UNITED STATES OF AMERICA CONSUMER PRODUCT SAFETY COMMISSION

In the Matter of Amazon.com, Inc.,

Respondent.

CPSC Docket No. 21-2

Hon. James E. Grimes Presiding Officer

DECLARATION OF LAUREN ANN SHREM IN SUPPORT OF AMAZON'S MOTION TO DISMISS OR, IN THE ALTERNATIVE, CROSS-MOTION FOR SUMMARY DECISION

- I, Lauren Ann Shrem, declare as follows:
- 1. I am over 18 years of age and am competent to make this declaration.
- 2. I have personal knowledge of all facts stated in this declaration.
- 3. I am currently Senior Manager, Product Safety & Compliance, at Amazon.com, Inc. ("Amazon"). I have served in that role since April 2021. I was previously Manager, Risk Management, and Manager, Incident Management at Amazon. I am also an attorney and a member in good standing of the bar in the State of New York.
- 4. In my role at Amazon, I oversee the company's activities to advance and promote product safety for all products on Amazon.com, including, but not limited to, (1) products sold by third-party sellers on Amazon.com who use "Fulfilled By Amazon" ("FBA") logistical services for fulfillment of orders and (2) products sold by third-party sellers on Amazon.com who utilize the "Merchant Fulfilled Network," to fulfill orders through non-Amazon third-party logistics providers.
 - 5. Amazon.com is an e-commerce website operating in the United States.
- 6. As used in this Declaration, "Third-Party Products" refers to products identified in Paragraphs 21, 30, and 39 of the Complaint, except for approximately 32

units sold through the Amazon Warehouse program (consisting of approximately 28 carbon monoxide ("CO") detectors and approximately 4 hair dryers).

- 7. As used in this declaration, "Third-Party Sellers" refers to the sellers of the Third-Party Products.
- 8. A total of approximately 418,818 units of the Third-Party Products were sold by Third-Party Sellers on Amazon.com to approximately 376,009 Amazon.com purchaser accounts.
- 9. Amazon did not manufacture, sell, or hold title to the Third-Party Products. Third-Party Sellers retained title to the Third-Party Products, subject to Sections F-3.3, 6.2, and 7.3 of the FBA Service Terms (attached as Exhibit A to the Declaration of Diane Ramirez).
- 10. Amazon provided FBA logistics services to the Third-Party Sellers by picking, packing, shipping, and delivering the Third-Party Products to purchasers.
- 11. Amazon.com informed customers that the Third-Party Products were "sold by" the Third-Party Seller and "shipped by Amazon."
- 12. Amazon identifies products, including the Third-Party Products, by Amazon Standard Identification Number ("ASIN").
- 13. Amazon removed the Third-Party Products from Amazon.com after U.S. Consumer Product Safety Commission ("CPSC") staff contacted Amazon regarding potential product hazard or noncompliance issues with the Third-Party Products.
- 14. Amazon removed the children's sleepwear products identified in the Complaint from Amazon.com on or about the following dates: January 29, 2020 (Taiycyxgan), February 20, 2020 (IDGIRLS), March 12, 2020 (HOYMN), and March 31, 2020 (Home Swee).

- 15. Amazon removed the hair dryers identified in the Complaint from Amazon.com on or about March 3, 2021.
- 16. Amazon removed the CO detectors identified in the Complaint from Amazon.com on or about August 13, 2020.
- 17. None of the Third-Party Products listed in the Complaint are currently listed or available for purchase on Amazon.com.
- 18. The Third-Party Products in Amazon fulfillment centers have either been destroyed or set aside for future destruction.
- 19. After the CPSC approached Amazon about the Third-Party Products, Amazon informed the Third-Party Sellers of the CPSC outreach.
- 20. After the CPSC approached Amazon about the Third-Party Products, Amazon applied a refund of the purchase price of the Third-Party Products to the accounts of purchasers.
- 21. Amazon retains email address information for purchasers of Third-Party Products on Amazon.com. After the CPSC approached Amazon about the Third-Party Products, Amazon sent a direct consumer safety notification, via email, to all purchasers of the Third-Party Products on Amazon.com.
- 22. Amazon sent these direct consumer safety notifications to purchasers on or about on or about January 21, 2021 (for the children's sleepwear products) and June 11, 2021 (for the hair dryers and the CO detectors).
- 23. The January 21, 2021 direct consumer safety notifications instructed purchasers: "If you still have this product, we urge you to stop using it immediately and dispose of it. If you purchased this product for someone else, please notify the recipient immediately and let them know they should dispose of it." The June 11, 2021 direct

consumer safety notifications instructed purchasers: "If you still have this product, we urge you to stop using it immediately and dispose of the item. If you purchased this item for someone else, please notify the recipient immediately and let them know they should dispose of the item."

- 24. The direct consumer safety notifications identified the specific potential risk, stating:
 - a. For email notifications to purchasers of the CO detectors: "may fail to alarm on time, posing a risk of exposure to potentially dangerous levels of Carbon Monoxide."
 - b. For email notifications to purchasers of the hair dryers: "may fail to have mandatory immersion protection, posing a risk of electric shock if the hair dryer comes into contact with water."
 - c. For email notifications to purchasers of the children's sleepwear: "failed to meet the federal safety standard for the flammability of children's sleepwear, posing a risk of burn injuries to children."
- The direct consumer safety notifications informed purchasers of the Third-25. Party Products that Amazon had applied a refund of the purchase price to their accounts. I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 2, 2021.

Lauren Ann Shrem

Lauren Ann Shrem

CERTIFICATE OF SERVICE

I hereby certify that on November 2, 2021, a true and correct copy of the foregoing document was, pursuant to the Order Following Prehearing Conference entered by the Presiding Officer on October 19, 2021:

- filed by email to the Secretary of the U.S. Consumer Product Safety Commission, Alberta Mills, at amills@cpsc.gov, with a copy to the Presiding Officer at alj@sec.gov and to all counsel of record; and
- served to Complaint Counsel by email at jeustice@cpsc.gov, lwolf@cpsc.gov, and sanand@cpsc.gov.

Sarah L. Wilson

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