



Cainiao Ramping up Investment in its Global Network

Moves will improve efficiency, slash delivery times over next three years

Hangzhou, China, June 23, 2020 – Cainiao Smart Logistics Network, (“Cainiao Network”), the logistics arm of Alibaba Group Holding Limited, today announced it will ramp up investment in its network to improve efficiency and significantly slash delivery times over the next three years.

To benefit both consumers and merchants running 100,000 online stores by speeding up deliveries, Cainiao will sharply increase its chartered flights, build out the number, size and coverage of its warehouse facilities and expand its partnerships with customs authorities around the world.

“Logistics is no longer an afterthought. Today, logistics has become a game changer and key differentiator that sets one business apart from another. By capitalizing on a smart logistics platform, businesses will be able to tap on the technology and resources of established logistics firms to deliver superior customer service for success,” Cainiao President Lin WAN said. “Our investment to establish a global smart logistics network, including international shipping routes and warehousing facilities, will provide businesses with greater operational efficiency, cost savings, transparency and accuracy in their supply chain management.”

Tuesday’s announcement is the latest initiative from Cainiao to build out its global logistics infrastructure since Alibaba Group increased its stake in Cainiao in 2019, aimed at hitting ambitious goals set several years ago to deliver packages in China within 24 hours and in 72 hours elsewhere in the world.

Specifically, Cainiao will increase its number of chartered flights to 1,260 from 260 in the next nine months. That means air-freight time should drop to 3-5 days from the current 7-10 days.

Cainiao will also expand its overseas warehouse network, from 30 warehouses spanning one million square meters to over two million square meters in three years. Chinese SMEs will be able to pre-stock their goods in these overseas warehouses, allowing 90% of cross-border orders to be fulfilled within 72 hours in 100 cities. Cainiao will also enter 10 manufacturing belt clusters to provide warehouse facilities for 1000 factories, and optimize the logistics supply chain in over 500 counties in 21 Chinese provinces to double down on its 72-hour delivery commitment.

Foreign businesses exporting to China, will be able to leverage its 14 export warehouses and Cainiao’s partnership with over 30 customs clearance facilities to expedite processing of nearly 30 million goods daily.

To benefit merchants who use the economy shipping option, Cainiao will digitize and streamline operations to cut shipping time to 20 days from 60.

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About Cainiao Network Technology

Cainiao Network Technology Co., (“Cainiao”), founded in May 2013, is a technology company and the logistics affiliate of Alibaba Group. It adopts a collaborative approach to logistics with an innovative and open data platform that improves efficiency and customer experience for all players along the supply chain. It carries forward Alibaba’s mission of making it easy to do business anywhere by aiming to deliver anywhere in China within 24 hours, and across the globe within 72 hours.

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