

Farfetch to invest up to \$200m in Neiman Marcus Group in strategic luxury tie-up

Luxury fashion e-tailer Farfetch has signed a global strategic partnership and investment deal with Neiman Marcus Group, the largest omnichannel luxury retailer in the US and the parent of brands including Neiman Marcus and Bergdorf Goodman.



José Neves, Farfetch founder, chairman and CEO with CEO of Neiman Marcus Group. Source: Supplied

UK-headquartered Farfetch will invest up to \$200m in Neiman Marcus Group, allowing NMG to scale faster internationally and further accelerate investments in technology and digital capabilities. The investment will also see Farfetch become a minority shareholder in the retail group.

The partnership builds on Farfetch's Luxury New Retail vision and advances NMG's strategy to revolutionise integrated luxury retail, with an initial focus on re-platforming the Bergdorf Goodman website and mobile application to expand its global capabilities and services.

"Farfetch has invested for many years in its Luxury New Retail vision through its differentiated global technology platform. Neiman Marcus and Bergdorf Goodman have pioneered and continued to redefine luxury retailing in the United States, with exclusive products, an omnichannel offering and a team of more than 3,000 talented selling associates, which enable NMG to have an unmatched relationship with the luxury-obsessed customer," the companies said in a shared statement.

As part of the agreement, NMG will use Farfetch Platform Solutions (FPS) to re-platform the Bergdorf Goodman website and mobile application. As a result, Bergdorf Goodman will introduce its digital customer experience and curated offering to customers globally, integrating with the iconic New York City flagship.

Both Bergdorf Goodman and Neiman Marcus will join the Farfetch Marketplace as a partner, adding participating brands in key global geographies.

“ We are thrilled to announce a global strategic partnership and investment by [@farfetch](#), advancing our strategy to revolutionize integrated luxury retail. <https://t.co/0zz9dZXfmU>'s E-Commerce-Capabilities-and-Reach pic.twitter.com/7aq3o00h12— Neiman Marcus Group (@NMGNewsroom) [April 5, 2022](#) ”

Revolutionising the global luxury landscape

“I believe the US luxury market is at a pivotal point,” said José Neves, Farfetch founder, chairman and CEO. “Whilst the US is proving to be a long-lasting source of growth for the luxury industry, fuelled by younger generations who are highly engaged with the category, businesses will have to significantly upgrade their digital capabilities – powering both online and offline customer journeys – to meet these new customer expectations and stay ahead in what is going to be a competitive space in the coming years.”

Neves continued, “I greatly admire the Neiman Marcus Group, for its distinguished role in our industry both with Neiman Marcus and Bergdorf Goodman, and also for its stellar management team, including Geoffroy and Darcy. We share the same unwavering vision for the future of luxury, with the customer at the centre of all we do. This partnership is about revolutionising the luxury landscape globally, both online and offline, by combining NMG's iconic presence in the US and Farfetch's Luxury New Retail vision and technology.”

Geoffroy van Raemdonck, CEO of Neiman Marcus Group commented, “We are thrilled to be partnering with Farfetch to accelerate our e-commerce strategy, creating a seamless customer experience. José and the entire Farfetch team have built a best-in-class technology platform and are the ideal partner to help us grow Bergdorf Goodman to be an even stronger global digital luxury retailer.

“Farfetch's investment demonstrates their confidence in our omnichannel strategy, and we look forward to partnering with Farfetch to continue revolutionising the luxury customer experience and delivering value to all our stakeholders.”



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Darcy Penick, president of Bergdorf Goodman, said, “By leveraging the technology and expertise of Farfetch, we will further advance our integrated strategy to expand our reach and services to customers globally, bringing our one-of-a-kind iconic New York fashion brand to customers worldwide. This is an incredible opportunity to amplify our brand, further embed the Bergdorf Goodman experience across online and in-store, and continue our investments to further establish Bergdorf Goodman as a digital luxury leader on a global scale.”

Completion of the global strategic partnership and investment is expected by the third quarter of 2022, subject to the satisfaction of customary closing conditions.

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