

French lawmakers to move against Amazon

PARIS, FRANCE: French lawmakers are set to move against the likes of Amazon with a bill aimed at supporting small bookstores struggling in the face of giant online retailers, members of parliament said.



The bill, which was crafted by the main opposition right-wing UMP party but also has the support of lawmakers on the left, aims to put an end to what some criticise as unfair competition for traditional bookstores.

It will seek to restrict the likes of Amazon from combining offers of free deliveries with discounts of up to five percent on books, which is allowed under existing French legislation.

In 1981, the government ruled that editors must set a unique selling price for their books in a bid to protect small retailers but added that stores could apply a rebate of up to five percent.

The bill is expected to be adopted by France's lower house National Assembly, lawmakers said. Culture Minister Aurelie Filippetti has criticised Amazon's practices in the past, blasting free deliveries or the firm's policy of "tax optimisation."

The American company reports its European sales through a Luxembourg-based holding company, taking advantage of the tiny Duchy's relatively low corporation tax rates for earnings outside its borders.

Amazon insists the arrangement, which has been criticised by politicians across Europe, is legal under the European Union's single market rules.

"Today, everyone has had enough of Amazon, which, by dumping, slashes prices to get a foothold in markets only to raise them once they have established a virtual monopoly," Filippetti said in June.

The French government has recently been at loggerheads with a number of American companies including Google, Yahoo! and Apple.

Last week, for instance, the country's data protection watchdog announced it would take action against Google for failing to comply with national privacy guidelines - a process that could see the US company being fined €150,000.

Source: AFP via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>