

# Amazon faces UK investigation over anti-competitive concerns

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The logo for Amazon is displayed on a screen at the Nasdaq MarketSite, July 27, 2018. Britain's competition watchdog is planning to investigate whether Amazon is harming competition and hurting consumers by giving an unfair advantage to merchants that pay for extra services. Credit: AP Photo/Richard Drew, File

Britain's competition watchdog is investigating whether Amazon is

harming competition and hurting consumers by giving an unfair advantage to merchants that pay for extra services.

The Competition and Markets Authority's formal investigation said Wednesday that it will look into concerns that the ecommerce giant is abusing its dominance to undermine rivals, echoing similar investigations carried out by the European Union's executive Commission and Germany's antitrust agency.

Amazon said it will work closely with the CMA during the investigation.

"We believe we've always worked hard to help [small businesses](#) selling on Amazon to succeed, which is in both their and our best interests," the company said. "We remain proud of the continued support we provide to businesses of all sizes across the U.K."

While Amazon supplies some of the products that it sells online, many others are from third-party merchants and retailers, and Amazon provides them with essential services to make sales.

The watchdog said it will consider whether Amazon gives an unfair edge to merchants using optional services that cost extra, including storage, packaging and delivery.

With millions of customers in Britain, "it's right that we carefully investigate whether Amazon is using third-party data to give an unfair boost to its own retail business and whether it favours sellers who use its logistics and delivery services—both of which could weaken competition," the watchdog's [general counsel](#), Sarah Cardell, said in a prepared statement.

It's also important to have a [competitive market](#) for British merchants selling on Amazon, Cardell said. "Any loss of competition is a loss to

consumers and could lead to them paying more for products, being offered lower quality items or having less choice."

The investigation will focus on how Amazon chooses suppliers for the so-called Buy Box, which shows customers one-click "Buy Now" or "Add to Basket" options. Also under scrutiny is the [eligibility criteria](#) for offers under the premium Prime label and the collection and use of data.

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