AMAZON.COM's UNPALATABLE PROFITS

Cashing in on the killing of whales in Japan



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environmental investigation agency

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EXECUTIVE SUMMARY

Amazon.com Inc, via its wholly owned subsidiary Amazon Japan, is an important corporate facilitator of the commercial trade in cetacean (whale and dolphin) products.

Amazon Japan sells hundreds of cetacean products, including endangered fin whale from Iceland, and whale products from the drive hunts in Taiji featured in the documentary *The Cove*.

Amazon.com Inc, through its 100 percent ownership of the Japanese company, is responsible for these sales and is therefore directly profiting from the killing of whales.

Some of the whale products sold by Amazon Japan are highly polluted with mercury and constitute a significant risk to the health of consumers. In February 2011, EIA investigators purchased eight cetacean products from Amazon Japan, including canned whale meat, whale jerky, whale bacon and whale stew. Mercury analysis, carried out at a commercial laboratory in Fukuoka, revealed that six of the products had mercury levels exceeding the Japanese national limit for mercury in seafood of 0.4 parts per million (ppm). One product contained a staggering mercury level of 20ppm, some 50 times the recommended safe limit.

In recent years, international condemnation of Japan's whale and dolphin hunts, along with concerns about pollution and food safety, have led Japan's leading supermarket chains - AEON, Ito-Yokado, Seiyu and Uny - to prohibit the sale of whale and dolphin products in their thousands of stores. Japan's leading seafood companies, Maruha, Kyokuyo and Nippon Suisan, have all ended the production of canned whale meat and other whale products. Amazon Japan should do the same.

In December 2011, a search for 'whale' on www.amazon.co.jp yielded 147 whale products for sale. Many of these products originate from great whales, namely fin, sei, minke and Bryde's whale, which are all protected species under the moratorium on commercial whaling established by the International Whaling Commission (IWC) in 1986. These whale species are also afforded the highest level of protection by the Convention on International Trade in Endangered Species (CITES), which prohibits international trade. Despite this, a number of companies were selling endangered fin whale, imported from Iceland, through Amazon Japan.

Many products were toothed cetacean species (known as 'small cetaceans'), namely Baird's beaked whales and pilot whales. One-third of the 147 products were not listed with a species name, contrary to the requirements of Japan's labeling laws. Since many of these products originate from Taiji, where almost ten times as many dolphins are killed as whales, it is likely that Amazon Japan is selling dolphin products mislabeled as 'whale'.

As Amazon.com Inc directly profits from Amazon Japan's sale of whale products, it is responsible not only for facilitating the sale of products from endangered and protected species but also for allowing the sale of food products which are highly contaminated with mercury and a potential health threat to the people consuming them.

The Environmental Investigation Agency (EIA) is calling on Amazon.com and its global affiliates and subsidiaries to permanently and immediately ban the sale of all whale, dolphin and porpoise products.

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AMAZON.COM INC AND AMAZON JAPAN

Amazon.com Inc is the world's largest online retailer, with websites in the US, Canada, UK, Germany, France, Italy, Spain, Japan and China. Founded in 1994 by Jeff Bezos and headquartered in Seattle, Washington, the site first went online in 1995. It soon diversified from its initial focus on books and now sells a vast range of goods.

The company seeks to be *"Earth's most customer-centric company for three primary customer sets: consumers, sellers, and enterprises."* Amazon also generates revenue from online advertising and other marketing and promotional services.[1]

International sales (comprising Japan, UK, Germany, France, China and Italy) have been growing by about 33 percent per year during the past three years. In 2010, net sales from the international segment accounted for 45 percent of Amazon's consolidated revenues of $34,204 million and are expected to increase to 50 percent or more over time. Sales of products by marketplace sellers (which includes whale meat sellers via Amazon Japan) are an important proportion of Amazon's sales, representing 31 percent in 2010.[2]

According to Amazon.com's 2010 annual report, the US accounted for approximately 50 percent of global net sales for 2010, while net sales in Germany, Japan and the UK each represented 11-15 percent.[3]

Amazon.co.jp describes itself as "a US trade name of Amazon.com Int'l Sales, Inc., which uses the Amazon.co.jp name as a trademark under permissions from its affiliates."[4] It was launched on November 1, 2000 and swiftly became Japan's number one online retailer of books.[5] The following year, Amazon's Japanese site launched the Amazon Marketplace, providing a platform for third parties to buy and sell items on the same page as Amazon's products.[6]

Analysts estimate that Japan accounts for up to 15 percent of Amazon's business.[7] In 2011, second-quarter profits were impacted by the tsunami and subsequent problems in Japan, with an estimated $20 million reduction in operating income.

