REPORT: Top Retail Companies' Profits Soared by Over $24B After Raising Consumer Prices

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Washington D.C. – Government watchdog Accountable.US released a new analysis of earnings data of the ten largest U.S. retailers by market capitalization finding that they all raised consumer prices while collectively reporting **$24.6 billion** in increased profits during their most recent fiscal years. These same companies also ramped up spending on shareholder handouts by nearly **$45 billion** year-over-year for a total of **$79.1 billion**.

> "When corporate profits are at their highest levels in nearly 50 years and companies are showering their shareholders with billions in new benefits over the last year, it raises serious questions whether industries like retail have had to hike prices on families to such excessive degrees. How can any company that's raking in billions upon billions more than the year before honestly say that the market forced them to dig so deep into consumers' pockets?" said **Kyle Herrig, president of Accountable.US.** "It's time corporations finally help shoulder the burden average Americans have taken on throughout the health crisis. Corporations can start by stabilizing prices for consumers instead of pursuing even higher profits -- on top of finally paying their fair share in taxes."

The new analysis follows Accountable.US' previous report revealing that the top three corporations in several major categories under the CPI all raised prices on consumer staples and/or benefited from increased costs while making **$151 billion** in increased profits from their last reported earnings periods. Accountable.US also released an analysis finding that 18 of Congress' most vocal defenders of corporate price hikes have taken over $5.7 million from major corporations that saw profits soar amid rising prices.

KEY FINDINGS FROM THE REPORT:

Amazon—which announced price increases to its Amazon Prime subscriptions in February 2022 and plans for a $10 billion stock buyback program the next month—saw its 2021 net income increase by over $12 billion to over $33 billion as its CEO pay ratio increased from 58-to-1 to 6,474-to-1.

Walmart, which credited "price management and mix" for an increase in its gross profit rate, saw its most recent FY 2022 net income increase by $163 million to over $13.6 billion while its shareholder handouts grew by $7.2 billion to nearly $16 billion in FY 2022, with plans to spend "at least $10 billion" on stock buybacks in FY 2023.

After **Home Depot's** CEO admitted that the company was "taking cost" to pass along to consumers, the company reported a 27% increase in annual net earnings, increased stock buybacks by $14 billion and spent nearly $7 billion on dividends, with plans to increase quarterly dividends by 15%.

Costco—whose CFO admitted that inflation "ha[d] passed through" onto consumers in the form of increased prices up to 5%—touted its "record-breaking" $5 billion net income, grew its shareholder handouts by over $4.5 billion to over $6.2 billion, and has continued to see increases to its net income after earning $1.2 billion in net income in its most recent Q2 FY 2022, up $348 million from the prior year.

In February 2022, **Lowe's** highlighted the "ongoing benefits of [its] new pricing strategies" as it saw FY 2021 net income increase 44% to $8.4 billion while spending $15.1 billion on shareholder handouts, including stock buybacks that were "$1.1 billion higher than anticipated" due to "better-than-expected financial performance."

CVS Health—the sixth largest U.S. retailer and "the leading health solutions company"—saw over $7.8 billion in 2021 net income as it authorized a $10 billion buyback program and spent $2.6 billion on shareholder dividends, while paying its new CEO nearly $20.4 million.

Target—known to change its online prices depending on customer locations to "'reflect the local market'" while maximizing sales and profits—saw its FY 2021 net earnings rise 59% and used those profits to boost buybacks by 887% while spending $1.5 billion on shareholder dividends.