

UNITEHERE! Local 11

August 25, 2021

Via Email

Starbucks Executive Officers and Board of Directors
2401 Utah Avenue South
Seattle, WA 98134

Dear Starbucks Executive Officers and Board of Directors,

As employees of HMS Host at Los Angeles International Airport, where we work at Starbucks locations, we are reaching out to express our concern about understaffing at the nation's second busiest airport. Since Starbucks is an HMS Host brand partner of three decades, we respectfully ask that you contact Host to help resolve our staffing crisis at LAX.

Through our hard work, we generate sales for the company, serving Starbucks coffee, drinks, and snacks to a constant flow of guests. However, we currently face an understaffing crisis.

- We do not have enough cashiers and baristas at our stores. We also sometimes lack utility workers tasked with ensuring our stores are clean and well-maintained.
- We often feel like we are doing double or triple our work with stores being run at times with only two to three people. As an example, cashiers sometimes not only have to take orders, but also help with the oven, help the baristas, and take on other store support positions.
- For certain shifts, only about half of the people we had prior to the pandemic are scheduled.
- The understaffing extends to not having enough managers to support us, especially when it comes to customers.
- Our lines are at times dozens of people long and stretch down the terminal hallways during our shifts. As a result, we often deal with customers complaining about wait times—one of us recently had a receipt thrown at us by an angry customer—at times with no managers present. It is incredibly difficult to perform our jobs in this situation.

HMS Host has an employee turnover problem. Its parent company Autogrill reported a 57% turnover rate for incoming employees in North America in 2020. Host seems to be unable to retain employees. Given how the understaffing problem—and the resulting long lines of unhappy customers and exhausting pace of work—has made our jobs so much more stressful, it is not surprising that new employees would not want to continue with the company.

Passengers are returning to LAX. The June 2021 numbers show that the airport is at 72.9% of pre-pandemic domestic passenger traffic totals when compared to June 2019.

At the following Starbucks locations, more passengers at LAX has meant recovering sales and in one case, increased sales, but the same cannot be said about the staffing. Less workers are now having to do more work.

- At a Starbucks in Terminal 2, sales increased by 36% from June 2019 to June 2021, but staffing hours decreased by 13% over the same period, meaning that this location increased their sales but with less staff.

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GARDEN GROVE OFFICE

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GARDEN GROVE, CA 92843
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AIRPORT OFFICE

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INGLEWOOD, CA 90304
310.671.0720
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PHOENIX OFFICE

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480.795.5330
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- A second location in Terminal 2 (in pre-security) recovered 100% of their sales from June 2019 to June 2021, but staffing hours decreased by 25% over the same period.
- One Starbucks location in Terminal 4 recovered 94% of their sales from June 2019 to June 2021, but staffing hours decreased by 19% over the same period.
- A fourth location in Tom Bradley International Terminal (TBIT) recovered 86% of their sales from June 2019 to June 2021 but reduced 36% of their staffing hours over the same period.

Even as it has cut costs through its staffing practices, HMS Host received a waiver of their minimum annual guarantee (MAG), which is a method of paying rent at the airport, and a 24-month lease extension from the Los Angeles Board of Airport Commissioners (BOAC). UNITE HERE Local 11 estimates that HMS Host saved approximately \$4.4 million on their rent to the city on their two direct contracts between April 2020 and June 2021. This equates to HMS Host not paying rent to the city for nine out of the 15 months between April 2020 and June 2021. Thus while passengers and sales are steadily returning to LAX, Host is in the position of neither paying full rent, nor paying a full workforce.

The understaffing issues we face have a clear solution: HMS Host needs to invest more in its workers by settling a labor contract that includes wage increases, healthcare benefits and appropriate staffing. We have been in contract negotiations for over three years with Host. We have gone without a raise in three years. Instead of feeling proud of working for HMS Host like we were when we began with the company, we are feeling stressed, overworked, unappreciated, and like the company does not care about us.

We are asking you to contact HMS Host and urge them to solve our staffing crisis at Los Angeles International by raising wages and benefits immediately as we have been demanding for years. Please contact us at your earliest convenience. We look forward to hearing from you. Thank you for your attention to this important matter.

Sincerely,

Tanesha Myles
 Juanita Ortiz
 Maria Esplana
 Monique Carrillo
 Samuel Montes
 Guadalupe Reyes
 Nicolas Navarro
 Mary Ramirez
 Blanca Morales
 Esther Barrera
 Juan Perez

John Esplana
 Yareli Cortez
 Jose Tellez
 Maria Beltran
 Keila Cabrera
 Ana Salcedo
 Jessica Raza
 Elva Quiroz
 Lina Martinez
 Elizabeth Galana
 Sandra Osorio

Miriam Castro
 Claudia Guevara
 Jose Lopez
 Lourdes Lopez
 Yolanda Vasquez
 Lisa Enriquez
 Rocio Narez
 Margarita Garcia
 Ileana Estrada
 Guadalupe Perez