TO:	New York Department of Labor, WARN Unit
FROM:	Randy Korgan, Director of the Teamsters Amazon Division
	Thomas Gesualdi, President of Teamsters Joint Council 16
CC:	The Hon. Roberta Reardon, Office of the Commissioner of Labor
	Steven Banks, New York City Law Department
	Samuel A.A. Levine, New York City Dept. of Consumer and Worker Protection
RE:	Amazon and Delivery Service Partner Systematic Violations of NYS WARN Act

As the largest labor union in the U.S. logistics industry, one of the Teamsters' top priorities for new organizing is to improve wages, benefits, and working conditions at Amazon with the power of a union contract. Over the course of the past five years, nearly 10,000 Amazon workers have become Teamsters, and roughly 40 percent of them work at facilities in New York City. Amazon Teamsters are organizing against the company's frequent mass layoffs of drivers, with no regard for the impact on their lives or families. There is no better example of this immoral practice than in New York.

This letter is submitted on behalf of hundreds of employees of transportation and logistics industry workers subjected to systematic violations of the New York State WARN Act ("the Act") to urge the Department and the Commissioner to purse an investigation of widespread and systematic violation of the Act by Amazon.Com Services, LLC, and its network of subcontractors, known as "Delivery Service Partners" ("DSPs") in the state of New York over the last handful of years. Our research and public records indicate that Amazon has knowingly induced and caused mass layoffs and closures through termination of contracts with its DSPs, violating the rights of workers to receive adequate notice or be compensated for the related deficiencies. We are urging the Commissioner to investigate Amazon and its DSPs for these violations and to enforce the WARN Act according to her authority under Sec. 860-f and NYCRR Title 12, Section 921-71. The Act also authorizes "local government" to bring civil actions "on behalf of the person, other persons similarly situated, or both," in any court of competent jurisdiction. N.Y. Lab. Law § 860-g(7). We would encourage cooperation between the Commissioner and the City of New York in seeking to vindicate the rights of the workers impacted by these violations.

Background

At least thirteen DSPs failed to give their employees the adequate notice required by law between 2023 and 2025[1]. In every instance, the amount of notice given was egregiously short of the statutory requirement: the *most* notice given in any of these cases was twenty-four days, sixty-six days short of the statutory requirement. In some instances, the notices were sent *after* the layoff or closure date. These layoffs and closures impacted 1,394 New York state workers. We estimate

[1] A list is appended hereto as an exhibit

that, if no severances were paid, these workers would be owed in the order of over $11 million in backpay. These numbers are a floor, because they are based on confirmable DSPs; there is nothing in the WARN Act database that itself indicates that a company is a DSP.

While the DSPs are the employer for purposes of the Act, they are not the sole entity responsible. DSPs are wholly dependent on Amazon, through its logistics arm, for their operation. This is not merely an economic reality, but a fact of the contractual relationship between Amazon and its DSPs. That contractual relationship allows Amazon to terminate its contract with the DSP essentially at will, with minimal, if any, notice requirement. Contracts between Amazon and its DSPs prohibit the use of the fleets leased for Amazon deliveries to be used for any other purpose but Amazon deliveries. The software used to plan and coordinate deliveries is proprietary to Amazon and used directly by the drivers; the DSPs have no control over it and only have access to such data as Amazon allows. DSP owners do not own, lease, or operate the facilities from which packages are delivered. Amazon retains some right of recall over use of the Prime-branded vans that are used to complete deliveries. Amazon recruits inexperienced individuals[2]—not companies or groups[3]—to form LLCs for purposes of these agreements. Amazon also requires very minimal initial capital from the applicants for DSP contracts.[4] Closure of the DSP within weeks if not days is therefore not only reasonably foreseeable for Amazon, but a near-certainty.

In short, the DSP system is specifically designed so that the DSPs have little operating capital with which to cover liabilities once a contract is terminated—and thus payments stop—and no resources to redeploy to other customers once that contract ends. Their sole asset is the contract with Amazon. As soon as that contract ends, the DSPs have no business left. No degree of entrepreneurial spirit would allow them to survive; a contract termination with Amazon, in the vast majority of cases, will mean mass layoffs at a minimum, if not total closure. Therefore when Amazon terminates a contract with less than the 90 day notice required by the Act, they are knowingly inducing a violation of the Act.

Amazon's culpability however goes deeper than mere foreknowledge. The relationship between Amazon and its DSPs satisfies the relevant control factors found at 12 NYCRR Sec. 921-1.1(e)(2). Specifically, factors (3) through (5):

De facto exercise of control. This is undisputed, even by Amazon itself, when it touts its delivery system. Amazon, through its control of the delivery software, sorts the packages, chooses a route along which they will be delivered, assigns them to a particular van, monitors the course of the delivery route, indicates where a courier should stop, intakes the signal that the delivery has been delivered, and even instructs the driver when to take breaks.