In the past few years, Amazon has been aggressively expanding its business in Japan, by adding new categories (and products) and building distribution centers throughout the country to speed up delivery (the most recent are located in Aichi and Miyagi).[8]

Third Party Sellers on Amazon Japan

Third party sellers, i.e. companies trading via Amazon's websites, contributed 31 percent of Amazon's unit sales in 2010.[9] Most sellers can choose from two pay structures, a pro-account ('sell a lot') and a basic account ('sell a little'). The 'sell a little' pricing consists of three different fees, charged on a per-item basis when the item is bought: a sales commission fee (usually 10-15 percent); a fixed closing fee (charge for the sale of the product, e.g. $0.99 per item sold); and a variable closing fee (charge for the administration of the transaction, which is dependent on the category of the item and shipping fees).

The 'sell a lot' pricing is aimed at sales in larger volumes and consists of three different fees: a monthly subscription fee (¥4,900 – approximately $63 – per month); a sales commission fee (the fee charged for referring the buyer to your business, dependent on category); and a variable closing fee (dependent on the delivery charge).

For food and drink products, including whale products sold on Amazon Japan, the third-party seller only has the option of the 'sell a lot' pay structure and pays a ten percent commission on top of the ¥4,900 monthly fee.[10] The products are shipped direct from the seller in Amazon boxes.

Like other Amazon websites, Amazon.co.jp already prohibits the sale of all living animals, including pets and domestic animals, as well as unlicensed or illegal wildlife products (which includes endangered species).[11] This policy could easily be extended to include all cetacean (whale, dolphin and porpoise) products.



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ABOVE:
Canned whale 'hamburger' sold by Amazon Japan.

AMAZON JAPAN'S WHALE SALES

In December 2011 there were 245 'whale' (kujira 鯨) items listed for sale on Amazon Japan under the 'food and beverage' category. Of these 245 hits, 147 were authentic whale products.

Product prices ranged from ¥340 ($4.38) for 'gondou' whale tail skin (which indicates pilot whale or Risso's dolphin)[12] to ¥31,500 ($406) for a 'Hot pot variety set of whale meat and whale sashimi' sold by Iwatani-i-collect.[13]

Amazon Japan sells a large variety of products derived from baleen whale species – minke whale, Bryde's whale, sei whale and fin whale – both from the Japanese catches in the Antarctic and Icelandic catches in the North Atlantic. These species are internationally protected by the International Whaling Commission (IWC) and are listed on CITES Appendix 1, which prohibits international trade.

Amazon also sells toothed whale products, including Baird's beaked whale and pilot whale.[14] Toothed cetacean species (i.e. smaller whales, dolphins and porpoises) typically exhibit higher levels of pollutants, including mercury and polychlorinated biphenyls (PCBs), than their baleen whale cousins.

Forty-eight (33 percent) of the products were not listed with a species name, contrary to the requirements of Japan's labeling laws. Some products were listed as toothed whale, a general term usually applied to pilot whales and Risso's dolphins. Several products were described as 'whale from Taiji', indicating they are either toothed whale or dolphin products caught from the infamous annual drive hunt. During 2000-09, almost ten times as many dolphins have been killed in Taiji's drive hunts as whales. It is therefore highly likely that some of the 'whale' products on sale through Amazon Japan are in reality mislabeled dolphin products.

DNA analysis of products from other online retailers has demonstrated that dolphin products can be mislabeled as whale. Most recently, a 'pilot whale' product purchased by EIA investigators via Yahoo! Japan in February 2011 was subsequently identified by DNA analysis as Risso's dolphin.

At least seven Icelandic fin whale products, sold by four different companies, were available on Amazon Japan in December 2011.[15] Iceland and Japan have listed reservations to the Appendix 1 listing of fin whales and are therefore legally allowed to trade; however, the trade and Iceland's whale hunt have been strongly condemned as unlawful.[16]

The most popular product at the time of research[17] was coastally caught Baird's beaked whale jerky, sold by Hakudai company.[18] The second most popular item, also a Hakudai product, was Icelandic fin whale bacon.[19] Hakudai sells a large range of toothed whale products, mostly Baird's beaked whale. In 2006, Hakudai made international news when campaigners discovered it sold dog food products made with Baird's beaked whale.[20]

Polluted products sold by Amazon Japan

Toothed cetaceans, such as Baird's beaked whales, pilot whales and dolphins, feed at high trophic levels and biomagnify pollutants in their muscle and other tissue. Meat and blubber products sold in Japan often carry high levels of mercury, methyl-mercury, PCBs and other organic pollutants.[21]

