

EU vs. Amazon (Ongoing)

Legal and Professional Issues in Computing

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Introduction:

The tech world is currently moving at lightning speed and with daily innovations comes a wave of legal complexities that leading tech companies have to face. This isn't out of the ordinary though as companies in the tech world are constantly tangled up in legal battles over things like intellectual property rights and fair competition laws.

A leading example is Amazon LLC and its ongoing series of legal disputes with the European Union. With Amazon being a powerhouse in e-commerce and tech, (1) the EU's been investigating whether they're playing fair on fronts like competition, data privacy, and taxes.

In the world of tech understanding, such cases is key for IT professionals for several reasons. Firstly, they provide valuable insights into the legal and regulatory dynamic that controls the IT industry. Secondly, these cases often shape industry norms and standards, affecting business strategies and technological innovations within the tech community. Lastly, by staying informed about legal disputes involving major players like Amazon, IT professionals can anticipate potential regulatory changes and market trends that may impact their careers and organizations. Therefore, analyzing such cases goes beyond legal interest.

Background:

The European Union accused Amazon of using the marketplace sellers’ data without their consent in 2019 and started a legal investigation. In 2020, the Commission found Amazon prevalent in the German and French marketplace, pointing out that Amazon exploited the seller’s confidential data to the advantage of its retail strategies which has negatively affected competition. [5]

In addition, the EU initiated another investigation to examine the unfairness of the strategy adopted by Amazon to choose whoever wins the Buy Box (which means that if a customer does not select the seller and add the product to the cart “Add to Cart,” the seller that tops the rank in the Buy Box wins the purchase), and permits sellers to take part in its Prime Programme (Amazon’s platform for displaying movies and TV series). The findings of the investigation revealed that Amazon exploited its market control in three major countries: Germany, Spain, and France, granting advantages to other sellers which has impacted the competition.[5]

The nature of the technology involved in the Amazon versus the European Union case is demonstrated through Amazon’s data algorithms and analytics which are highly advanced. As a result, Amazon collects and stores its customer's data from its platform. This technology is used by Amazon to analyze data in its favor. Therefore, the alleged violations, according to Article 102 of the Treaty on the Functioning of the European Union, are the abuse of market control that negatively affects competition.[5] This is equivalent to the EU Antitrust Regulation which can be implemented by local competition entities. Moreover, under Article 9 (1) of the EU Antitrust Regulation, the company has to comply with the agreed commitments.

Analysis:

The Legal Accusations in this case

1. Amazon in this case got hit by the EU because they breached rules and laws that are set. First rule was breaching the bloc’s data protection laws (GDPR). They breached the bloc's data protection laws bloc’s by collecting their users' data upon the legal basis of collecting data it got hit by the EU with an 887 million fine. and another time the EU said that Amazon breached European antitrust rules by using independent sellers’ data for their benefit of dominating the market.

2. THE arguments of the EU were first that Amazon was doing illegal and non-ethical work by breaching their user's data to be the dominant of the market and that’s why they fined them with a 887 million dollars. the response of Amazon to this accusation was that there has not any data breach and no customer data has been leaked or exposed also there was an investigation by the European Commission which said Amazon was using the data of their sellers as order numbers and the number of visitors, etc. and their counter was that they are they cares more about small business.

3.there wasn’t fair use or an originality case in this case in this case the problem was that amazon was accused of data mining and data breaching for their benefits.

Ethical/Professional Accusations:

1. ethical and Professional accusations are very applicable in this case first a programmer or a developer can’t use his skills or his job for his own benefits for example by collecting data for his app user or by damaging their user devises a developer should be responsible for his users data and there pc resources.

Discussion:

Case Handling

During the proceedings, Amazon and the European Union managed to present arguments and evidence which focused on the alleged copyright infringement and anti-competitive behavior. Amazon emphasized the compliance efforts and the measures which they employed to combat counterfeit sales and while the EU likely highlighted some instances of infringement and showed the instances of anti-competitive practices. Experts played pivotal roles by offering technical insights which explained the e-commerce operations and intellectual property issues (Reverdin, 2021).

Legal Reasoning

The court's decision relied greatly on legal reasoning by working to evaluate the evidence in light of relevant laws and regulations all so because the existing EU directives on copyright, antitrust, and consumer protection were correctly applied. Even through the potential ambiguities in these frameworks and even as the matters were complicated (Rosati, 2022). Legal precedents which include many previous cases involving online marketplaces or IP disputes managed to guide the court but however due to the complex nature of technology and e-commerce, these proceedings might have posed challenges which required nuanced interpretation of existing laws (Chiruvella & Guddati, 2021). In the end, the court's decision managed to be balanced with the evolving view of digital commerce and regulatory concerns within the EU.

