



The Honorable Chris Murphy  
U.S. Senate  
136 Senate Hart Building  
Washington, DC 20510

February 9, 2024

Dear Senator Murphy:

This is in response to your letter dated January 10, 2024, regarding Amazon's Delivery Service Partner (DSP) program. The DSP program provides local entrepreneurs and small businesses with an opportunity to build local delivery teams, scale their businesses, and hire drivers in their communities. First launched in 2018, the DSP program now supports over 3,500 entrepreneurs in 19 countries who have created 275,000 jobs and generated \$45 billion in revenue for their small businesses.

Our retail business has been partnering with small and medium-size businesses for decades, and small business success is our success. As we debated options for developing the DSP program, we were inspired by this small business empowerment model and wanted to adopt it for our logistics business. Because small businesses know their communities best, we believed it was important that they build teams and a driver network from within their communities, which led to both good jobs and good service for local customers.

While DSPs hire and manage their own employees, they receive support from Amazon to help them succeed. Since the program started, we have invested more than \$8 billion in technology, safety features, and services for Amazon DSPs and their drivers. We partner closely with DSPs and provide them with tools and resources to grow their companies and solve common industry challenges. For example, our technology designs suggested routes that can be completed efficiently within a specific time period. It accounts for considerations such as package volume and complexities with different addresses and neighborhoods, which helps DSPs prioritize safety and driver experience. These suggested routing plans include ample time for DSPs to provide their employees breaks (two 15-minute rest breaks and one 30-minute meal break), while still enabling more than 90% of drivers to finish earlier than their planned shift length. We take feedback from DSPs and their drivers seriously, and we continuously make improvements to the program and technology.

Answers to your questions follow below.

- 1. What is Amazon management's justification for insisting they are not obligated to bargain with union representatives of DSP employees, given the control Amazon wields over the terms and conditions of DSP employees, such as their wages, working conditions, routes, and hours of availability?**

Amazon is not the employer for DSP employees. DSPs are responsible for hiring and managing their own employees. We are not aware of any DSP whose employees have certified or lawfully designated bargaining representatives.

**2. What is the justification for Amazon's requirement that several DSPs sign non-poaching agreements, in light of the company's claim that it does not control the working conditions of its DSP's employees?**

Amazon does not require DSPs to sign "non-poaching agreements." Amazon expressly prohibits any efforts that restrict drivers' ability to choose their employer or interfere with other employers' efforts to recruit them.

**3. Under what circumstances might an Amazon DSP possess a U.S. Department of Transportation (DOT) number and be subject to Federal Motor Carrier Safety Administration (FMCSA) inspection? Under what circumstances might an Amazon DSP operate under an Amazon DOT number?**

Our DSP agreements require each owner to have their own Motor Carrier (MC) number and DOT number in order to participate in the DSP program. In addition, Amazon has its own MC number and DOT number. The FMCSA requires inspections for commercial motor vehicles, which are defined as vehicles over 10,000 lbs gross vehicular weight. When DSPs use commercial motor vehicles to provide services to Amazon, they operate those vehicles under Amazon's DOT number, and Amazon is therefore subject to FMCSA inspection with respect to those vehicles. Amazon requires DSPs to comply with the rules and regulations of the DOT and FMCSA, and provides training and resources to support DSPs' compliance. A DSP's failure to comply with such rules and regulations can result in termination of its contract with Amazon.

**4. If DSPs are indeed independent entities, are DSPs permitted to work with Amazon's direct package delivery competitors? Why, or why not? If so, what percentage of current DSPs work directly with Amazon's competitors?**

Amazon's contracts with DSPs expressly state that DSPs are free to provide services to customers other than Amazon, and many do. DSPs are not required to provide information to Amazon about their business with other customers.

**5. Is Amazon responsible for the provision and maintenance of DSP vehicles and other safety and health conditions at its DSPs? If so, what is Amazon's process for ensuring compliance with state and federal regulations?**

Safety is Amazon's top priority. DSPs are contractually required to meet our high bar for health, safety, and compliance. For example, if a DSP does not maintain their fleet in safe working condition or if a DSP instructs a driver to deliver in an unsafe vehicle, then the DSP will be in breach of its agreement with Amazon and terminated from the program if the failures are not quickly addressed.

