

Office Depot and Alibaba opening online store

March 4 2019, by Sarah Skidmore Sell And Anne D'innocenzio



In this March 17, 2014 file photo, people walk past a company logo at the Alibaba Group headquarters in Hangzhou, in eastern China's Zhejiang province. Office Depot and Alibaba.com are creating a co-branded online store to expand the reach of both companies with small and medium size businesses. The two companies announced the agreement Monday, March 4, 2019, as part of a broader array of services they are providing to small business. Over time, the companies intend to help U.S. small businesses sell their products to buyers around the world through Alibaba.com. It marks Alibaba.com's first U.S. partnership with a major company. (Chinatopix via AP, File)

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It marks Alibaba.com's first U.S. partnership with a major retailer. The lion's share of Alibaba Group's business has been providing retailers and brands in the U.S. and around the globe access to the 700 million Chinese customers through its two major marketplaces Taobao and Tmall.

The core of Alibaba.com's business is connecting small businesses with its more than 150,000 suppliers worldwide, a catalog of product listings and manufacturing capabilities. So Office Depot's small and medium size business customers will be able to find a broader array of products or a reputable supplier to make their goods in a faster and more effective way. The agreement will give Alibaba access to Office Depot's 10 million [business](#) customers and 1,800 sales agents.



This July 12, 2010, file photo shows signage at an Office Depot store in Mountain View, Calif. Office Depot and Alibaba.com are creating a co-branded online store to expand the reach of both companies with small and medium size businesses. The two companies announced the agreement Monday, March 4, 2019, as part of a broader array of services they are providing to small business. Over time, the companies intend to help U.S. small businesses sell their products to buyers around the world through Alibaba.com. It marks Alibaba.com's first U.S. partnership with a major company. (AP Photo/Paul Sakuma, File)

Office Depot Inc., based in Boca Raton, Florida, has struggled in recent years with intense competition from Amazon.com, which has been increasingly invading on the office supplier chain's turf by offering office supply sales for U.S. companies. Office Depot still has 1,350 physical stores. But its new CEO Gerry Smith has been pushing the company to go beyond selling office products to become more of a one-stop shop for businesses for all service at a time when small businesses' biggest challenges are cash and time. Nearly 70 percent of its Office Depot's annual sales now come from [business customers](#), up from about

49 percent a few years ago, Office Depot said.

That goal of becoming more of one-stop shop for businesses will be furthered under this deal. For example, a toy manufacturer that was buying [office](#) supplies from Office Depot could now be steered by Office Depot to Alibaba.com to get access to the most cost-effective producers of toy parts that it's looking for. It can also help them get quick access to loans.

"As a trusted partner to millions of businesses, our customers tell us they want more choice in the market and need an expanded set of products and services to help their businesses grow," said Smith Office Depot in a statement. "We believe our collaboration with Alibaba.com is exactly what they are asking for."

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