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[2] Amazon Logistics Marketing webpage FAQ, available at https://logistics.amazon.com/marketing/faq (visited July 21, 2026): "No previous logistics experience is required."

[3] *Id.* "Only one person may apply in a given application to become a Delivery Service Partner (DSP) owner. We do not accept applications from companies or groups."

[4] *Id*. "The application requires that you submit documentation demonstrating access to $30,000 in liquid assets."

These are not inferences, but Amazon's own admissions:

1. **Deliveries happen through Amazon's control of software.** "[O]ur technology designs routes that drivers complete within a specific time period – optimized for things like package volume and complexities with different addresses and neighborhoods."[5]
2. **Amazon Exercises On-Going Control Over the Details of the Work.** "We're always monitoring the weather and adjusting routes as needed to keep drivers safe."[6]
3. **Amazon Controls the Use of the Delivery Vans.** Amazon's program manual specifically prohibits the use of Amazon-branded vans that DSP owners lease from use for other "customers" of the DSP.[7]

That degree of control is also reflected in the contractual arrangement between Amazon and the DSP. One industry expert on franchise and distribution contracts, Peter Silverman of Shumaker, Loop, & Kendrick, LLP, described Amazon's contracts this way: It is probably the most one-sided contract I have ever seen….what is odd is if you weren't an LLC, *and they were controlling everything you do the way the contract does*, you would be considered an employee."[8]

Unity of Personnel Policies Emanating from a Common Source. Couriers are *employed* by DSPs, but functionally they are hired by Amazon, because they go through an Amazon process, need to be vetted by Amazon, receive Amazon credentials to access delivery facilities, and are subject to Amazon's general personnel policies.

1. **Amazon Exercises Control Over Pay Standards.** Amazon has minimums and a "rate card" that DSPs must follow in compensating "their" drivers: "[W]e anticipate that our latest investment will help DSPs increase driver pay to a national average of nearly $22.00 per hour."; "[R]ate card increases are "the amount we pay to DSPs that they then pay to drivers."[9]
2. **Amazon Sets Drivers' Health-Coverage and PTO Floors.** "DSPs provide health care coverage that meets or exceeds federal standards for affordability and minimum value ... for all employees who average at least 30 hours per week ... and full-time drivers receive at least 80 hours of paid time off per year."[10]
3. **Amazon Only Takes DSP Applications from Individuals, Not Businesses With Established, Distinct Policies, and Runs the Pipeline to DSP Ownership.** "Only one

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[5] *Everything you need to know about Amazon's Delivery Service Partner (DSP) program*, Amazon Staff, About Amazon (Jan. 9, 2024), https://www.aboutamazon.com/news/policy-news-views/amazon-dsp-program-update.
[6] *Id*.
[7] "Vehicle Usage: The Amazon branded vehicles are to be used solely for purposes of making deliveries for Amazon" The 2022 Delivery Service Partner Fleet Program manual can be found here: https://s3.amazonaws.com/helpscout.net/docs/assets/5dbc8d552c7d3a7e9ae36182/attachments/63124a5bc713d51da3edb2d9/Master-DSP-XL-Welcome-Packet-9.1.22.pdf
[8] DSPs for Equitable and Fair Treatment, "No Renewal Rights? Understanding the Gaps in DSP Agreements" (webcast), available at https://deft-us.com/understanding-the-gaps-in-dsp-agreements/
[9] *Everything you need to know about Amazon's Delivery Service Partner (DSP) program*, Amazon Staff, About Amazon (Jan. 9, 2024), https://www.aboutamazon.com/news/policy-news-views/amazon-dsp-program-update
[10] *Id*

applicant may apply. Applicants who indicate they have relationships with persons or entities that pose a conflict of interest are ineligible to be a DSP. For example, any person who owns or is entitled to a stake in a DSP business may not own or have a stake in any other DSP business."[11] "[Amazon] created Road to Ownership, an accelerated training program that paves the way for high-performing DSP employees to become DSP owners ... Upon completion, participants receive a $30,000 grant."[12]

Dependency of Operations. This factor is entwined with the others, and is rooted not only in the DSP program's policies but in black-letter contractual language. The DSPs are wholly dependent on Amazon, not just as a "major customer," but in the sense that its operations rely completely on access to Amazon facilities, software, and infrastructure, without which they have no business whatsoever. Again, Amazon itself characterizes the DSP's business as a structural part of *their* business that they fund and invest in: "we've invested more than $12.3 billion in state-of-the-art technology, safety features, rate cards, programs, and services for Amazon DSPs and their drivers."[13]

Amazon and DSPs Should Be Liable for the WARN Act Violations.