Conclusion:

In conclusion, the EU vs. Amazon case is the main case nowadays due to the big debate on it and about the 887 million fine that has been paid from Amazon to the EU. The competition laws and issues in the e-commerce sector raise doubts about the case, Also the case focuses on unfair pricing, data usage, and the effect on small companies and the level of pay needed to compete with them. Also, it shows us challenges faced by the market dominance on both the market and the company itself like Amazon. It also shows the potential use of AI or anti-competitive tools like third-party apps.

Moreover, the EU vs. Amazon case highlighted tech giants’ actions and the way they use and implement their algorithms, however, It underscores the need for a balanced competition that supports innovation and also makes sure that there is fair competition and protects consumer interests in the digital marketplace.

Lastly, this case is not just about Amazon and the EU that started in July 2019; it has broader implications for how tech giants control the world’s life and the business community and take it alone. So the high focus put on this case is important because its outcome could set the future regulatory actions against tech giants, and control their actions and the level of using AI.

OPINIONS:

Eyad Ahmed 235421 A6:

In my opinion, the case was a waste of time and resources for both parties making the case feel like an endless circle moving from a court to the other to investigate whether they abide with competition laws and taxes . However to be fair the courts did seem to try and be fair . The issue of having to move from a court to the other is time and money consuming and since this isn't a rare occasion in the justice system there should be a special kind of court that can resolve the legal dispute without the need to halt the process and wait for another court's response ,this will of course resolve time and money for both parties.And finally in my humble opinion I think that Amazon using their resources to improve their gains doesn’t violate competition laws.

Amr Mohamed Galal 235355 A5:

Case Handling:

In my opinion, the court’s handling of this crucial case was fair and effective as Amazon will be under supervision by the European Union for what they did. I think that in the future there must be more regulations that handle and control and hold back all these big companies not only Amazon which are dealing with personal data of whether customers or sellers.

Outcome:

In my opinion, the impact of EU accusing Amazon is that Amazon will reduce what they were doing and stop violating privacy laws by using and collecting customers’ data to increase the company’s profit and expand its supremacy in the market. Amazon doesn’t have the right to access the customers’ private data through its sophisticated algorithm and analytics data analysis technology. Therefore, a heavy penalty on Amazon was the best decision to end this complicated case.

Carlos Osama 237183 A9:

In my opinion what happened in the courts and the way EU opened an investigation on amazon was the right decision from them because if there is 1% chance that amazon was breaching there users data or even there sellers to manipulate the numbers of the selling or fake recommendation so it was the right to open investigation , and what is the potential improvement of cases similar to this in the future that they learned a patterns of big companies and now they can detect them faster if they felt that there something illegal is happening and maybe it will end faster than this case , we learned after this case that the user privacy and software safety is very important and the developer and the big companies must be responsible for the large amount of data they have , and maybe in the future wont happen again after the fine that amazon took.

Mohamed Osama 235296 A6:

In my opinion, Amazon must abide by the laws of the Union and not violate the laws, and the Union must be complacent and original with digital platforms, and Amazon must respect the customer's data, respect privacy, and respect the spirit of competition between competitors.

Hossam Eldin Refaat 235438 A6:

Case Handling:

Fairness and Effectiveness of Court's Handling: Its crucial for courts to be fair in all cases and especially in important cases like this that also contains copyrights and data privacy problems because the result could change the world for the next years.

The effectiveness of the court's handling can be judged by making the right decision without taking too much time.

Potential Improvements: To enhance the handling of such cases in the future, cases must be live to all people to give trust and also to be fair. Also will give transparency and accountability in the decision-making process.

Impact of Decision and Consequences: The decision in the EU vs. Amazon case could have significant changes on copyrights, data privacy and mainly the use of third party apps to give fair competition but that will cause huge lose to the big companies like Meta and Amazon because one of the big sources they depend on is the third party apps and data sharing.

Overall, it's crucial for courts to make the right balance between algorithms and high-tech use and supporting the fair competition between all companies. But in my opinion both EU and Amazon has good point of view and the balance between them is a must but removing of third party apps has more disadvantages than its advantages.

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Date: 2019

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Date: 2020

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# **(3) EU says Amazon breached antitrust rules, opens second investigation into its e-commerce business**

Date : 2020

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Date : 2021

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