Foxtrot, Dom's Kitchen & Market abruptly close all locations: "It feels like we're disposable"

George Gallanis 25 April 2024

On Tuesday, Foxtrot and Dom's Kitchen & Market abruptly shuttered all locations in Illinois, Texas, and the D.C. area as it likely seeks to file bankruptcy. The two Chicago-based grocery stores merged 5 months ago in what became known as Outfox Hospitality.

The closure impacted two Dom's stores and 33 Foxtrot locations across Chicago, Austin, Dallas, and the DC area. Some 1,000 employees worked at Outfox across multiple states, with nearly 100 full-time workers in Chicago. Figures for part-time employees have not been released as of this writing.

There were no notices made on Illinois' or Texas' Worker Adjustment and Retraining Notification (WARN) report pages, which track notices of mass firings. Illinois law mandates that companies with 75 full-time workers submit layoff notices with a 60-day warning, regardless of whether a company files for bankruptcy.

At least one worker has filed a lawsuit in federal court in Chicago, alleging that Outfox Hospitality violated the federal and state WARN Acts when it laid off workers in the middle of their shifts on Tuesday without allegedly providing prior notice. The lawsuit seeks compensation for back pay and benefits for affected workers.

The resulting layoffs are part of a global assault on jobs, which has seen hundreds of thousands slashed in the United States alone. Most recently, Tesla announced more than 14,000 layoffs as its fascistic billionaire CEO, Elon Musk, sought to maintain profits amid decreasing sales.

In announcing its sudden closure, Outfox released a mealy-mouthed statement in the language of a corporate lawyer. A portion of the statement read, "This decision has not been made lightly, and we understand the impact it will have on you, our loyal customers, as well as our dedicated team members. We want to express our sincerest gratitude for your support and patronage throughout the years. It has been our highest honor to elevate the everyday and create a remarkable shopping experience for people who love food as much as we do. It has been a privilege serving you and being a part of your everyday lives. We understand that this news may come as a shock, and we apologize for any inconvenience it may cause. We genuinely appreciate your understanding during this challenging time."

The statement also confirms that the associated apps, Dom's Go and Foxtrot Apps, are now defunct, and all Foxtrot and Dom's credits are now worth nothing.

Foxtrot began in 2016 in Chicago as a delivery-only app emphasizing alcohol delivery. Its profit soared during the pandemic due to bars being closed during lockdowns. The company eventually transformed into a high-end convenience store reminiscent of a boutique 7-Eleven.

The company rapidly expanded. In 2023, it raised \$18.6 million in debt to finance an expansion to 33 locations in Chicago, in Austin and Dallas in Texas, and the Washington, D.C. area.

In February, the company announced Rob Twyman, who spent 27 years as an executive at Whole Foods, as their new CEO. However, the subsequent weeks leading up to the closures are murky. According to the website Snaxshot, as Eater Chicago reported, multiple company executives began quitting last week.

Meanwhile, outside a shuttered Foxtrot store on Division St. in Chicago, a group of laid-off Foxtrot employees sat somberly, teary-eyed. Across from them was the entrance to the store, with a sign announcing its closure. A package of ice cream delivered that morning was seen through the door, now melting.

Speaking to the WSWS, Waria, who had worked at that Foxtrot location for two years, said, "We're still getting deliveries. We're still getting things coming in. I'm not getting paid for this. I have to let them know, 'Hey, you have to turn around.' The delivery people don't even know what to do. We have keg deliveries. We have ice sitting in our store right now that just got delivered—the ice cream box worth a thousand dollars."

When asked if they knew the company was struggling to the point that it would close stores abruptly, Waria said, "We knew they were struggling, but closing all stores came as a shock."

Another worker, Jay, who had worked at that location for six months, said, "Changes in inventory were noticeable. They said they were negotiating with vendors, which hinted at issues. Delivery shortages and weird shift schedules were there, but no one told us it would lead to this."

Waria added, "It wasn't the lack of customers; we had a niche. The problem was how quickly the company expanded post-pandemic. Investors seemed mixed about our directions. Some investments worked, others didn't. We just weren't meeting the goals."

Jay continued, "There was a complete disconnect between us—the workers—and the higher-ups. They kept buying more stuff and more items. We would try to tell them on a daily basis, 'Hey, these things aren't selling.' But they were sending us more and they were also blaming us for not selling. We've had wine in the basement that just didn't sell. Our inventory was so off."

Regarding the recent merger with Dom's Kitchen, Jay said, "It was supposed to be our lifesaver. They were well-known, and combining their meal options with ours seemed promising."

Regarding the question of benefits, Waria said, "Only full-timers got benefits, but most of us were hired part-time, so it was rare. And even when you qualified for benefits, they'd cut your hours just when you needed them most." Jay added, "They introduced tipping on card transactions recently, but it's too little, too late. Now they're shutting everything down without warning. Just a cold farewell."

A worker sitting next to Jay added, "We're funding these wars, committing genocide in Palestine, and people can't get damn healthcare."

Another worker interjected and said, "We feel betrayed, mostly. We're essential to the food service industry but so easily overlooked. And it's not just about being overlooked; it feels like we're disposable. Just cogs in a machine that can be replaced at any moment. This whole situation makes you realize how under capitalism, everything is temporary, and anyone can be discarded."

Jay responded, "Exactly. And it hits harder coming out of a pandemic, where you realize the stark disparities between corporate and ground-level employees. We make the day-to-day operations possible, yet when decisions like these are made, it's clear we're the last to know and the first to feel the impact."

Another worker added, "It's more than just losing a job; it's about the community we've built and now it's just gone overnight. We've built relationships, created a loyal customer base, and now we're just told to pack up with no foresight."



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