

Congress of the United States

Washington, DC 20510

September 2, 2022

Jeffrey Schwartz
Managing Partner and CEO
Corbel Capital Partners
12400 Wilshire Blvd.
Suite 645
Los Angeles, CA 90025

Dear Mr. Schwartz:

We write to you today regarding the recent unexpected closure of LandAir, based in Williston, Vermont and acquired by your company, Corbel Capital Partners, in 2018. We are concerned about the nature of LandAir's closure of 11 worksites and layoffs of nearly 450 workers across our states.

By all accounts, workers were blindsided by the closure. First, nighttime drivers were laid off without warning. When other employees raised concerns with management about job security, they were told not to worry and that the firm was going through a "restructuring." On the morning of July 5, employees were unable to log into their computers and drivers were notified the company would not be making pickups. Later that day, workers were told via Zoom that they no longer had jobs and that all operations would be wound down by the end of the week.

This closure had and continues to have profound effects on workers and the Syracuse, Pittsfield, Windsor, Londonderry, Williston, South Easton, Scarborough, Springfield, Albany, Tonawanda, and Hooksett communities, costing many their jobs, insurance coverage, and financial stability.

We understand the nature of business. There are difficult points where businesses have done everything they can, and economic viability is simply not possible. However, that is rarely the case for those run by private equity firms like yours. Your business model has a track record of buying up family-run businesses like LandAir, loading them up with debt, then leaving out the back door, making out like bandits while workers and communities pay the price. According to bankruptcy filings filed in July, LandAir has amassed nearly \$50 million in debt, including nearly \$34 million owed to your firm.

What is perhaps most concerning about this closure is your flagrant disregard for your obligations to workers under the law. Under the *Worker Adjustment and Retraining Notification Act* at the Federal level and several similar laws at the state level, LandAir was required to issue notice to employees at least 45 days before the complete closure of a worksite. Yet LandAir failed to give workers or states any notice of the closure.

It is clear to us that you will do everything in your power to maximize your revenues for your executives and investors, with no regard for your employees or countless businesses that will be harmed by your bankruptcy filing. Workers, local small businesses, and our communities deserve better. When you acquired LandAir, you also acquired its obligations and responsibilities to its workers. There must be no get out of jail free card.

Corbel manages a portfolio worth \$1 billion and has conducted \$8 billion in deals. Let's be clear: you have every penny at your fingertips needed to ensure these workers are taken care of.

We are requesting that you immediately make affected employees whole by providing them severance pay for the entire period of notification that they should have been given. Further, you should immediately comply with information requests from Federal, state, and local agencies regarding this closure.

We appreciate your immediate attention to this matter.

Sincerely,



Bernard Sanders
United States Senator



Elizabeth Warren
United States Senator



Peter Welch
United States Representative



United States Senator