

European Commission
Attn. Mr Didier Reynders
Member of the European Commission
Justice
Rue de la Loi, 200
B-1049 Brussels

Via email

Luxembourg, Friday March 27, 2020

Dear Mr. Reynders,

Thank you for your letter dated March 23, 2020. We are working hard to protect our customers and take quick and effective action against bad actors. There is no place for price gouging on Amazon and we do not tolerate attempts by bad actors to artificially raise prices or mislead customers on products customers need during a global health crisis. We comply with EU Consumer Protection Laws and the Member State Common Position is helpful as we continue to look at these issues.

Third-party sellers set prices and describe the products they sell in our stores. In the vast majority of cases, they offer our customers great products at competitive prices. Our long-standing Restricted Products ¹ and Marketing Fair Pricing ² policies strictly prohibit making illegal or unfounded marketing claims and charging excessive product prices. We are pro-actively monitoring our stores 24 hours a day, seven days a week, and are aggressively enforcing our policies to protect customers. We have removed hundreds of thousands of high-priced offers on in-demand supplies from our stores. We have also removed millions of products that make unsupported claims about coronavirus. We have suspended thousands of accounts of sellers who have engaged in price gouging. In addition, we are in contact with the national competition authorities across Europe and we are working with several Member State law enforcement authorities and Europol to prosecute the worst offenders. We will continue to assist all efforts to combat abuse in our stores.

The answers to your specific questions are as follows:

1. Actions undertaken to remove product listings associated with potentially misleading claims about the products' ability to prevent/cure COVID 19 pathologies

Over the years, Amazon has put in place a significant number of compliance measures and initiatives to protect customer safety and trust, which continuously operate. These measures include so-called "Restricted Products Rules" that actively identify and act on certain product listings based on available

¹ https://sellercentral.amazon.co.uk/gp/help/external/201743940?language=en GB&ld=AZUKSOAFooter

²https://sellercentral.amazon.co.uk/gp/help/external/help.html?itemID=5TUVJKZHUVMN77V&language=en GB&ref=efph 5TUVJKZHUVMN77V_relt 201995790



information in our stores, such as product titles and descriptions. Our Restricted Products Rules identify products for specific action. These actions can range from product listing removal to offer treatments, such as warnings or seller disqualifications. In our European stores, we run over ten thousand rules and manually review millions of product listings each year.

In this current crisis, to eradicate misleading claims, we have prioritized our system capacity and manual reviewers to search and prohibit the sale of products that make any reference to COVID-19 or any other known name variation.

We have suppressed millions of product listings across our EU stores for misleading COVID-19 claims. We continuously refine and improve our rule coverage. Rules run continuously.

2. Excessive pricing

More than half of the products on Amazon are offered by third-party sellers who set their own prices. The overwhelming majority are honest sellers who offer Amazon customers a wide array of great products at competitive prices. Amazon has zero tolerance for price gouging and strictly prohibits sellers from exploiting an emergency by charging excessively high prices on products. We are issuing regular reminders to our sellers about these longstanding policies, and we are enforcing them aggressively to protect our customers.

We are constantly monitoring our stores for unfair prices and listings that make false claims in regards to COVID-19. We have dynamic, automated systems in place that locate and remove unfairly priced items. In addition, we have deployed a dedicated team that's working continuously to identify and investigate unfairly priced products that are now in high demand, such as protective masks and hand sanitizer. If we find a price that violates our policy, we remove the offer and take swift action against bad actors engaged in demonstrated misconduct, including suspending or terminating their selling accounts and referring them to law enforcement agencies for prosecution under relevant laws.

3. Pressure selling techniques

Pressure selling techniques are strictly prohibited on Amazon and all promotions in our stores are closely monitored. In an abundance of caution, we recently prohibited third-party sellers from doing any promotional deals on COVID-19 related products, including protective masks, hand sanitizers, protective gloves and fiction and non-fiction themed-products related to how specific viruses should be treated (e.g., SARS and MERS).

With respect to all of these issues, we promptly investigate any authority contact, and immediately remove non-compliant products. We then use this information to review, refine and improve our existing compliance and pricing mechanisms. If you find any potentially misleading Coronavirus claims or potentially excessive prices, please contact us at our covid19-eu-cooperation@amazon.com alias, as communicated to your services earlier this week. In addition, where the European Commission and CPC network becomes aware of any trends (i.e. bad actors, key words), this feedback would be very helpful as we continue to adapt and refine our internal processes. We are keen to continue to work with the



European Commission and with Member States to tackle these challenges together, in the interest of all consumers.

We are available to provide further clarification on the matter and would be happy to schedule a call with your services to answer any questions.

Yours sincerely,

Amazon EU S.à r.l.

Docusigned by:

Xavier Garambois

1218338206ED48F...

Xavier Garambois
Vice President EU Retail