



Esther Mangan
Inbound & Outbound Transportation
LATC September 6, 2018



Company History

Wayfair offers a zillion things home. Founded by Steve Conine and Niraj Shah, Wayfair operated until 2011 as a collection of niche standalone sites that grew and eventually consolidated into what would become the largest e-commerce provider for home furnishing and décor.



Niraj Shah
Co-Founder, Co-Chairman, and CEO

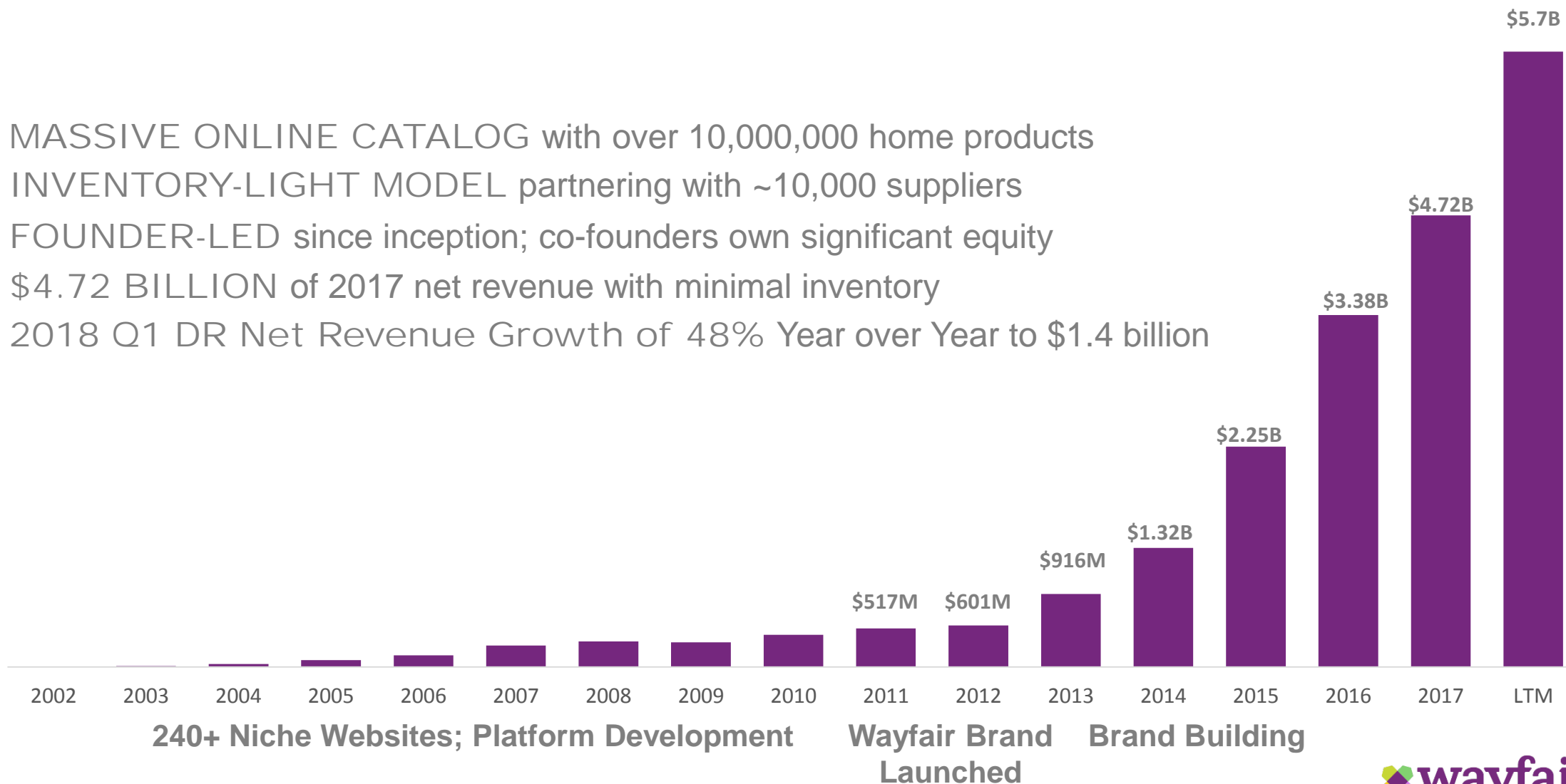


Steve Conine
Co-Founder and Co-Chairman



A Clear Online Leader in Home Goods

- MASSIVE ONLINE CATALOG with over 10,000,000 home products
- INVENTORY-LIGHT MODEL partnering with ~10,000 suppliers
- FOUNDER-LED since inception; co-founders own significant equity
- \$4.72 BILLION of 2017 net revenue with minimal inventory
- 2018 Q1 DR Net Revenue Growth of 48% Year over Year to \$1.4 billion