The violations detailed in Exhibit A are within the limitations period of Section 860-g(7) and CPLR 213 which is incorporated thereto, and therefore remedies are still available to the impacted employees. It is incumbent on the Department to investigate these violations and provide the employees with their remedies as well as recover civil penalties for the state.

Amazon and the DSPs are a single employer for purposes of the Act, as detailed above. The relevant implementing regulation defines an employer and provides that "Independent contractors, and subsidiaries that are wholly or partially owned by a parent company, may be treated as separate employers depending on the degree of their independence from the parent." N.Y. Comp. Codes R. & Regs. tit. 12, § 921-1.1. Interestingly, the regulation inverts the usual test: independent contractors of a parent must meet the independence factors sufficiently to show they are *not* single employers with the parent entity. The regulation makes a distinction between "independent" contractors and "subsidiaries that are wholly or partially owned by a parent company." An independent contractor is inherently not a whole or partially owned subsidiary—its nature is that it is independent and contracted. Therefore factors (1) and (2), relating to ownership and directors and officers, are not applicable to independent contractors. DSPs cannot meet the remaining factors, and each weighs very heavily in favor of finding Amazon and the DSPs to be a single employer under the Act.

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[11] *FAQ,* Amazon Staff, (retrieved August 5, 2026), https://logistics.amazon.com/marketing/faq
[12] *DSP program update*, About Amazon (Jan. 9, 2024), supra.
[13] *Id*.

Amazon designs and controls the agreements which DSPs enter and therefore is very aware of the degree of dependence DSPs have on their relationship to them. The termination of agreements with less than 90-days' notice therefore meets the predicate requirement of NY CLS Labor Sec. 860-b(1), which prohibits the ordering of a mass layoff, relocation, or employment loss without adequate notice. DSP owners lease Amazon-branded vehicles they cannot use for other customers and therefore lose their utility as soon as their work for Amazon ends. DSPs use Amazon's logistics software for planning, routing, monitoring, and scoring their deliveries, and that data is, critically, *owned by Amazon*. Amazon's termination of contracts with DSPs amounts to a mass layoff by Amazon that requires notice under the Act because DSPs cannot show that they are sufficiently independent of Amazon to be treated as a separate employer.

We respectfully request that the Commissioner exercise her authority under Section 860-f and 12 NYCRR Sec. 921-7.1 and investigate at a minimum the closures listed in the attached exhibit and seek information sufficient to establish what other mass layoffs Amazon has been responsible for at its facilities in New York, determine whether compensation was paid for these sudden closures, and to open enforcement proceedings where appropriate; and that the Department, the City of New York, or both, exercise their authority on behalf of the impacted workers.

Thank you for your work in support of New York's working families and your attention to this matter.

Sincerely,

Randy Korgan
Director of the Teamsters Amazon Division
San Bernadino, CA

Thomas Gesualdi
President of Teamsters Joint Council 16
New York, NY

EXHIBIT A

Date of WARN Notice	Business Legal Name	Impacted Site Address	Date Layoff/Closure Starts	Number of Affected Workers	Days notice
2025-10-13	King Delivery LLC	640 Columbia St Brooklyn, NY, 11231	2025-10-20	200	7
2025-09-23	Lynx Logistics, LLC.	1502 Bassett Ave Bronx, NY, 10461	2025-09-12	53	-11
2025-08-26	Cornucopia Logistics, LLC.	395 Robbins Lane Syosset, NY, 11791	2025-08-20	49	-6
2025-08-26	Cornucopia Logistics, LLC.	55-15 Grand Ave Maspeth, NY, 11378	2025-08-20	95	-6
2025-05-23	Presto Transport, LLC.	55-15 Grand Avenue Maspeth, NY, 11378	2025-06-06	56	14
2024-11-27	YANWA, LLC.	270 Richard Street Brooklyn, NY, 11231	2024-11-27	74	0
2024-10-29	Concorde Express Inc.	5 Warehouse Lane Elmsford, NY, 10523	2024-10-29	59	0
2024-09-16	3E Logistics NJ, Inc.	270 Richards St. Brooklyn, NY, 11231	2024-09-30	84	14
2024-09-20	Champion Logistics, Inc.	55-15 Grand ave Maspeth, NY, 11378	2024-09-30	87	10
2024-04-29	DOTC Delivery, LLC.	1 Bulova Ave Woodside, NY, 11377	2024-05-07	105	8
2024-02-20	Zena Delivery & Logistics LLC	500 Hudson Valley Ave New Windsor, NY, 12553	2024-03-06	100	15
2023-12-07	IMPELLET INC	55-15 Grand Ave Queens, NY, 11378	2023-12-23	149	16
2023-09-27	DYJ Logistics LLC	1055 Bronx River Ave. Bronx, NY, 10472	2023-10-21	112	24