Chronology of Amazon's Representations and Contrary Facts

Third-Party Seller Data

Round One

- July 16, 2019: Nate Sutton, Amazon's Associate General Counsel for Competition, testifies under oath about Amazon's use of third-party sellers' data in its private-label business and states that "we do not use any seller data for—to compete with them."
- O July 18, 2019: The Capitol Forum quotes a former Amazon product-management employee as saying that Amazon "routinely tracked the popularity of independent sellers' products sold through its website"; that "[t]he wording of what these executives say is chosen very carefully"; and that "Amazon may not use individual sellers' data, but they do examine aggregate seller data collected from multiple competing retailers."

Round Two

- O July 26, 2019: David Zapolsky, Amazon's General Counsel, writes to the Committee that Amazon's private-label business uses "aggregated store data (e.g., total sales) and customer shopping behavior (e.g., search volume)," as well as "data that we make publicly available, including sales rank, product attributes, and customer ratings." On the other hand, Amazon "prohibit[s] in our private label strategy the use of data related specifically to individual sellers."
- October 11, 2019: Through outside counsel in response to Questions for the Record, Amazon confirms that it "prohibits Amazon's private brand products business from using individual sellers' data to decide which products to launch" or "to make sourcing, pricing, or inventory decisions."
- O April 23, 2020: The Wall Street Journal reports that, although Amazon "has long asserted, including to Congress, that when it makes and sells its own products, it doesn't use information it collects from the site's individual third-party sellers," "interviews with more than 20 former employees of Amazon's private-label business and documents reviewed by The Wall Street Journal reveal that employees did just that."

Round Three

- o May 15, 2020: Brian Huseman, Amazon's Vice President for Public Policy, writes to the Committee that Amazon is investigating the claims in *The Wall Street Journal* article.
- July 29, 2020: Jeffrey Bezos, Amazon's then-CEO, testifies under oath that Amazon
 continues to investigate the claims in *The Wall Street Journal* article and will provide the
 results to the Committee.
- September 4, 2020: Through outside counsel in response to Questions for the Record, Amazon criticizes the reporting by *The Wall Street Journal* as conflating private-label employees' permissible use of public seller data with impermissible use of non-public seller data. Amazon otherwise fails to respond to questions asking it to list specific instances where private-label employees accessed individual third-party seller data.
- October 4, 2020: Mr. Huseman sends the Committee a three-page letter on behalf of Amazon informing the Committee that "Amazon's investigation into the *Wall Street Journal*'s allegations that Amazon employees violated the Seller Data Protection Policy is complete, and we are satisfied that the results confirm, as with all our policies, the seriousness with which we take this policy." The only specific and relevant finding from

- the internal investigation that Mr. Huseman offers is that "Amazon's records of past data queries related to the two products cited in the *Wall Street Journal* report show that a single former employee pulled and analyzed only aggregate data for both products in compliance with the Seller Data Protection Policy."
- October 6, 2020: The Committee releases its Digital Markets Report, which describes interviews with former Amazon employees, as well as current and former sellers, who confirmed that employees in Amazon's private-label business regularly use individual, proprietary third-party seller data.
- April 30, 2021: Politico reports that a 2015 internal audit by Amazon revealed that "4,700 of its workforce working on its own sales had unauthorized access to sensitive third-party seller data on the platform."
- October 13, 2021: Reuters publishes an article—based on a review of thousands of Amazon's internal documents—reporting that, in India, Amazon engaged in a pattern of "exploiting proprietary data from individual sellers to launch competing products."

Self-Preferencing in Search Results

- <u>July 16, 2019</u>: Mr. Sutton testifies under oath that "[o]ur algorithms, such as the buy box, is [sic] aimed to predict what customers want to buy . . . [a]nd we apply the same criteria whether you're a third-party seller or Amazon to that because we want customers to make the right purchase regardless of whether it's a seller or Amazon."
- October 11, 2019: Through outside counsel in response to Questions for the Record about its search algorithm, Amazon states that it "designs its shopping and discovery experience to feature the items customers will want to purchase, regardless of whether they are offered by Amazon or one of its selling partners."
- October 13, 2021: Reuters reports that internal Amazon documents "show for the first time that, at least in India, manipulating search results to favor Amazon's own products, as well as copying other sellers' goods, were part of a formal, clandestine strategy at Amazon—and that high-level executives were told about it."
- October 14, 2021: *The Markup* reports that its analysis of Amazon search results for 3,492 popular products revealed that Amazon "gave its brands the top spot . . . above competitors that had both better ratings and more reviews than the Amazon brand or exclusive product."

Final Opportunity to Correct Record or Corroborate Claims

- October 18, 2021: The Committee sends a letter to Andy Jassy, Amazon's CEO, giving Amazon a final opportunity to correct the record or provide credible evidence corroborating Amazon's disputed representations. The Committee requests sworn statements in response, as well as supporting business documents and communications.
- November 1, 2021: In a short and unsworn letter, Mr. Huseman responds that the cited investigatory reports "appear to repeat key misunderstandings and speculation, and in the process come to inaccurate conclusions."
- November 10, November 18 & December 8, 2021: Committee staff interview one of Amazon's outside counsel. Counsel repeats Amazon's claims that the investigatory reporting is inaccurate and confirms that Amazon will not turn over its internal audits or investigations.
- <u>December 17, 2021</u>: Amazon's outside counsel reiterates that Amazon will not turn over any "documents relating to" its most recent internal investigation.