

More wipes, no jeans: Amazon limits shipments to warehouses

March 17 2020, by Joseph Pisani



This July 17, 2019, file photo shows an Amazon shipping truck at a fulfillment center in Phoenix. Amazon said Tuesday, March 17, 2020, that it will only accept from suppliers shipments of cleaning equipment, medical supplies and household goods at its warehouses for next three weeks to fill surging demand of those items.(AP Photo/Ross D. Franklin, File)

To make room for toilet paper, hand sanitizer and other items in high

demand during the global viral pandemic, Amazon said it is limiting what brands and independent sellers can send to its warehouses for the next three weeks.

Among the products that can be shipped to Amazon include canned beans, diapers, dog food, disinfecting wipes, medical supplies and various household goods. Items like jeans, phone cases and other non-essentials will not be allowed.

"It's pretty disruptive," says Greg Mercer, the CEO of Jungle Scout, a software platform for Amazon sellers that predicts sales data.

Merchants send their products to Amazon to store in their warehouses until a shopper buys it. Amazon then packs up the products and ships it to the customer.

Third-party sellers who sell most of their goods on Amazon.com could suffer if they go out of stock and can't ship more goods to Amazon. Shoppers could begin to see less stuff to buy on the site. Nearly 60% of all the goods sold on Amazon came from third-party sellers in 2018.

"This is getting very ugly and quick," said an Amazon third-party seller, who has sold fashion accessories through the site for several years. The seller did not want to be named for fear of retribution from Amazon.

Sales took a dive on Monday, the seller said, adding that news of the further spreading virus and a wildly-swinging stock market is keeping shoppers away. He said he may not keep up with a monthly loan payment.

"We are in trouble and may not survive until June," the seller said.

The new restrictions are another sign of how much pressure Amazon's

delivery network is facing as more people hunker down at home and shop online to avoid crowds.

The Seattle-based company warned customers this week that deliveries may take longer than usual. And on Monday the company said it will add 100,000 new jobs at delivery centers and its warehouses to keep up with a spike in orders.

Amazon said the new restrictions will last until April 5.

"We understand this is a change for our selling partners and appreciate their understanding as we temporarily prioritize these products for customers," Amazon said in a statement.

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