

Opportunity Wisconsin: U.S. Sen. Baldwin, Treasurer Godlewski join former Shopko workers virtual town hall on Wall Street's detrimental impact on Wisconsin

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GREEN BAY, Wis. — On Wednesday evening, marking the 1-year anniversary of Shopko announcing the closure of all remaining stores, U.S. Senator Tammy Baldwin and Wisconsin State Treasurer Sarah Godlewski [joined former Shopko employees and community leaders to discuss](#) how the Wisconsin-based retailer went from employing nearly 2,500 people to bankrupt.

The “Shopko Speaks” virtual town hall, hosted by [Opportunity Wisconsin](#), [United for Respect](#), and [Town Hall Project](#), was originally scheduled to take place in person in Ashwaubenon, Wisconsin—in the shadows of a now-vacant Shopko store. Due to the growing COVID-19 pandemic, organizers moved the discussion online, allowing for broader reach and increased participation in the important discussion.

On March 18, 2019, Shopko [announced](#) it would be shuttering all its remaining Wisconsin stores by June. One year later, families and communities across the state are fully realizing the impact the company’s closure has had on their local economy.

Participants discussed how private equity firm Sun Capital Partners [put profits over Shopko employees](#) and how legislative solutions, like the [Stop Wall Street Looting Act](#), can help level the playing field and hold Wall Street and lawmakers accountable.

“I could tell things weren’t going well and vendors stopped showing up. Still today, it was one of the worst days of my life,” said Trina McInerney, who worked for Shopko in Grant County for almost 12 years. “Everyone was like family, and the stress from losing my job was sometimes too hard to bear. I felt like the rug was pulled out from underneath me. I did not receive severance or bonus...I spent a while wondering where I’m going to find money for food, gas, and insurance while Sun Capital execs walked away with billions. I lost my dignity and my ability to support my family.”

Like many other struggling retail companies at the time, Shopko was taken over by a Wall Street private equity firm: Sun Capital Partners. Instead of keeping the company afloat, Sun Capital ultimately led Shopko to declare bankruptcy in January 2019. And just a few months later, Shopko announced the closure of all remaining stores.

“This is fundamentally about the rules of our economy and does our economy reward work vs wealth,” said Senator Baldwin, sponsor of the Stop Wall Street Looting Act. “We know it rewards wealth. Why were the private equity owners of Shopko able to enjoy all the benefits of owning a company, but none of the responsibilities? Why were the workers who dedicated decades of their lives left with nothing after the bankruptcy? These are the current rules of the economy in the United States. If we are dissatisfied with these answers, it is up to us to change those rules.”

All of Shopko’s stores are now closed, resulting in almost [2,500](#) jobs lost for Wisconsinites. Ultimately, 52 stores and a support center closed in Wisconsin. What’s more, it’s estimated that the private equity takeover of Shopko resulted in [22,800](#) jobs lost nationwide.

Industry observers point to President Trump’s 2017 tax law, which [increased the value](#) of these vulture capitalist firms by between 3-17%, on average. The President’s 2018 Bank Lobbyist Act also rolled back consumer protections that were established in the Dodd-Frank Act while [allowing banks to engage](#) in the kind of risky behavior that caused the 2008 financial crash.

“When I was a kid, I would always ask for school supplies and my mom would always say, put it on your Shopko list,” said Treasurer Godlewski. “What Shopko did to our state was reckless—to our employees, to Wisconsin, to our economy. Private equity should never have been allowed to put all of this debt into our economy and

on the backs of our working people. We need to hold these firms accountable and provide the mechanisms to do that and make sure that the employees get the severance and retirement that they've worked for for decades. There are so many things that we can put in place to actually help working people."

"My first job ever was at Shopko—a Wisconsin-based retail chain that supported hundreds of good paying jobs across our state and gave working families the opportunity to earn a fair wage," said U.S. Representative Mark Pocan, who introduced the Stop Wall Street Looting Act in the House of Representatives. "Private equity firm Sun Capital Partners came in with promises of supporting those jobs, but then drove Shopko into financial ruin and liquidated it. The executives at Sun Capital ran away with hefty profits while Wisconsin workers were laid off and abandoned. Unfortunately, Wisconsin workers aren't alone. Private equity has wreaked havoc across industries nationwide and left working families jobless and hopeless. We cannot let these predatory firms destroy our communities any longer."

While Wisconsinites and people nationwide were fighting to make ends meet in the face of losing their jobs, Sun Capital and the other investors made [\\$170 million](#) in the form of dividend payments from Shopko by the time it declared bankruptcy, in addition to allegedly avoiding [\\$8 million](#) in sales tax owed to Wisconsin between 2013 and 2016.

"Retiring by choice is great. But for those people that maybe didn't have that choice, like Jim, it's not," said Connie Jordan of her husband, Jim, who spent over three decades working for Shopko in Green Bay before being laid off 3 different times. "We went through a lot in the 30 years at Shopko, and Jim gave a lot. Anyone that works in retail knows, you give a lot. When Sun Capital ended it, there were people that walked away with money, but it wasn't Jim and it wasn't his coworkers. The lack of respect for that employee devotion sickens me."

[Read more of Jim Jordan's story in the Capital Times.](#)

"Losing your job through no fault of your own ruins your credit, your retirement, and your self confidence," said Linda Parker of Columbus, Wisconsin. Parker worked at [Payless ShoeSource](#) for over 21 years. "Holding Wall Street and private equity accountable is crucial. It's just going to get worse. They feel no empathy or guilt and it's shocking. When I first learned that the [Payless] stores were closing it was devastating, but at least we had hopes that we were going to get our severance,

but that didn't happen either. We felt there was no hope.”

About Opportunity Wisconsin

Opportunity Wisconsin is a coalition of Wisconsin residents fighting for an economy that works for working people. Through our stories, we're elevating the real consequences of the destructive economic policies championed by President Trump and his allies these past three years, and showing how they have made Wisconsin's economy worse off. Join us in demanding our elected officials focus more on growing the economy for middle class folks and expanding opportunity for all Wisconsinites, not just the wealthy few. To learn more about Opportunity Wisconsin, visit OpportunityWisconsin.org or stay connected on Twitter at [@OpportunityWI](https://twitter.com/OpportunityWI) and on Facebook at Facebook.com/OpportunityWI.

About United for Respect

[United for Respect](https://UnitedforRespect.org) (UFR) is a national non-profit organization. UFR is a multiracial movement of working people throughout the U.S. advancing a vision of an economy where our work is respected and our humanity recognized. UFR is not a labor union and does not intend or seek to represent retail employees over terms and conditions of employment, or to bargain with retail employers.

About Town Hall Project

Town Hall Project (THP) is a national non-profit organization. THP works to grow the culture of open dialogue between Americans and their elected representatives for the strength and transparency of our democracy.