Amazon has developed processes, tools, and resources to support DSPs and ensure their compliance with health and safety standards. For example, Amazon works with fleet management companies to provide DSPs access to an extensive network of qualified mechanics and vendors at low or no cost to DSPs. Fleet management companies track time and mileage intervals to notify DSPs when preventative maintenance is due. If a vehicle becomes overdue for preventative maintenance, DSPs cannot use it for deliveries until the maintenance is complete. DSPs are also responsible for daily pre-trip and post-trip inspections on every vehicle that delivers Amazon packages. The delivery app feature that includes the inspection checklists will not initiate a delivery route until the pre-trip inspection is complete. If the vehicle fails inspection, it can only be used on a delivery route once it is repaired and safe. To ensure that DSPs complete pre-trip inspections accurately, every 14 days, Amazon assesses each vehicle for compliance with fleet safety

standards. Amazon will ground vehicles to ensure that they do not deliver packages if they do not pass inspection. Verification of the repair is submitted to Amazon by the DSPs and the vehicle is re-inspected for compliance against fleet safety standards prior to being cleared to deliver packages.

**6. On average, at what percentage or dollar amount does Amazon subsidize the costs of vehicles and equipment for DSPs? What additional details can you provide as to the vehicle and operations financing model Amazon offers to prospective DSPs?**

Amazon created the DSP program to create opportunities for small business owners, and we knew that the cost of vehicles could present a significant barrier to entry for talented entrepreneurs who lack capital. We designed the program to ensure that startup costs—including the vans required to get their business off the ground—would be as low as \$10,000. DSPs can acquire their fleet using Amazon-branded or third-party rental vehicles. The rates Amazon pays to DSPs are calculated to account for, among other costs, insuring, maintaining, and operating a delivery fleet, but DSPs make choices to manage their costs and maximize value. DSPs decide their fleet's size and management to optimize their revenue and manage costs while complying with their contractual and legal obligations. Amazon supports DSPs by negotiating with third-party vendors to offer reduced-price products and services from insurers, rental providers, a diverse network of qualified maintenance providers, and mobile mechanics. DSPs can choose to use those pre-negotiated products and services, or they can choose to use others that they find on their own.

**7. Does Amazon limit the number of delivery stations a DSP may operate out of or have restrictions on how much DSPs can scale operations within the Amazon network?**

No. The volume of business that Amazon sends to DSPs and ability to scale within our network is based on a range of factors, including the amount of customer demand in their region, the quality and reliability of the DSP's services, and the ability to scale their business.

**8. What companies has Amazon contracted with as a part of its DSP program? Where are these companies operating their DSP programs?**

Amazon contracts with over 3,500 DSPs and fleet management companies to support last mile delivery to Amazon customers in 19 countries.

**9. Does Amazon have a standard lease agreement that DSP companies must sign to receive vehicle fleets? Please provide a copy of the standard lease agreement or copies of your 10 most recently entered lease agreements.**

DSPs' use of Amazon-branded vehicles is governed by either a Vehicle Use Agreement or a lease agreement, the latter of which are agreements with fleet management companies. These contracts are not public because they contain confidential information.

**10. Does Amazon possess copies of OSHA 300A and OSHA 300 filings for all currently active DSP companies for the past 3 years (2020-2023)? If so, please provide this information. If no, please explain why Amazon does not collect this information.**

Amazon does not possess copies of OSHA 300 and OSHA 300As for DSPs because DSPs are responsible for creating and maintaining their own OSHA 300 and OSHA 300As for Delivery Associates and submitting this data to OSHA annually, if required. OSHA makes this data publicly available on its website. However, we

provide DSPs with tools and resources to support them in creating these documents including access to third-party software that can be used to document injury and illness information required to produce OSHA 300 and OSHA 300As.

