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March 4, 2020

Jeffrey P. Bezos
Amazon.com, Inc.
410 Terry Avenue North
Seattle, WA 98109-5210

Dear Mr. Bezos:

I write concerning disturbing news reports of coronavirus-inspired price gouging on Amazon.com. As the world confronts the prospect of a serious and far-reaching pandemic, corporate America has a responsibility to prevent profiteering on the sales of items such as hand-sanitizer and surgical masks. No one should be allowed to reap a windfall from fear and human suffering.

Although Amazon and the other sellers on Amazon.com have a right to expect a reasonable return on the products they sell, they do not have a right to impose unjustifiably high prices on consumers who are seeking to protect themselves against the coronavirus. But according to recent press reports, that is precisely what is happening. For example, yesterday, the *Financial Times* reported that some prices represented “a more than 2000 percent mark-up, compared to normal retail prices.”¹ Among the items cited: “[A] pack of 20 masks made by manufacturer 3M, but sold by an unauthorized reseller, was on sale at \$387, compared to a normal retail price of around \$14.99” — notwithstanding the Centers for Disease Control and Prevention’s admonition that masks do not provide reliable protection against coronavirus.² “A pack of 24 2oz bottles of Purell hand sanitiser, typically sold for less than \$10 per box, was listed at \$400.”³

Last week, Amazon took appropriate first steps in response to this price gouging when it announced that it had removed “tens of thousands” of listings and reiterated that sellers on its platform must comply with its Fair Pricing Policy.⁴ That policy warns of consequences —

¹ Dave Lee, *Amazon battle sharp price rises of coronavirus products*, Fin. Times (Mar. 3, 2020), <https://www.ft.com/content/8db033ac-5d11-11ea-b0ab-339c2307bcd4>.

² <https://www.cdc.gov/niosh/npptl/pdfs/UnderstandDifferenceInfographic-508.pdf>.

³ Dave Lee, *Amazon battle sharp price rises of coronavirus products*, Fin. Times (Mar. 3, 2020), <https://www.ft.com/content/8db033ac-5d11-11ea-b0ab-339c2307bcd4>.

⁴ Annie Palmer, *Amazon cracks down on coronavirus price gouging and products making false claims*, CNBC (Feb. 27, 2020), <https://www.cnbc.com/2020/02/27/amazon-cracks-down-on-coronavirus-price-gouging-false-claims.html>.

including blocking sales — when prices are “significantly higher than recent prices offered on or off Amazon.”⁵

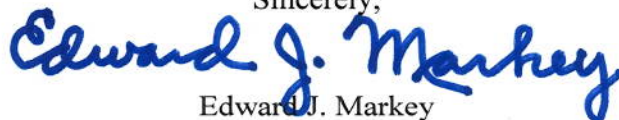
But continued reports of price gouging and a lack of transparency have left consumers exposed to unfair trade practices. Furthermore, according to WIRED, one mask seller described Amazon’s enforcement policy as “haphazard,” explaining that “their offers were sometimes removed even when they were the lowest-priced option on a specific listing.”⁶

Internet-based retailers such as Amazon.com have a particular responsibility to guard against price gouging in current circumstances as consumers — who are finding the shelves of local brick-and-mortar stores bare, and who may wish to avoid venturing into crowded stores and shopping malls — turn to the internet. To help me further understand how Amazon is protecting consumers from coronavirus-inspired price gouging, please respond to the following questions by March 18, 2020:

1. How does Amazon determine whether coronavirus-based price gouging is occurring on its platform?
2. At what level is an item considered unfairly priced?
3. How many price-gouging warnings has Amazon issued to sellers seeking to capitalize on the coronavirus? How many listings has Amazon removed or suspended?
4. What additional resources is Amazon devoting to ensuring that coronavirus-based price gouging is not occurring on its platform?

Thank you in advance for your attention to these requests. If you have any questions, please contact Andrew Cohen of my staff at 202-224-2742.

Sincerely,



Edward J. Markey
United States Senator

⁵ Amazon Marketplace Fair Pricing Policy, https://sellercentral.amazon.com/gp/help/external/G5TUVJKZHUVMN77V?language=en_US&ref=efph_G5TUVJKZHUVMN77V_cont_521.

⁶ Louise Matsakis, *Amazon Pulled Over 1 Million Items Capitalizing on Coronavirus*, WIRED (Feb. 28, 2020), <https://www.wired.com/story/amazon-pulled-over-1-million-items-coronavirus/>.