

# Walmart offering China sellers ocean, customs pathway to US buyers



*The retailer's online marketplace serves sellers using key container gateways in China, similar to Shanghai, wanting to tap into Walmart's ability to attract US consumers. Photo credit: Wang An Qi / Shutterstock.com.*

**Eric Johnson, Senior Technology Editor | Aug 9, 2024, 9:11 AM EDT**

Walmart has begun offering ocean freight capacity and customs clearance services for sellers using its online marketplace.

The product, called Walmart Cross Border, is initially being offered on a port-to-door basis for full containerloads from three load ports in China — Yantian, Shanghai and Ningbo.

Sellers using the service get access to Walmart's negotiated ocean freight rates for 20-foot, 40-foot and 45-foot high cube containers, the retail giant said in a statement Thursday.

To participate, sellers must source or manufacture their goods in China and have enough product to fill a container. They must also be participants in the Walmart Fulfillment Services (WFS) program, which hooks sellers into Walmart's two-day US domestic delivery network. Sellers have the option of using Walmart's preferred US customs broker.

The offering portends growing demand from overseas sellers for something resembling end-to-end logistics services that encompass ocean freight and customs coordination. Walmart brings consumer demand through its online marketplace, helping sellers reach buyers they might not ordinarily be able to access.

## Targeting Amazon

Adding logistics services to the demand and fulfillment sides of a transaction signals Walmart's intent to go toe-to-toe with Amazon, which has also begun providing ocean freight and customs services to sellers on its marketplace. The difference is Walmart has long been a beneficial cargo owner (BCO), able to command preferential ocean rates from shipping lines, whereas Amazon has only slid into that world over the past decade as it became a BCO and not just a marketplace.

Walmart's new service is also a competitive threat to the combination of e-commerce storefront technologies, similar to Shopify, and digital customs brokers or forwarders that aim to help sellers unfamiliar with the challenges of international logistics.

For Walmart, aggregating ocean volume from sellers on its marketplace helps its negotiating position with shipping lines. The retailer is generally considered one of the largest US container importers, and adding more volume would only increase that leverage.

Walmart also operates a subsidiary non-vessel-operating common carrier called WMSC Logistics Services.

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