MONEYWATCH

Lawmakers call for criminal probe of Amazon, alleging it stonewalled investigation



By Irina Ivanova March 9, 2022 / 12:07 PM EST / MoneyWatch

A bipartisan group of lawmakers are asking the U.S. Department of Justice to investigate Amazon, accusing the ecommerce giant of deceiving lawmakers during a recent antitrust investigation.

In a March 9 <u>letter</u> addressed to Attorney General Merrick Garland, leaders of the House Judiciary Committee claim that Amazon has refused to provide business records detailing how it uses data belonging to third-party sellers on its platform and accusing executives of making "false and misleading statements" in previous testimony before the panel. That amounts to "potentially criminal conduct" by the company and some senior executives, whom the committee does not name, the letter states.

During <u>an investigation</u> into Amazon and three other Big Tech companies, Nate Sutton, associate general counsel for Amazon, <u>testified</u> to Congress that the company doesn't "use individual seller data to directly compete with them."

Since then, however, media reports have uncovered numerous examples of Amazon appearing to do just that, the lawmakers allege. The Wall Street Journal in 2020 revealed that Amazon accessed data on sales of a popular cartrunk organizer and then launched a competing product, while reporting from Reuters and <u>The Markup</u> found that Amazon ranks its own products higher than competing merchandise in searches even when third-party products have better reviews and more sales.

Amazon founder Jeff Bezos <u>later told</u> Congress that Amazon had access to data in categories where there were as few as two sellers, seemingly contradicting the company's earlier claims. But investigators were stymied because Amazon, while denying that it lied, refused to provide the evidence to Congress, the House lawmakers said.

"After Amazon was caught in a lie and repeated misrepresentations, it stonewalled the Committee's efforts to



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artment of Justice to investigate whether Amazon federal law," they added.

Amazon says it's cooperating

In a statement, Amazon denied the Judiciary Committee's claims. "There's no factual basis for this, as demonstrated in the huge volume of information we've provided over several years of good faith cooperation with

this investigation," the company said.

The Athena coalition, a labor-oriented group that opposes Amazon, praised the move by lawmakers to request the Justice Department to investigate. "Amazon's stranglehold on our economy and democracy must be broken. We applied federal lawmakers for starting to bring Amazon to account, and urge further federal action to expand and enforce antitrust law and protect workers from its exploitation," it said in a statement.

Last week, lawmakers also called out Amazon for <u>potentially</u> firing workers illegally, and urged federal regulators to look into the company's attendance policy.

It's exceedingly rare for companies to face criminal charges, although federal prosecutors have recently <u>suggested</u> they are willing to bring criminal cases for alleged monopolies.

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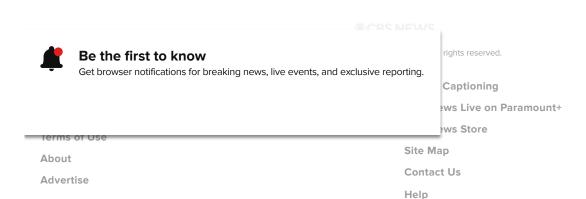
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