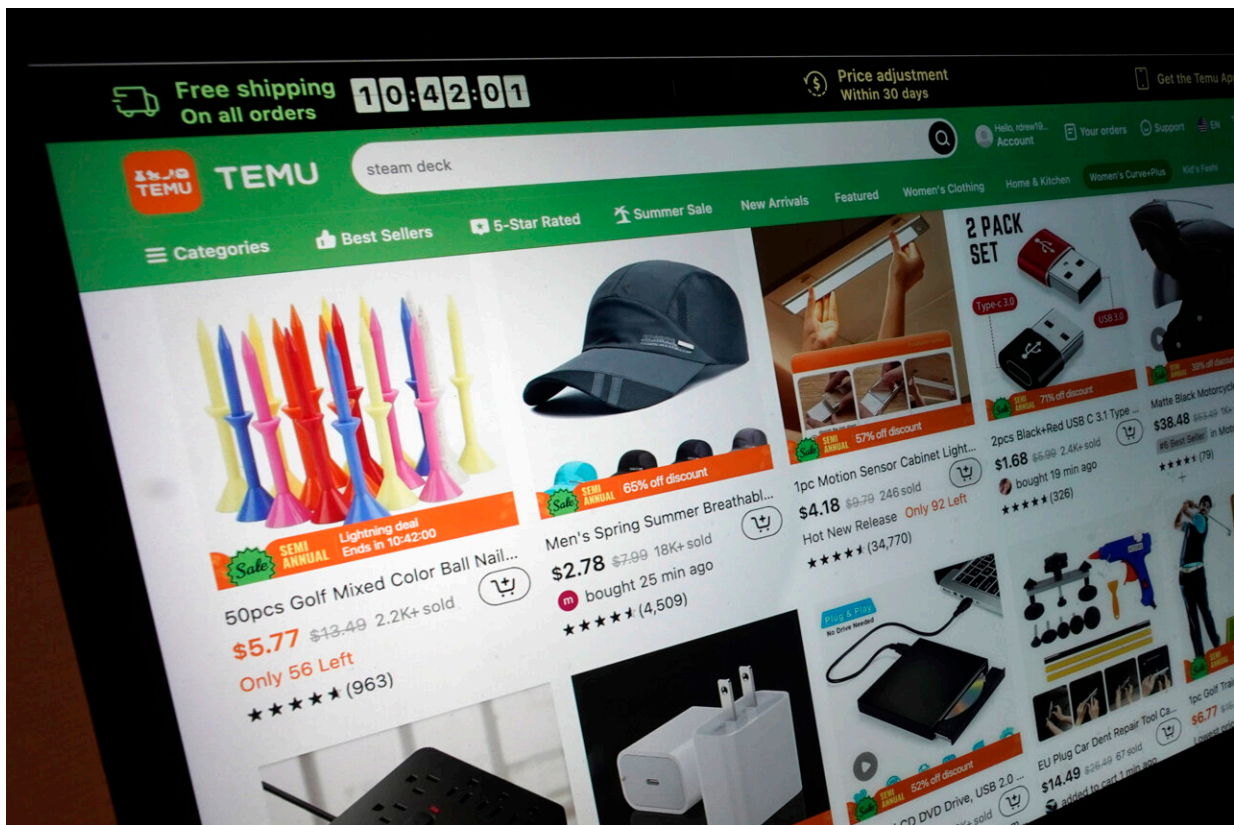


Temu is planning to open up its marketplace to U.S. and European sellers

January 25 2024, by Haleluya Hadero



A page from the Temu website is seen, June 23, 2023, in New York. Temu, the China-founded online retailer surging in popularity in the United States, is opening its platform to U.S. and European sellers, a Temu spokesperson confirmed Thursday, Jan. 25, 2024. Credit: AP Photo/Richard Drew, File

Temu, the online retailer owned by the parent of Chinese e-commerce

company Pinduoduo, is opening its platform to U.S. and European sellers.

A Temu spokesperson on Thursday confirmed the [company's](#) plans, which was first reported in Chinese media. The company declined to provide additional details, saying that "many of the business details are still in the process of being finalized."

Temu came on the U.S. market in 2022 and has gained traction by offering cheap apparel and other goods, such as \$9 sweaters and \$5 mugs. Its app was the most downloaded free application on Apple devices last year, surpassing popular social media platforms like TikTok, Instagram and YouTube.

Currently, the research firm Marketplace Pulse estimates Temu has more than 100,000 merchants based in China that sell goods on its platform. Factories act as merchants and ship their products to Temu warehouses in China, which are then delivered directly to consumers in the U.S. and other countries.

The company says the set-up allows it to cut out multiple middlemen and offer lower prices. But news outlets have also reported accounts of sellers who say they've been pressured to cut prices so low that it's challenging for them to make a profit.

Shipments have drawn scrutiny from U.S. lawmakers anxious to counter China's economic power and what they view as an exploitation of trade loopholes.

In a [report](#) released in June, House Select Committee on the Chinese Communist Party said Temu—and China's Shein—are responsible for more than 30% of packages shipped to the U.S. daily under a century-old trade exception known as de minimis. Under the provision, imported

packages valued under \$800 allow the importer to bypass duties and receive less oversight from U.S. customs.

The report also chastised Temu for what it characterized as lax compliance programs, saying there is a "extremely high risk that Temu's supply chains are contaminated with forced labor." The company says the allegations are "completely ungrounded."

Temu has become embroiled in bitter legal fights over the past few months against Shein, which has also gained popularity among consumers in recent years.

In October, both companies dropped lawsuits they had filed against each other over supply chain arrangements and alleged copyright violations. Temu then sued Shein again in December, accusing its e-commerce rival of using "mafia-style" intimidation of suppliers to curb the company's growth in the U.S.

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