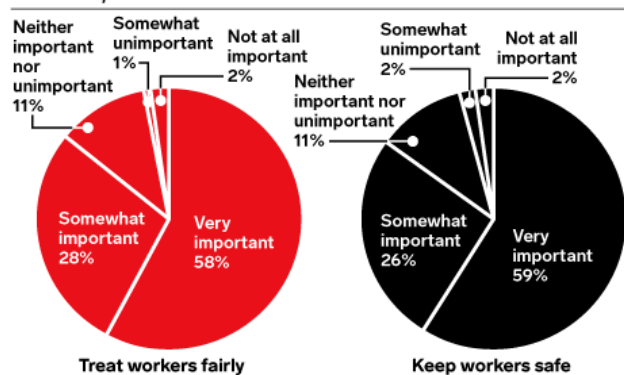
- Only three of the more than 220 Starbucks locations that have successfully unionized have begun negotiations, [per](#) Vox.
- Despite unionizing in June, workers at an Austin Starbucks said their efforts to begin bargaining have been ignored, while the store has stopped rehiring returning students in what organizers say is an attempt to “dilute the union effort with new employees.”
- Amazon’s legal challenge could overturn the successful union vote while disillusioning workers unfamiliar with the long, arduous, and contentious process of collective bargaining.

**The big takeaway:** Given the widespread support for organizing, corporations’ union-busting tactics look like bad PR moves that will haunt their attempts to recruit and retain workers. And with the NLRB becoming more proactive about protecting workers’ rights to unionize, companies may not be able to hide behind legal appeals much longer.

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**Importance of Treating Workers Fairly/Keeping Them Safe in Determining Their Purchase Likelihood/Long-Term Brand Loyalty According to US Consumers, Oct 2021**

% of respondents



Note: ages 18+; numbers may not add up to 100% due to rounding  
Source: Merkle, “The Next Generation of Consumer Behaviors,” Jan 2022

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