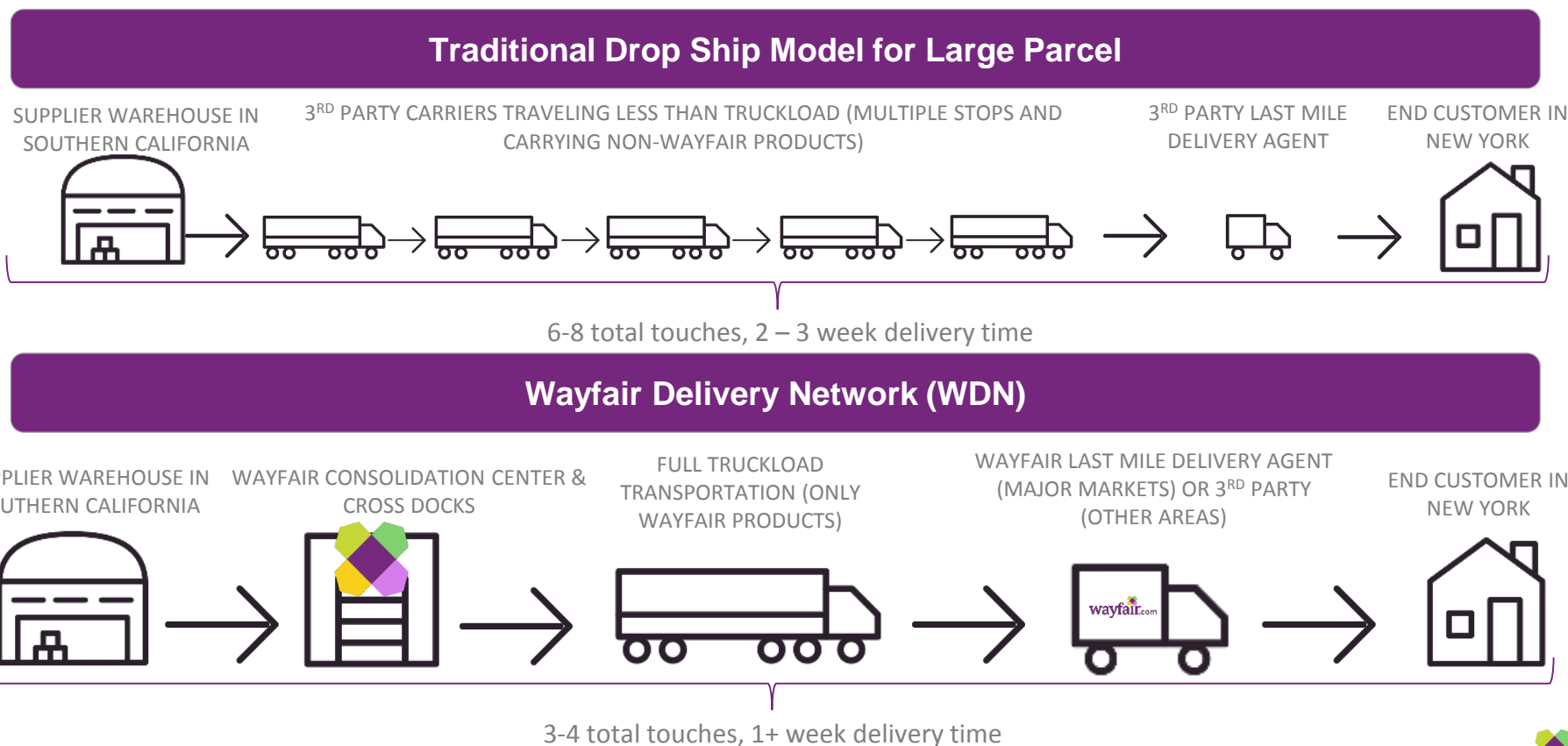




Wayfair Delivery Network (WDN) for Large Parcel Deliveries

Wayfair Delivery Network (WDN) describes several areas of our large parcel network where we are taking direct operating control instead of relying on contracted third party operators

As of April 2018, approximately 84% of our US large parcel orders were flowing through the Wayfair-controlled middle mile, and today Wayfair final mile delivery facilities cover approximately 60% of US large parcel home deliveries.