During the past decade, there have been many independent assessments of the levels of toxic chemicals present in cetacean products in Japan. Peer-reviewed scientific papers have revealed dolphin meat with mercury levels several hundred times higher than Government recommended levels. Polluted whale, dolphin and porpoise products are still widely available in many parts of Japan; some products tested have been so polluted that they could cause acute mercury poisoning from a single meal.[22]

Analysis of whale products purchased from Amazon Japan

EIA purchased eight whale products from Amazon Japan in February 2011. Analysis was performed to determine the presence and concentration of mercury (Hg) by VisionBio, an ISO/IEC 17025 accredited testing laboratory based in Fukuoka, Japan.[23]

Only three of the products were described with a species name, despite Japan's labeling legislation requiring all cetacean products to be listed with the common name of the species and geographic origin.

Six of the eight samples exceeded Japanese national limits for total mercury concentration of 0.4 parts per million (ppm).[24] One sample, of 'whale stewed giblets', sold by Shiozaki Shoten, revealed an astonishing 21ppm mercury, more than 50 times higher than the Japanese regulatory limit. The average mercury level in the eight products was 4.2ppm, more than ten times higher than the provisional regulatory limit.

TABLE 1. Results of chemical analysis of whale product samples purchased from Amazon Japan

Sample no.	Product	Species labeled	Price (yen)	ppm Hg	URL
EIA11-09	Canned whale hamburger	none	600	ND	http://tinyurl.com/bpeptau
EIA11-10	Canned whale meat	none	450	1.3	http://tinyurl.com/coswds7
EIA11-11	Whale jerky, Chiba Prefecture recommended product	Baird's beaked whale	700	2.9	http://tinyurl.com/brxo3gv
EIA11-12	Whale bacon slice, whale skin from Taiji area	pilot whale (on internet only)	840	1.6	http://tinyurl.com/bobdutq
EIA11-13	Canned fin whale	fin whale from Iceland	578	0.1	http://tinyurl.com/cprc82q
EIA11-19	Whale curry	none	590	0.5	http://tinyurl.com/cxoz5vm
EIA11-20	Whale stewed giblets	none	1,050	21.0	http://tinyurl.com/cdue9ao
EIA11-21	Whale stew	none	1,260	6.2	http://tinyurl.com/bv89nyt
ND means less than 0.1ppm Government 'safe' limit set for seafood = 0.4ppm		Average Mercury Level in the eight products: 4.2ppm			(all links were active as of 27.01.2012)

INADEQUATE PROTECTION OF JAPANESE CONSUMERS

In addition to the well-known impacts on neurological development and function, an increasing number of human ailments including Parkinson's disease, hypertension and arteriosclerosis of the carotid artery have been linked with consumption of mercury-contaminated whale meat.[25] As a result, in 2008 the Chief Medical Officer of the Faroe Islands, where pilot whales have been hunted for many centuries, recommended to its regional Government that *"from a human health perspective … pilot whale meat is no longer used for human consumption"*.[26]

In stark contrast, the Government of Japan has taken very few steps to protect consumers from high pollutant levels in cetacean products. In 2003, a seafood health advisory was released by the Ministry of Health, Labor and Welfare which warned pregnant women to limit their consumption of Baird's beaked whale, pilot whale, sperm whale and bottlenose dolphin because of the high mercury levels. The advisory was updated in 2005 to include Dall's porpoises but remains wholly inadequate to protect consumers from high levels of pollution, and even excludes many dolphin species found on sale in Japan (e.g. Risso's dolphin) which commonly exhibit high pollution levels.[27]

Labeling of whale and dolphin products in Japan is subject to several laws, including the Food Sanitation Law and the JAS Law (Law Concerning Standardization and Proper Labeling of Agricultural and Forestry Products).[28] Since April 2001, retailers have been required to label processed seafood (including cetaceans) with the common species name and place of origin.[29] According to the Fisheries Agency, the system includes penalties that would apply to the mislabeling of dolphin meat.[30]

Despite this, cetacean products on sale in Japan are often mislabeled or inadequately labeled, obscuring or misrepresenting the actual species, or origin. About one-third of Amazon Japan's whale product listings did not advertise the species' common name. Given that several products were advertised as whale from Taiji, where many more dolphins are killed than whales, it is likely that Japanese consumers purchasing products labeled as 'whale' from Amazon Japan could actually be purchasing dolphin meat.

BELOW:
Two whale products purchased from Amazon Japan – whale giblets and whale stew – revealed mercury levels of 21 and 6.2ppm respectively.



