

Toilet paper, patio heaters and surgical gloves: Amazon vendors hiked prices on pandemic items, report says

January 11 2021, by Ken Alltucker



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Amazon vendors doubled prices last year on 136 products considered essential for consumers, health providers and small businesses during the coronavirus pandemic, according to a new report.



The U.S. Public Interest Research Group Education Fund report released Thursday analyzed <u>prices</u> of 750 "essential supplies" such as toilet paper, pulse oximeters and hand sanitizers sold over the online retail site from Dec. 1, 2019 through Dec. 1, 2020.

Sellers of 409 products raised prices more than 20% over the past year. Another 136 items doubled in price, according to the report.

U.S. PIRG officials acknowledge <u>price increases</u> can be inevitable when demand spikes but said states should enact or enforce price-gouging laws and the <u>online retailer</u> should take aggressive steps to protect consumers.

"Amazon has done a lot to combat price gouging on their site," said Grace Brombach, a U.S. PIRG Education Fund consumer watchdog associate who wrote the report. "We just believe that it is such a massive online marketplace, that they need to be doing more."

An Amazon spokesperson said sellers set their own prices but the online site has a longstanding policy against price gouging and monitors listings 24/7 for violations. In 2020, the Amazon blocked or removed 39 million offers and suspended more than 13,000 accounts for attempted price gouging, a spokesperson said.

"We work hard to provide customers with low prices, vast selection, and fast delivery," the company spokesperson said.

In March, a group of 33 attorneys general demanded online retailers such as Amazon, Craigslist, eBay, Facebook and Walmart crack down on price gouging for critical supplies such as hand sanitizer and disinfectants.

The U.S. PIRG report focused exclusively on Amazon because it's the largest online retailer and has vowed to combat price gouging, Brombach



said. Using data from the price-tracking tool Keepa, the report compared prices on 50 listings in 15 categories "that people would consider essentials during the pandemic," she said.

Consumers have been frustrated by periodic shortages of household staples such as toilet paper, paper towels, disinfectant wipes and hand sanitizer, and the report shows pricing varied widely in those categories.

One seller this year charged \$109.99 for a 36-roll package of toilet paper—a price hike of \$79.04 from a year ago. About one in three sellers increased toilet paper prices more than 20%.

Patio heaters, snapped up by restaurants for outside dining and families to safely distance outside, had the 10 largest price hikes by percentage. But another sought-after item, surgical gloves, had comparatively modest price increases with only 16% of vendors raising prices 20% or more.

"Our biggest suggestion to consumers is to shop around and make sure that they are getting the best deal possible," Brombach said.

Brombach said an increasing number of consumers are registering pricing complaints with state attorneys general. The report highlighted price gouging laws in California, Colorado and Massachusetts. In all, 37 states have laws to combat price gouging during state or national emergencies, according to the report.

When California Gov. Gavin Newsom in March declared a state of emergency, it forbid monthly price increases of more than 10% on food, consumer goods and medical supplies. Exceptions include increased costs for labor or material.

California Attorney General Xavier Becerra announced charges against an Alameda County grocery store owner for hiking prices on food items



as much as 200%, and a Los Angeles pharmacist for N95 mask prices.

A trade association, the Online Merchants Guild, sued to block Kentucky Attorney General Daniel Cameron's efforts to investigate and prosecute suspected price gouging by online vendors. The trade association argued a state can't enforce a price-gouging laws against an online retailer that operates and sets prices in multiple states.

A <u>federal judge</u> issued a preliminary injunction halting Kentucky's price-gouging enforcement against the online vendors. A bipartisan group of more than 30 attorneys general backed Kentucky's efforts and appealed to the Sixth Circuit Court of Appeals.

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Citation: Toilet paper, patio heaters and surgical gloves: Amazon vendors hiked prices on pandemic items, report says (2021, January 11) retrieved 17 April 2024 from https://techxplore.com/news/2021-01-toilet-paper-patio-heaters-surgical.html

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