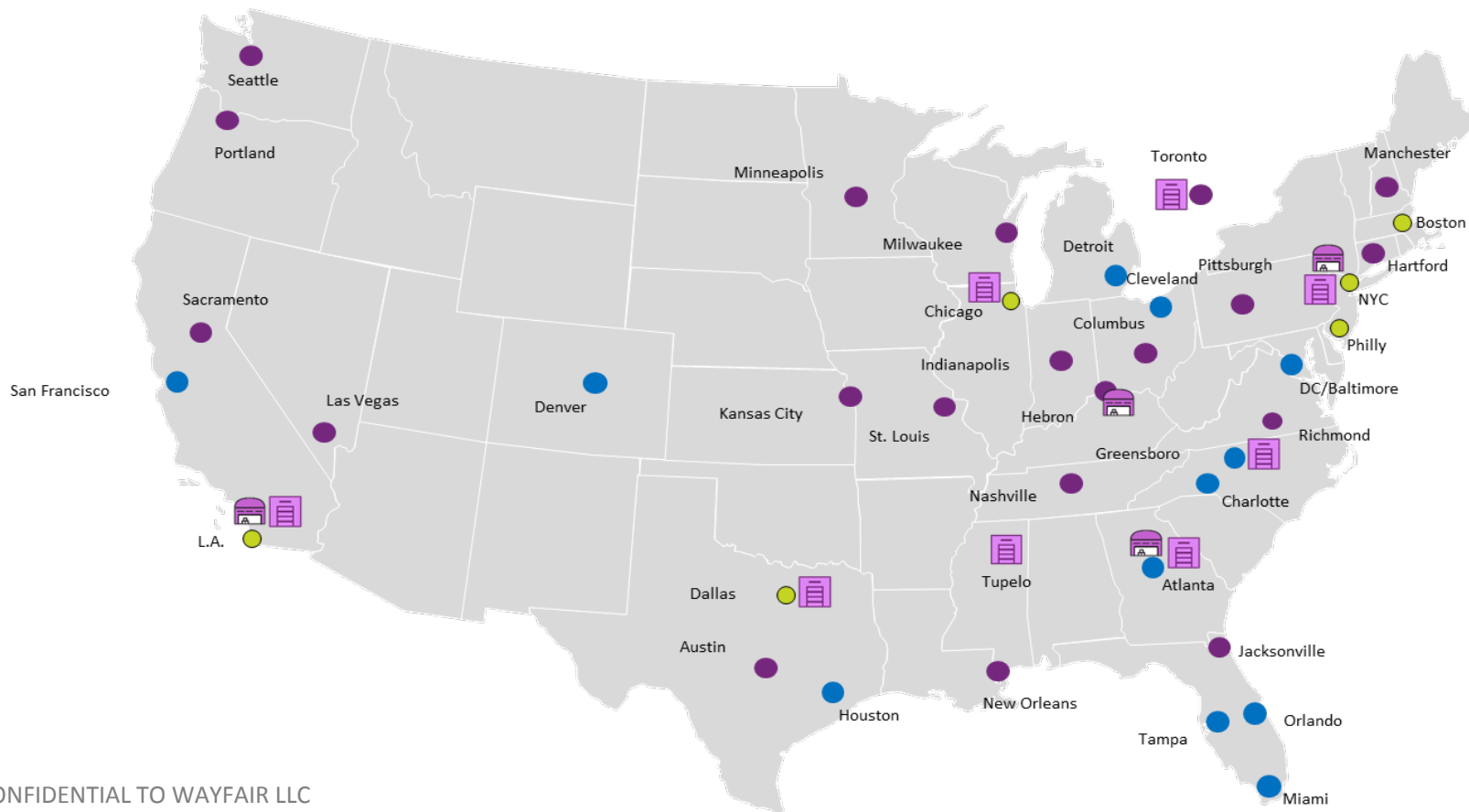




Investing in Proprietary Logistics Network Purpose-Built for the Home Category

Wayfair Delivery Network (WDN) directly manages Wayfair's large parcel deliveries via consolidation centers, cross docks and last mile home delivery facilities, thereby speeding up deliveries, reducing damage and improving the customer delivery experience.

