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American Booksellers Association, Open Markets and the Authors Guild Urge FTC and DOJ to Target Amazon's Books Monopoly

With the FTC reportedly poised to file an antitrust suit against Amazon, the groups urge the regulators to keep their focus on threats to democracy, such as Amazon's dominance of the US market for books.

The American Booksellers Association, Open Markets Institute, and the Authors Guild sent a joint letter to the Federal Trade Commission (FTC) and the Department of Justice (DOJ) urging these agencies to focus on how Amazon abuses its monopoly power over the market for books and ideas, as regulators appear on the verge of bringing a major suit against Amazon.

"The open access to the free flow of ideas is essential to a well-functioning democracy. The government has the responsibility to ensure that actors with oversized power cannot control or interfere with the open exchange of ideas," **reads the groups' letter to regulators**. "Today the free exchange of ideas is impeded and warped by opaque algorithms and sales practices controlled by Amazon and premised on which publisher and/or author is willing and able to pay the highest extortionary tax to get their books promoted on Amazon's website."

"The ultimate effects of Amazon's business model — which is based on manipulating readers — include the unfair promotion and suppression of specific ideas, authors, publishers, and the routine disruption of public debate," **the letter continues**. "We need nothing more than common sense to understand that the sort of personalized recommendations that readers welcome in the local independent store will have vast structural effects on the overall market of ideas when pursued by an all-powerful, all-seeing monopolist."

The American Booksellers Association has been actively engaged in opposition to Amazon's increased monopolistic market practices and has for years warned of how Amazon endangers the free flow ideas through its dominance over America's books market:

 In 2023, the American Booksellers Association sent to the FTC its recently released white paper, The Stepping Stone to Monopoly, which provides a comprehensive look at

- Amazon's anticompetitive behavior in the bookselling and publishing markets, and how the online giant used this as a blueprint to dominate other markets.
- In November 2022, the American Booksellers Association met with the Federal Trade Commission to discuss Amazon's anticompetitive behavior in the book industry.
- In 2022, ABA commissioned Civic Economics, an economic analysis and strategic planning consultancy, to do a study of how Amazon affects small businesses and communities across the nation. The result is a damning report entitled <u>Unfulfilled:</u> Amazon and the American Retail Landscape.
- In 2021, ABA released a white paper detailing the scale and scope of Amazon's anti-competitive behavior: <u>American Monopoly: Amazon's Anti-Competitive Behavior Is in Violation of Antitrust Laws</u>. The white paper was sent to the FTC in late 2021, as well as the attorneys general in all 50 states. In 2022, this white paper prompted a meeting between ABA and 45 attorney general offices.

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