

UK authorities give Amazon 5 days for new Deliveroo plan

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This Sept. 6, 2012 file photo shows the Amazon logo in Santa Monica, Calif. Amazon has signed a lease for a new office space in Manhattan that will house more than 1,500 employees, less than a year after pulling out of a deal for a larger headquarters in the borough of Queens after politicians and activists objected to nearly \$3 billion in incentives. (AP Photo/Reed Saxon, File)

British authorities are asking Amazon to address concerns that its plan to buy a stake in food delivery platform Deliveroo could damage competition between businesses that do takeaways and those that deliver groceries.

The Competition and Markets Authority gave the online shopping shopping behemoth five days to come up with legally binding proposals to address the competition concerns identified Wednesday. Amazon is interested in investing in Deliveroo to give it a larger stake in the fast-growing restaurant delivery business.

"If the deal were to proceed in its current form, there's a real risk that it could leave customers, restaurants and grocers facing higher prices and lower quality services as these markets develop," said Andrea Gomes da Silva, the authority's executive director. "This is because the significant competition which could otherwise exist between Amazon and Deliveroo would be reduced."

Amazon failed to get its own restaurant delivery business going in the United Kingdom, shutting it down for good late last year. It faced tough competition from Deliveroo, as well as its other rivals in the country such as Just Eat and UberEats. Amazon shut down the U.S. business in June.

Founded in 2013, Deliveroo has about 60,000 riders delivering food from some 80,000 restaurants in 14 countries, including Australia, France and Germany.

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