CastleGate and Wayfair Delivery Network (WDN) Locations





3rd Party Delivery Agent Map

Wayfair also partners with a network of third party final mile delivery agents, connecting the WDN to our customers

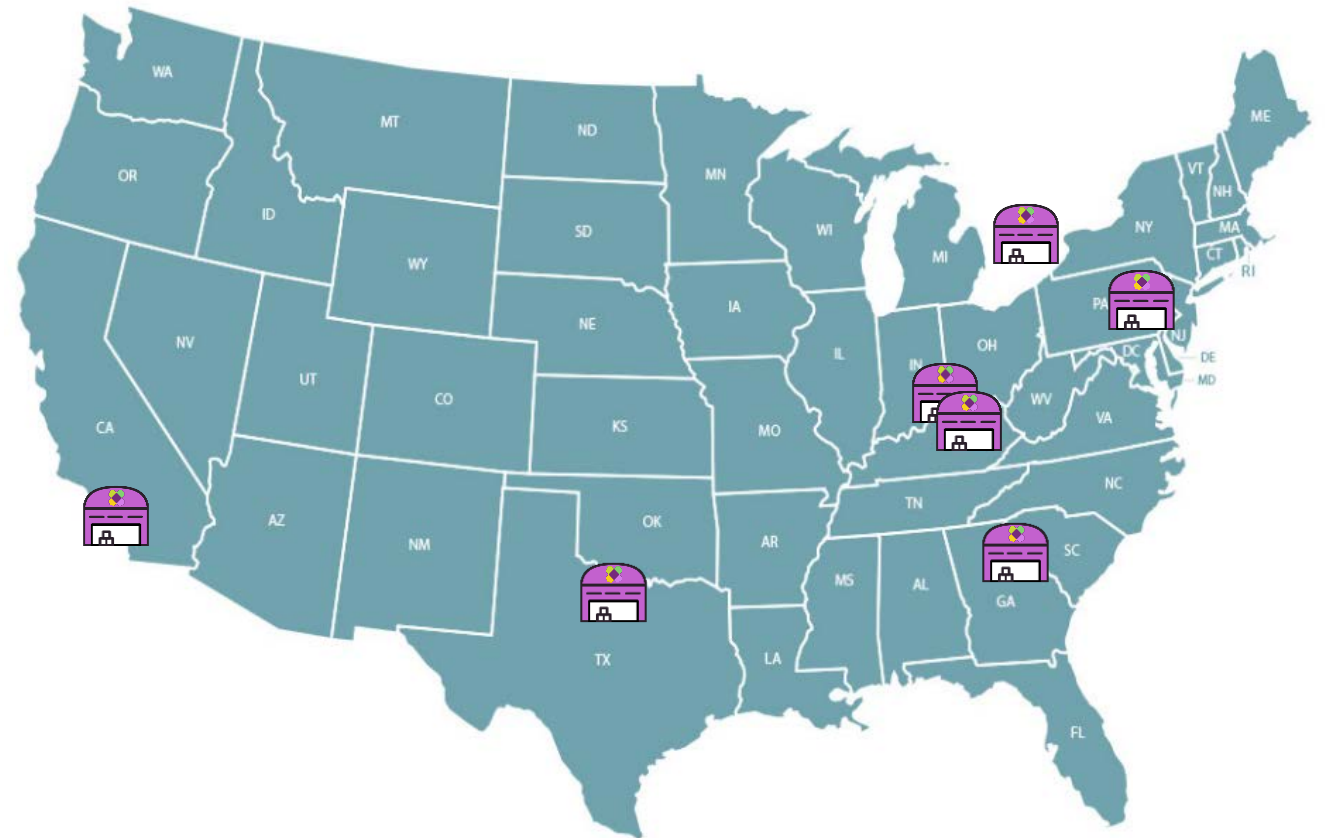
CastleGate and Wayfair Delivery Network (WDN) Locations





