

Growing list of retail brands suspend business in Russia

 By Lauren Hartzenberg

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A wave of European and North American retailers and brands have suspended operations in Russia following the Federation's invasion of Ukraine and the imposition of sanctions.



Source: ©tea - [123RF](#)

The invasion has brought about mounting logistical challenges and raised ethical questions for brands doing business in Russia. Responses from Western companies have ranged from temporarily shutting stores and halting sales in the region, to severing ties with Russian partners, and providing financial aid to organisations assisting Ukrainians impacted by the war.

Due to safety concerns, the brands have also been forced to shut some stores in the areas of Ukraine most affected by the invasion.

These are some of the retailers and brands that have pulled back on business in Russia.

Inditex

Spanish clothing giant Inditex, which owns retailers including Zara, Bershka and Oysho, has halted trading in Russia, closing roughly 500 shops and pausing online sales.

"In the current circumstances Inditex cannot guarantee the continuity of the operations and commercial conditions in the Russian Federation and temporarily suspends its activity," the world's biggest fashion company said.

"Inditex's priority remains its staff of more than 9,000 for whom (the group) will now develop a special support plan," it added.

H&M

Fast fashion giant H&M Group announced last week that it has temporarily paused all sales in Russia.

"H&M Group is deeply concerned about the tragic developments in Ukraine and stand with all the people who are suffering," it said.



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Mango

Spain's second-largest fashion retailer Mango said it is closing its 55 company stores in Russia, suspending online sales and stopping deliveries to the country. Its 65 franchisees are being allowed to remain open subject to product availability.

“ We dream of a more just and better world. We are following the evolution of the geopolitical situation, focusing our efforts on looking after our teams & customers. Please find here more about our initiatives: <https://t.co/CRWZG4tBPA> [pic.twitter.com/OpR5JfDWuQ](https://t.co/CRWZG4tBPA)— MANGO (@Mango) [March 3, 2022](#) ”

Ikea

Ikea announced that it was pausing all Ikea-brand retail operations in Russia. It's also paused all export and import in and out of Russia and Belarus, and has halted all Ikea industry production operations in Russia, including deliveries from all sub-suppliers to these units.

Approximately 15,000 employees are affected by these decisions, and the company said it was seeking to provide "income stability" for the short term.

Nike

Nike Inc. said it would temporarily close the stores it owns and operates in Russia, citing increasing challenges of managing its business. It also suspended online sales. The sneaker giant said it would support its employees by continuing to pay salaries.

"We are deeply troubled by the devastating crisis in Ukraine and our thoughts are with all those impacted, including our employees, partners and their families in the region," the company said.



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Under Armour

Sportswear company Under Armour Inc. has stopped all shipments into sales channels in Russia.

“Like the rest of the world, we are shocked and saddened by Russia’s unprovoked attack on Ukraine ... We are partnering with humanitarian groups to provide what is needed for those displaced and have also stopped all shipments into our sales channels in Russia,” Under Armour [said on its website](#).

It added, “We are proud to stand with Ukraine against Russia’s attack on their democracy and will do what we can as a global company where standing for equality matters.”

“ pic.twitter.com/o0GhHPUpsD— Under Armour (@UnderArmour) [March 3, 2022](#) ”

Adidas

Adidas has suspended its long-term partnership with the Russian Football Union (RFU), the governing body that oversees football in Russia. Adidas has been the kit supplier of all Russian men’s and women’s national teams since 2009. The most recent contract, which was signed in 2018 and expires at the end of 2022, is worth a [reported \\$14.4m](#) per year.

The sportswear brand is also temporarily closing its stores in Russia and suspending its online shop, but will continue to pay its employees in the country.

Levi Strauss

Denimwear brand Levi Strauss is suspending sales and halting investments in Russia, and will donate over \$300,000 to organisations aiding the refugees and people in Ukraine impacted by the war.

“In 2021, approximately 4% of the company’s total net revenues were derived from Eastern Europe, half of which was related to Russia. But any business considerations are clearly secondary to the human suffering experienced by so many,” [Levi’s said](#).



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LVMH

Luxury group LVMH, which owns brands including Louis Vuitton, Christian Dior, Fendi, Givenchy and Marc Jacobs, said it is temporarily closing its 124 stores in Russia. The company said it would continue to pay salary and benefits to its 3,500 employees in the country.

Kering

French multinational Kering, whose brands include brands as Gucci, Saint Laurent, Bottega Veneta, announced that it is shuttering stores in Russia “for its houses that the Group operates directly in the country.” This is “due to growing concerns regarding the current situation in Europe”, the company said.

“ Due to growing concerns regarding the current situation in Europe, Kering is temporarily closing its stores in Russia for its Houses that the Group operates directly in the country. pic.twitter.com/MrbCiHRc9N— Kering (@KeringGroup)

Chanel

French fashion house Chanel closed its boutiques in Russia and is no longer delivering merchandise into the country. The company also suspended its e-commerce activity in the Russian Federation.

Hermès

French luxury house Hermès [announced](#) that it would temporarily close its stores and pause commercial activity in Russia as of 4 March.

“Deeply concerned by the situation in Europe at this time, it’s with regret that we have taken the decision to temporarily close our stores in Russia and pause all our commercial activities. We will continue to stand by our local teams,” Hermès said.

Sephora

Beauty retailer Sephora announced on social media this morning that all of its Russian boutiques, as well as the sephora.ru retail site, will close within the next 24 hours.

“Given our increasing concerns about the current context and the complexity to operate, we will suspend our activity in Russia until further notice ... The safety of our local teams is our priority and we will continue to support them in this difficult time,” the retailer said.

Estée Lauder Companies

Estée Lauder Companies, which owns a large number of beauty brands including Mac, Estée Lauder and Clarins, has suspended all business investments and commercial activity in Russia. This includes closing every store the company owns and operates, as well as its brand sites and halting shipments to any of its retailers in Russia.

"Our top priority remains the safety of all our employees and we have decided to continue to provide compensation and support to our employees in Russia at this time," Estée Lauder said. The Estée Lauder Companies Charitable Foundation has also funnelled financial relief and product donations towards relief efforts in Ukraine.

L'Oreal

Cosmetics giant L'Oreal is temporarily closing its stores in Russia and suspending investments in the country. "We strongly condemn the Russian invasion and the war in Ukraine, which is causing so much suffering to the Ukrainian people," the French company said in a statement.

L'Oréal said it was fully aligned with the position of French and European Union authorities. The cosmetics firm, which owns the Lancôme and Maybelline brands, said it was considering additional measures while seeking to take care of its 2,200 employees in Russia. It added that it was also providing financial and psychological support to its 326 Ukrainian employees.

Amazon

Amazon has suspended shipment of retail products to customers based in Russia and Belarus, and will no longer be accepting new Russia and Belarus-based AWS customers and Amazon third-party sellers. The company is also suspending access to Prime Video for customers based in Russia, and will no longer be taking orders for New World – the

only video game it sells directly in Russia.

"As a reminder, unlike some other US technology providers, Amazon and AWS have no data centres, infrastructure or offices in Russia, and we have a long-standing policy of not doing business with the Russian government," the company noted.

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