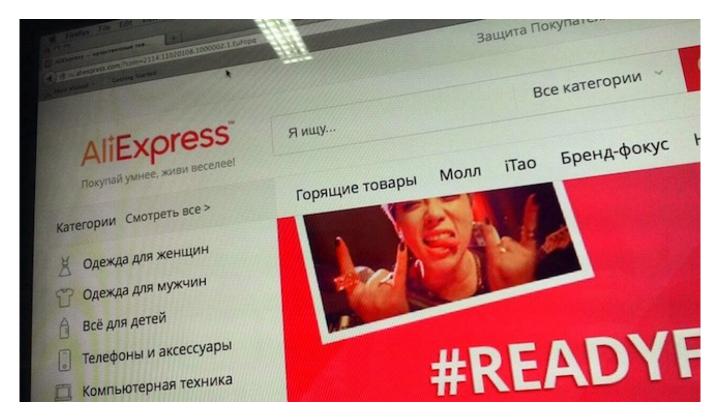


## Kremlin's AliExpress Fashion Site Folds After 24 Sales in 7 Months

By The Moscow Times

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A state-backed project promoting Russian-made goods on Chinese e-commerce site AliExpress has folded after only making 24 sales in seven months, the Kommersant newspaper reported Monday.

"Fashion. Made in Russia" was opened by Russia's Trade and Industry Ministry but only managed to attract 130,000 visitors since launching in December 2015. Some 466 Russian companies were initially invited to participate in the project, but 369 firms refused citing a lack of interest in Internet trade.

Participating companies complained of problems including badly translated software and problems with currency conversion. Roughly one hundred businesses were only able to begin sales on the platform two weeks after the project's launch date, Kommersant reported.

AliExpress attributed the low sales Russian goods to "unreasonably high prices and lack of originality," with the price of Russians goods far exceeding those of their Chinese rivals.

"The project on AliExpress was an important experience. It showed producers where to go from here, how to approach pricing, and how to present their goods. It is simply impossible to compete in the global consumer market with goods more than twice as expensive as other, similar products," Deputy Trade and Industry Minister Viktor Yevtukhov told Kommersant.

Mark Zavadsky, business development director for AliExpress in Russia and the CIS, said that while Russian producers were not yet ready to work on the online marketplace, development of Aliexpress' Russian version would continue, Kommersant reported.

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