**11. What is the DSP turnover rate, and how many DSPs have stopped participating in the DSP program since 2018? Please provide this information by calendar year.**

The program is only five years old, yet it has already grown to support over 3,500 entrepreneurs and more than 75% of them have been in the program for more than two years. Since the program's inception in 2018, we have seen an average of 6.8% of DSPs leave the program each year. DSPs leave the program for a range of reasons. For example, in some cases the DSP decides not to renew their contract to pursue other opportunities. In other cases, Amazon might terminate the contract due to breach of contract or failure to meet our service or safety standards.

**12. Does Amazon collect data on the accident rates involving DSPs over the last 10 years (2013-2023)? If so, please provide this information. If not, please explain why Amazon does not collect this information.**

Safety is always the top priority, and we work hard to support DSPs and their drivers to be safe on the road. Nearly all Amazon-branded vehicles are equipped with in-vehicle camera safety technology that has reduced accident rates while protecting driver privacy. Overall, collision rates among DSP drivers have declined nearly 40% since we incorporated this technology into our branded vehicles—with an 89% reduction in distracted driving and an 83% reduction in speeding events. Injury rates for drivers employed by DSPs are 10% better than industry average, according to Bureau of Labor Statistics (BLS) annual industry rates. In 2022, drivers from DSPs recorded an incident rate of 8.9% against an industry average of 9.8%. Every vehicle bearing the Amazon brand is equipped with air conditioning—a feature that is above industry standard—and if the air conditioning is not working on a vehicle, the DSP is contractually required to take the vehicle out of service. We also know that the [best tool against heat](#) is taking breaks, and last year alone, we worked with DSPs to adjust routes by more than 55 million minutes, or nearly 46,000 days, so their drivers could take additional breaks to hydrate and rest.

And when it comes to [winter weather](#), all vehicles operated by DSPs must have functioning heat, and the DSP is contractually required to take the vehicle out of service if there are issues. Drivers have the option to use their vehicles as a warm place to take breaks and also have a list of indoor break spots, like gas stations or restaurants, outlined in the Amazon delivery app. In 2023 alone, we invested more than \$8.5 million in winter supplies for DSPs and their drivers, including ice scrapers, ice cleats, snow shovels, warm-up kits, snow removal roof rakes, first-aid and roadside emergency kits, and flashlights for deliveries with low light. We also adjust their routes based on weather, and we encourage drivers to speak with their DSPs if they have any concerns about completing a route.

Our newest vehicles are the safest and most sustainable delivery vehicles on the road today. In 2022, we launched our [electric delivery vehicles produced by Rivian](#) and we already have more than 10,000 in our fleet—helping us move closer to our [Climate Pledge](#) commitment to be net-zero carbon emissions by 2040. These vehicles are equipped with more than a dozen advanced driver assistance systems, including: blind spot warning, rear cross traffic alert, manual park assist, lane keep assist to gently nudge the driver back in lane, adaptive cruise control to maintain safe cruising distance from vehicles on the road, and automatic emergency braking to mitigate or prevent collisions. In addition, these vehicles are equipped with a surround view system to provide a “birds-eye” view and a rear camera view that are projected over a large centered driver display.

These are just a few examples of how we help keep drivers safe, and we are always looking for new technology, process improvements, and better training to continue to improve the safety of drivers, customers, and the community around us.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Huseman". The signature is fluid and cursive, with the first name "Brian" being more prominent than the last name "Huseman".

Brian Huseman  
Vice President, Public Policy

cc: U.S. Senators Tammy Baldwin, Richard Blumenthal, Sherrod Brown, Ben Cardin, Bob Casey, Catherine Cortez Masto, Tammy Duckworth, Josh Hawley, Martin Heinrich, Mazie Hirono, Amy Klobuchar, Ed Markey, Roger Marshall, Jeff Merkley, Gary Peters, Jack Reed, Jacky Rosen, Bernie Sanders, Brian Schatz, Tina Smith, Debbie Stabenow, Chris Van Hollen, JD Vance, Raphael Warnock, Elizabeth Warren, Peter Welch, Sheldon Whitehouse, and Ron Wyden