Congress calls on Bezos to come explain Amazon’s possible lies

Enlarge / Amazon Founder and CEO Jeff Bezos and his surprised face speaking in 2019.

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A bipartisan group of House representatives wants Amazon CEO Jeff Bezos to show up and explain to their socially distanced faces why media reports say his company is doing something Amazon previously promised Congress it would never do.

The House Antitrust subcommittee opened its investigation into “abusive conduct” in the tech sector—focusing on Alphabet (Google), Amazon, Apple, and Facebook—last June, almost a year ago. So far the committee has held several public hearings and has gone through untold reams of documentation it requested from all four firms about several of their business practices.

Among the practices under examination is Amazon’s treatment of third-party vendors on its massive marketplace platform and its use of data generated by those merchants to compete against them directly with first-party private label sales. Company representatives explicitly told Congress several times in the past year that Amazon does not access vendors’ data in that way or for those purposes.

Except it turns out that it totally does. Media reports, most

recently a story published last week by The Wall Street Journal, have found many employees saying they used and were encouraged to use that data, despite company policy saying not to.

Congress does not like feeling that it has been lied to, and the letter to Bezos (PDF) makes that displeasure clear.

“If the reporting in the Wall Street Journal article is accurate, then statements Amazon made to the Committee about the company’s business practices appear to be misleading, and possibly criminally false or perjurious,” they write.

“In light of our ongoing investigation, recent public reporting, and Amazon’s prior testimony before the Committee, we expect you, as Chief Executive Officer of Amazon, to testify before the Committee,” the letter continues. “It is vital to the committee, as part of its critical work investigating and understanding competition issues in the digital market, that Amazon respond to these and other critical questions concerning competition issues in digital markets.”

The invitation to come talk to Congress is also not really a request. “Although we expect that you will testify on a voluntary basis,” the letter ends, the committee will “resort to compulsory process”—such as a subpoena—if necessary.

“Amazon has had multiple chances to come clean about its business practices,” Rep. David Cicilline (D-R.I.), chairman of the antitrust subcommittee, said in a series of tweets. “Instead, its executives have repeatedly misled the Committee and the public. Enough.”

“In light of the gravity of this situation, I am also considering whether a perjury referral is warranted,” he added. “Powerful companies are not above the law.”

In addition to Cicilline, the letter was signed by House

Judiciary Committee Chairman Rep. Jerrold Nadler (D-N.Y.), Antitrust Subcommittee Vice Chair Rep. Joe Neguse (D-Colo.), ranking member Rep. James Sensenbrenner (R-Wis.), and Reps. Ken Buck (R-Colo.), Matt Gaetz (R-Fla.), and Pramila Jayapal (D-Wash.).

Earlier this week, Sen. Josh Hawley (R-Mo.) urged the Justice Department to launch a criminal antitrust probe into Amazon over its alleged use of third-party merchant data. The European Commission’s competition bureau is also investigating the matter in depth.

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