

Orozco, Norma

From: Nathaniel Greensides <mynci90@gmail.com>
Sent: Tuesday, July 12, 2022 9:36 PM
To: eComment; Downs, Kathryn
Subject: Public comment agenda item 17

Dear City Council,

tl;dr: continued reliance upon Amazon's business models of goods distribution may eventually result in catastrophe for local businesses and the local economy.

While I applaud the city utilizing cost effective and efficient contracts awarded to third parties for necessary government operations, I remain weary of Amazon as a mega corporation and its monopolistic business practices. (I am not the only one either: https://www.yalelawjournal.org/pdf/e.710.Khan.805_zuvfyyeh.pdf)

I myself was once a vendor who listed products for sale on Amazon's platform to make some extra money in college. Then their systems failed to allow me to create custom listings which fell outside of their databases' information leading to unhappy customers who were expecting products from me based on Amazon's faulty database system.

Additionally, the fees and structure of demands placed upon third party vendors who sell goods on Amazon's platform often result in unreasonable expectations and terms for the workers who need to fulfill the orders and contracts with Amazon as a means of goods distribution. This sentiment and understanding comes from my short experience working with a Japanese collectible toys distributor based in Anaheim called Bluefin (AKA Bandai Namco Collectibles). While Bluefin held contracts to distribute toys with local independent retail hobby shops all around the country, those contracts were much smaller than the contracts which Amazon negotiates with distribution companies in North America. Thus, many local independent retailers found themselves with no stock for sale to end consumers while Amazon absorbed all stock for sale on their platform. This in turn put the independent distributors in a bind to continue to fulfill Amazon contracts while smaller independent retailers slowly go out of business and eventually the distributor becomes more and more just another Amazon distribution center OR in the case of Bluefin, acquired by a larger multinational toy company such as Bandai Namco to remain competitive against Amazon.

I understand that the contract is necessary in the short term and has proven beneficial thus far. However I would advise a portion of the proposed \$400,000 be re-apportioned to hiring and training a qualified Santa Ana resident to cut out Amazon as a middleman. The person in the role would research the local vendors which the Amazon business rep has positioned for procurement of goods and materials. The person would then reach out and establish communication and training to said local vendors to become listed on Santa Ana's bid portals to be able to make contracts directly with the City and ensure the long term viability as a Santa Ana owned and operated business ventures. The savings incurred by the local vendors in making direct contracts with the city may also allow for local vendors to in turn expand and hire other local residents.

Sincerely,
Nathaniel Greensides
Ward 5 resident