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## Wal-Mart: Layoffs Begin, End Fiscal Year

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Wal-Mart ended its fiscal year in January 2010 the same way it began in February 2009: With layoffs.

The world's largest retailer remained profitable in fiscal 2010, but it was an ugly year, said Scott Alaniz of Boston Mountain Money Management in Fayetteville.

"It's like those football games that are sort of low-scoring, defensive, ugly wins, but it's a win nonetheless," Alaniz said. "I think they executed well. It was just the type of environment that doesn't lend itself to great statistics."

Wal-Mart reported \$408.2 billion in sales for the fiscal year that ended Jan. 31, about a 1 percent increase from the \$404.4 billion in sales the prior year.

The retailer earned \$3.66 per share in fiscal 2010, up from \$3.42 per share in fiscal 2009.

However, customers in the United States continued to face pressure and shopped at Wal-Mart less frequently, as store traffic was down, said Eduardo Castro-Wright, Wal-Mart vice chairman, in the fourth quarter earnings call transcript.

Customer traffic was up 1.3 percent for the year, Castro-Wright said. He did not provide raw numbers in the earnings call transcript.

Fourth quarter same store sales decreased 1.6 percent at Walmart US and Sam's Club, according to the earnings release. It was the third quarter in a row that sales at stores open at least one year declined from the same quarter the prior year.

Wal-Mart began fiscal 2011 on Feb. 1. The fiscal year will end in January.

### Layoffs Not Taken Lightly

Wal-Mart — responsible for past job growth with direct employment at its corporate headquarters, with vendors who locate offices in Northwest Arkansas and at firms that supply vendors — rocked the region with layoffs.

Wal-Mart ended fiscal 2010 in late January with a corporate restructuring. That included aligning Puerto Rico stores with Walmart US; dividing Walmart US into three business units, Walmart West, Walmart North and Walmart South; creating e-commerce through a global.com organization; and combining logistics, real estate and store operations under the same leadership.

The restructuring eliminated "a relatively small number" of field merchandising positions in Northwest Arkansas and across the country, said Dave Tovar, Wal-Mart spokesman. He declined to provide the number or range of jobs lost.

Wal-Mart announced Feb. 3 it eliminated 300 positions at corporate headquarters in Northwest Arkansas. That includes the home office at Eighth Street and South Walton Boulevard in Bentonville, the David Glass Technology Center in Bentonville, a claims processing office at Eighth Street and West Walnut Street in Rogers and others.

The Northwest Arkansas jobs eliminated include those in finance, the legal department, corporate affairs, the information services division and the people division. Wal-Mart has about 12,000 corporate employees in the area, excluding employees at stores and distribution centers.

