

Sudden Amazon Suspensions Lead to Destruction of Small Businesses

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Stable Storefront
[City, State, ZIP Code]
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[Recipient's Name]
[Recipient's Address]
[City, State, ZIP Code]

Dear [Recipient's Name],

I am writing to you as a small business owner who is deeply concerned about recent developments within the Amazon Marketplace. Congressman Christopher Smith of New Jersey recently addressed similar issues in an open letter to Amazon (dated August 15, 2024), highlighting the adverse effects of Amazon's enforcement policies on honest sellers. You can find a copy of it hosted here: <https://www.stablestorefronts.com/letterfromchristophersmith/> I wholeheartedly agree with the points raised in his letter and am reaching out to ask for your support in addressing these challenges.

Amazon's sudden and often unexplained suspension of seller accounts has left many businesses in a precarious situation. Sellers frequently receive vague form letters citing "Section 3 of the Business Solutions Agreement" with no specifics about alleged violations. The lack of transparency and the inadequate appeal process force sellers into a cycle of unanswered inquiries and failed attempts to understand and rectify issues, often leaving them unable to retrieve their inventory or funds. This situation has devastating financial consequences, as sellers are unable to meet payroll, pay bills, or fulfill personal financial obligations. In some cases, the suspensions have led to significant job losses and have pushed businesses to the brink of financial collapse.

The current arbitration process, as stipulated by Amazon's Business Solutions Agreement, further complicates matters. It is costly, provides limited discovery, and offers no guarantee that sellers can successfully recoup their assets. These challenges are further exacerbated by Amazon's compliance measures under the INFORM Consumers Act, which, while necessary to combat counterfeit goods, appear overly broad. The sweeping nature of these actions has inadvertently created new victims among legitimate sellers.

Perhaps most troubling is the lack of ADA support on the Amazon Business Solutions calls. The victimized sellers are not allowed to bring anyone in to support them on the call. Many of the business owners I work with on Amazon are advanced in age and have trouble with the Chime app used by Amazon to perform these reviews. They have difficulty hearing in some circumstances and they cannot request hearing assistance support. There must be a way for these business owners to get the assistance they need through the American Disabilities Act.

I join Congressman Smith in calling for more reasonable and accessible enforcement measures, including robust communication and a clear, expedited process for sellers to understand alleged infractions and provide necessary documentation to prove their compliance. Additionally, I am concerned about reports of potential unfair targeting of specific communities, specifically Jewish communities who've owned their businesses for generations in Lakewood NJ, which raises serious questions about the equity of Amazon's enforcement practices.

I respectfully request your support in urging Amazon to adopt a more judicious approach that ensures accountability for real offenders while protecting honest sellers. Your engagement on this issue could help restore the livelihoods of many small business owners who have been disproportionately affected by these policies. Please consider joining Christopher Smith in this endeavor. He and his team have rightly identified a real need and are working toward solving it, but we need your help to amplify our voices.

Thank you for your attention to this critical matter. I look forward to your response and hope to see meaningful action that will help small businesses thrive once again.

Sincerely,

[Your Name]

[Your Business Name]

[Your Contact Information]

Summary of Critical Areas to Address

Sudden and Indiscriminate Account Suspensions:

- Numerous seller accounts were abruptly suspended without clear explanations, leaving sellers in the dark about the specific issues.
- Sellers often receive a vague, form letter citing "Section 3 of the Business Solutions Agreement," with no specific information about alleged violations.

Inadequate Communication and Support:

- Sellers face a lack of direct communication or effective appeal processes.
- Efforts to contact Amazon for clarity often result in no response or inadequate resolutions, with little opportunity for direct advocacy.
- There is no obvious way to receive hearing or language support on the video calls. Some folks have trouble hearing or understanding their interviewer and Amazon does not allow any support on the call.

Holding of Inventory and Funds:

- Amazon holds sellers' inventory and funds indefinitely, sometimes including unrelated items.
- This results in significant financial losses, including inability to pay employees, suppliers, or personal expenses like mortgages.

High Cost and Limited Discovery in Arbitration:

- The arbitration process, as stipulated in the Business Solutions Agreement, is costly and offers limited avenues for sellers to gather information needed to resolve issues.

Potential Targeting of Specific Communities:

- Concerns about unfair targeting of specific communities, like Lakewood, NJ, are raised, suggesting a need for equitable enforcement of Amazon's policies.
- Concerns of Amazon targeting small businesses that utilize 3rd party logistics companies and Amazon management firms as a means to run their businesses. There is nothing (nor should there be) anything in Amazon's terms of service that limits a business from using these critical third party services. In fact many older business owners will use these types of companies to help navigate Amazon's complex technical landscape. Targeting these groups impacts older sellers disproportionately.

Impact on Small Businesses:

- Sudden suspensions have devastated businesses, causing job losses, financial crises, and jeopardizing the livelihoods of many sellers.

Compliance with INFORM Consumers Act:

- While efforts to prevent the sale of illegal goods are supported, the process appears overly broad and indiscriminate, inadvertently penalizing honest sellers.