CastleGate Inbound and Forward Positioning

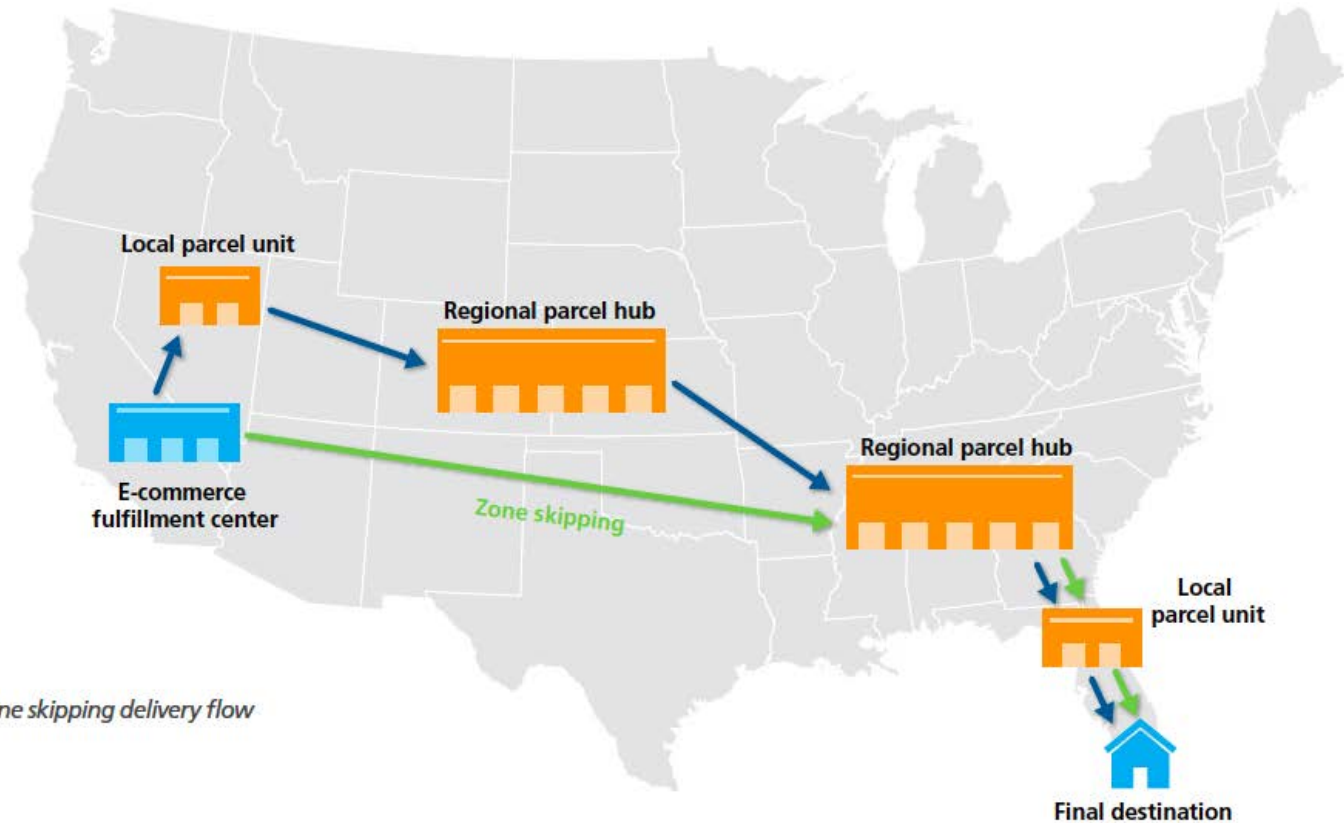
- Wayfair's wholly owned warehousing and fulfillment platform CastleGate Fulfillment offers a full suite of logistics solutions to our supplier base.
- We utilize full truckloads to transport inbound shipments of high volume supplier's product into our CastleGate network at the nearest hub
- FTL and IMDL shipments are then forward positioned to other CastleGate fulfillment centers





CastleGate Small Parcel Zone Skip

- Zone skipping allows Wayfair to ship truckloads of live customer freight that originate in one of our buildings to an injection center multiple zones away, reducing transit time and touches
- Trailers are loaded daily with hundreds of live customer orders and are cut at specific time allowing for injection into partner buildings by specific sort times



Example zone skipping delivery flow



2018: 90% pooled by Wayfair and 70% delivered by Wayfair

