

Amazon might convert old Sears and JC Penny stores into fulfillment centers

Amazon has had talks with Simon Property Group about converting some of its mall spaces into fulfillment centers, *The Wall Street Journal* reported. The conversations started before the coronavirus pandemic, and before the latest wave of bankruptcy filings by mall stalwarts like Lord & Taylor, JCPenney, and Nieman Marcus. It's a bit of an on-the-nose example of how e-commerce is overtaking the traditional brick-and-mortar retail establishments that used to be at the center of the shopping mall experience.

Simon is the biggest mall owner in the US, and looking to fill empty retail spaces, particularly those left behind by former anchor tenants like Sears and JCPenney. Having its fulfillment center warehouses closer to residential areas would help Amazon make deliveries more quickly, the *WSJ* notes.

It's not clear where or how many stores Amazon is considering, or how smaller mall tenants might feel about sharing a roof with the e-comm retail giant. Some malls across the US rent parking lots to Amazon vehicles already, but it would be unusual for a company like Simon to lease retail space directly to Amazon, as the *WSJ* points out.

While the pandemic has slammed most retailers, Amazon reported in its second-quarter earnings results that it doubled its net profit year over year to \$5.2 billion.

<https://www.theverge.com/2020/8/9/21361004/amazon-simon-mall-fulfillment-warehouse-retail-ecommerce>