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JAPAN'S HUNTING OF WHALES, DOLPHINS AND PORPOISES



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ABOVE:
Endangered fin whales hunted by Icelandic whalers are exported to Japan and sold by Amazon Japan.

Cetacean products on sale in Japan originate from several different commercial hunts. The largest hunt is the Government-sponsored special permit hunt for 'scientific research', which is permitted to annually kill up to 985 whales in the Antarctic (minke and fin whales) and 380 whales in the North Pacific (minke, sperm, Bryde's and sei whales), including in coastal areas. The species taken are all protected by the 1986 IWC moratorium on commercial whaling and by CITES, which bans international trade in species listed in its Appendix I. Listing on CITES Appendix I describes *"species threatened with extinction which are or may be affected by trade. Trade in specimens of these species must be subject to particularly strict regulation in order not to endanger further their survival and must only be authorized in exceptional circumstances*". Antarctic whales are further protected by the IWC Southern Ocean Sanctuary, which was adopted in 1994 by 23 votes to one, with only Japan opposing.[31] Japan's whale hunts have been formally criticized by the IWC on countless occasions, most recently in a 2007 Resolution which called on Japan to indefinitely suspend the Southern Ocean special permit hunt.[32]

In recent years, the number of whales killed in the Southern Ocean sanctuary has fallen while stockpiles of whale meat have increased, indicating a steady decrease in demand for whale products in Japan. In the 2010-11 hunt, 170 whales were killed in the Antarctic, less than two-thirds of the average catch during the previous five years and the lowest Antarctic catch since so-called scientific whaling began in 1987.[33]

However, Japan has recently imported significant quantities of endangered fin whale products from Iceland, despite the large stockpiles of unwanted whale meat from Japan's own hunts. Iceland resumed commercial whaling in 2006, based on a disputed reservation to the moratorium, which it filed when it rejoined the IWC in 2002. The Icelandic whaling company Hvalur hf has killed 273 endangered fin whales and exported more than 1,650 tonnes of fin whale

product (both meat and blubber) to Japan since this time, with the vast majority of the exports occurring in 2010 and 2011.[34] EIA investigations in 2011 revealed the set-up of the importing company, established at the request of Hvalur in the hope that a market for fin whale products will expand.[35]

By selling Icelandic fin whale, Amazon Japan is helping Iceland's whaling company to distribute and expand the market for Icelandic fin whale products, despite the international ban on commercial trade in whale products and the International Union for Conservation of Nature listing of 'endangered' for this species.

As well as the Government-sponsored 'great whale' hunt, four coastal whaling communities (Abashiri, Ayukawa, Wada and Taiji), hunt up to 112 toothed cetaceans each year in commercial hunts known as 'small-type coastal whaling', which target medium to large whales not included in the IWC's moratorium on commercial whaling. In the past ten years, 1,256 Baird's beaked whales, short-finned pilot whales and Risso's dolphins have been killed in these hunts.[36] Very little is known about Baird's beaked whales, which are larger than minke whales and classified as 'rare' in Japanese coastal waters.[37]

In addition, almost 18,000 small cetaceans can be hunted around Japan's coast in unsustainable and unregulated commercial hand harpoon and drive hunts. The largest of these hunts was the Dall's porpoise hunt, which took place in northern Japan and has killed at least 400,000 animals since the 1986 moratorium on commercial whaling.[38] With most of the hunting and processing capacity based in Iwate, the hunt was severely impacted by the March 2011 tsunami and to date has not resumed.[39] In southern Japan, the dolphin and whale drive hunts in Taiji, depicted in the Oscar-winning documentary *The Cove*, kill more than 1,000 dolphins and whales each year. From 2000-09, 12,385 dolphins (striped, Risso's, spotted and bottlenose) and 1,316 whales (pilot whales and false killer whales) were killed.[40]

BELOW:
Polluted meat products from Baird's beaked whales are sold on Amazon Japan.



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RECOMMENDATIONS

Amazon and its affiliate websites must immediately enact a corporate-wide policy prohibiting the sale of all cetacean (whale, dolphin and porpoise) products.

In addition to the ethical and international legal considerations surrounding Japan's continued whale and dolphin hunts, the real and very serious health risks posed to consumers from eating whale and dolphin products demand prompt and definitive action.

Profits made by Amazon from the sale of cetacean products in Japan reflect poorly on the Amazon trademark internationally and seriously tarnish Amazon's environmental record. Discontinuing the sale of all such products is the only viable recourse available to Amazon that will protect consumers and indemnify the company from the potentially damaging consequences of inaction.

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