

Wal-Mart to sell goods from other vendors on Web

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(AP) -- Wal-Mart Stores Inc. has launched an addition to its online business that has outside retailers selling nearly 1 million new items through Walmart.com, a move that could help the world's largest retailer catch up in the online world.

The Walmart Marketplace has products from categories that include home, baby, toys, apparel, sporting goods and sports memorabilia. The company said it picked the retailers - including eBags, CSN Stores and Pro Team - because they have large product assortments and solid customer service track records.

Retail consultant Burt Flickinger III said <u>Wal-mart</u> can use online sales an area for growth, especially considering how the company's stores have saturated much of the U.S. market. He said Wal-Mart can also draw online customers from the European continent and South Korea, where it no longer has stores.

"This gives Wal-Mart a chance to close the widening gap with Amazon.com and Apple," Flickinger said.

Apple has knocked off Wal-Mart as the top music seller, and Amazon has posted healthy sales gains of late, though its second-quarter earnings in July came in below expectations. In its second quarter, Wal-Mart posted its first drop in sales at stores open at least a year, indicating a need to find new growth areas.



"Online is one key growth frontier Wal-mart has yet to conquer," Flickinger said. Bringing in established companies is faster than the company developing such a massive addition itself, he said.

Flickinger said that with Mike Duke taking over this year as Wal-Mart Stores president and CEO, the company has moved other managers into place to build sales across Wal-Mart's divisions.

"Wal-Mart is fully focused on winning against every key competitor on land and online," Flickinger said.

On the Web site, payment for products ordered from the partner companies is handled by Walmart.com. The partner retailer will handle shipping and customer service. Wal-Mart says it plans to add more companies.

The names of the different retailers are listed on individual product pages. The <u>Marketplace</u> had centerpiece placement on the Walmart.com site Monday.

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