The Honorable Richard A. Jones 1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 9 AT SEATTLE 10 DEBORAH FRAME-WILSON, CHRISTIAN 11 SABOL, SAMANTHIA RUSSELL, ARTHUR No. 20-cv-00424-RAJ SCHAREIN, LIONEL KEROS, NATHAN 12 CHANEY, CHRIS GULLEY, SHERYL TAYLOR-HOLLY, ANTHONY COURTNEY, FIRST AMENDED CLASS ACTION 13 DAVE WESTROPE, STACY DUTILL, **COMPLAINT** 14 SARAH ARRINGTON, MARY ELLIOT, HEATHER GEESEY, STEVE MORTILLARO, 15 CHAUNDA LEWIS, ADRIAN HENNEN, **DEMAND FOR JURY TRIAL** GLENDA R. HILL, GAIL MURPHY, 16 PHYLLIS HUSTER, and GERRY KOCHENDORFER, on behalf of themselves 17 and all others similarly situated, 18 Plaintiffs, 19 v. 20 AMAZON.COM, INC., a Delaware 21 corporation, 22 Defendant. 23 24 25 26 27



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Plaintiffs allege the following upon personal knowledge as to themselves and their own acts, and as to all other matters upon information and belief, based upon the investigation made by and through their attorneys and experts in the field of antitrust economics.

I. INTRODUCTION

Summary of Allegations A.

- 1. Amazon.com, Inc. ("Amazon") has many competitive advantages over the thirdparty sellers, with whom it competes in the sale of goods on the Amazon.com platform. One critical advantage is the absence of seller and advertising fees that it charges them to compete on its platform. These fees add significantly to third-party sellers' cost of doing business on Amazon's platform and substantially reduce the price competition Amazon faces from them on its own platform. As if that were not enough, Amazon abuses the power of its marketplace platform by restraining its third-party sellers from competing on any other website or competing ecommerce channel at a lower price—even when they incur no seller fees and could profitably sell their goods at significantly lower prices. This illegal restraint on competition is precisely what the antitrust laws are intended to combat.
- Amazon is "the world's largest online retailer." Its market valuation recently rose 2. to \$1.5 trillion, "more than that of Walmart, Target, SalesForce, IBM, eBay, and Etsy combined." Sales on Amazon's website, through its app or voice control devices (collectively referred to as the "Amazon.com platform") account for almost half of all retail ecommerce in the United States.³ Amazon's nine closest competitors have a distant 1.1%-6.6% share of the retail ecommerce market.⁴ Amazon operates as retailer, selling directly to its customers. It also

¹ Declaration of Ella Irwin, Director of Marketplace Abuse at Amazon (Jul. 13, 2018), Kangaroo Mfg., Inc. v. Amazon.com, Case No. 17-cv-1806SPL (D. Ariz.), Dkt. No. 75 ("Irwin Decl."), ¶ 2.

² Press Release (Jul. 29, 2020) https://judiciary.house.gov/news/documentsingle.aspx?DocumentID=3199.

³ Amazon Now Has Nearly 50% of US Ecommerce Market, Emarketer (Jul. 16, 2018), https://www.emarketer.com/content/amazon-now-has-nearly-50-of-us-ecommerce-market. ⁴ *Id*.

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