

Amazon asks federal judge to dismiss the FTC's antitrust lawsuit against the company

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The Amazon logo is seen, Sept. 6, 2012, in Santa Monica, Calif. Attorneys for Amazon on Friday, Dec. 8, 2023 asked a federal judge to dismiss the Federal Trade Commission's antitrust lawsuit against the retailer, arguing the agency is attacking policies that benefit consumers and competition. Credit: AP Photo/Reed Saxon, File

Attorneys for Amazon on Friday asked a federal judge to dismiss the Federal Trade Commission's antitrust lawsuit against the e-commerce giant, arguing the agency is attacking policies that benefit consumers and competition.

Amazon's response came more than two months after the FTC—joined by 17 states—filed the historic complaint against the Seattle-based company, alleging it inflates prices and stifles competition in what the agency calls the "online superstore market" and in the field of "online marketplace services."

In its 31-page filing made in a federal court in Washington state, Amazon pushed back, arguing the conduct that the FTC has labeled anti-competitive consists of common retail practices that benefit consumers.

The FTC's complaint, filed in September, accused the company of engaging in anti-competitive practices through measures that deter third-party sellers from offering lower prices for products on non-Amazon sites.

The agency said Amazon buried listings offered at lower prices on other sites. Simultaneously, it noted Amazon was charging merchants increasingly higher fees and driving up prices for products on its own site. It also alleged Amazon kept sellers dependent on services, such as its logistics and delivery service, which have allowed it to collect [billions in revenue](#) every year.

In its request for a dismissal, Amazon said the lawsuit faults Amazon for featuring competitive prices and declining to feature uncompetitive ones.

"Amazon promptly matches rivals' discounts, features competitively priced deals rather than overpriced ones, and ensures best-in-class

delivery for its Prime subscribers," the company wrote in the filing. "Those practices—the targets of this antitrust Complaint— benefit consumers and are the essence of competition."

Amazon also pushed back against allegations it conditions Prime eligibility on products—which denotes fast shipping—on whether sellers use its fulfillment service, Fulfillment by Amazon.

An unredacted version of the FTC's lawsuit [unveiled in November](#) alleged Amazon used a tool—codenamed "Project Nessie"—to predict where it can raise prices and have other shopping sites follow suit. The agency said Amazon used the algorithm to raise prices on some products and kept the new elevated prices in place after other sites followed its lead.

In its filing Friday, Amazon said it experimented with the "automated pricing system" Nessie years ago. It posited Nessie was intended to "match to the second-lowest competitor instead of the absolute lowest" for "limited products and duration." The company also said it stopped the experiments in 2019, and matches its prices to the lowest prices today.

Amazon also pushed back on the agency's allegations that the company is a monopoly. It said in its filing that it faces competition from small retailers to large online and brick-and-mortar businesses like Walmart, Target, Best Buy and Apple, among others.

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