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Chinese E-Commerce Giant Alibaba Opens Russian Company

By The Moscow Times

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The logo of Alibaba Group is seen inside the company's headquarters in Hangzhou, Zhejiang province.

Chinese e-commerce giant Alibaba Group has registered a Russian subsidiary as it expands its hold over Russia's fast-growing online shopping market, newspaper Kommersant reported Tuesday.

A Russian company named Alibaba.com was registered on May 15, Kommersant reported. Mark Zavadsky, business development director for AliExpress in Russia and the CIS, confirmed the company's registration to Kommersant.

“Alibaba Group founded a new company in Russia in order to further expand our business and support our partners, and also to facilitate cooperation with the Russian authorities,” Zavadsky told the paper.

Founded in 1999, Alibaba Group specializes in online retail and services for the e-commerce

industry. The company broke records late last year when it raised $25 billion in an initial public offering on the New York Stock Exchange, the biggest IPO in history.

Its online retailer AliExpress, which links Chinese businesses to consumers worldwide, sold more in Russia than any other foreign e-commerce company in 2014, a report last year by industry watcher East-West Digital News (EWDN) found.

Chinese retailers have been steadily growing their share of Russia's e-commerce market in recent years. About 70 percent of packages shipped to Russians from abroad last year came from China, with cheap Chinese goods taking about 50 percent of foreign e-commerce companies' total sales in Russia, according to EWDN.

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