



Alex Hendrie
Associate Vice President – Government Relations

September 13, 2022

The Honorable Charles Schumer
Senate Majority Leader
United States Senate
Washington, DC 20510

Dear Leader Schumer:

On behalf of the National Association of Wholesaler-Distributors (NAW), I urge you to hold a vote in September on S. 2992, the American Innovation and Choice Online Act. We were encouraged by recent media reports that indicated you plan to hold a vote on the bill soon. We applaud you for this stance and urge that a vote to be held in September on the legislation.

This legislation addresses Amazon's pervasive abuse and control in the e-commerce market. It has strong bipartisan support from Senators and passed the Senate Judiciary Committee by a vote of 16-6 in January.

NAW is the "national voice of wholesale distribution," an association comprised of employers of all sizes and national, regional, state, and local line-of-trade associations spanning the \$7.4 trillion wholesale distribution industry that employs more than 5 million workers in the United States. Approximately 35,000 enterprises with almost 150,000 places of businesses in all 50 states and the District of Columbia are affiliated with NAW.

Amazon's exploitative conduct in B2B commerce mirrors the playbook it has executed in the Business-to-Consumer (B2C) marketplace. Left unchecked, Amazon's anticompetitive behavior could cripple the competitive B2B system in the U.S. and wholesaler-distributors – most of them small and medium size businesses – could be driven out of existence, leaving customers with fewer alternatives and higher prices.

Amazon drives customers away from independent third-party sellers to Amazon Business through a series of anticompetitive practices. NAW members have a number of concerns about Amazon's behavior including:

- Amazon collects massive amounts of competitively sensitive data from third-party sellers, including product information and transaction data around prices, terms and customer identities. They then use this competitive intel to launch its own competing private label products to undercut NAW members.
- Amazon abuses its dominant position and access to competitive data to steer customers through promotion, advertising, or other preferential treatment to Amazon Business' own private-label products over the products offered by third-party sellers.

NATIONAL ASSOCIATION OF WHOLESALER-DISTRIBUTORS

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- Amazon manipulates its search algorithms to steer customers towards Amazon Business' own products and products that earn higher profits.

Amazon's conduct harms third-party sellers and American consumers. Current laws fail in protecting competitive markets from Amazon's exclusionary and unfair practices. The American Innovation and Choice Online Act will address this by restoring competition in both B2B and B2C ecommerce markets with effective remedies and meaningful limits on Amazon's conduct. We urge the bill be given a floor vote in September.

Sincerely,

A handwritten signature in black ink that reads "Alex Hendrie". The signature is written in a cursive, slightly slanted style.

Alex Hendrie
Associate Vice President – Government Relations
National Association of Wholesaler-Distributors

cc: All members of the United States Senate