

# Neiman Marcus Group Becomes First Luxury Retailer to Invest in Pre-Owned Market

## Company Announces Exclusive Partnership with Fashionphile as a Significant Step in Its Transformation Plan

DALLAS--(BUSINESS WIRE)--Neiman Marcus Group LTD LLC (the "Company") announced today that it has agreed to acquire a minority stake in Fashionphile, a leading pre-owned e-commerce company focused exclusively on ultra-luxury handbags and accessories. With this investment, Neiman Marcus Group becomes the first major luxury retailer to directly invest in pre-owned, an attractive and fast-growing segment projected to grow to \$23 billion by 2023.<sup>1</sup>

Together, Neiman Marcus and Fashionphile will create an elevated pre-owned experience for their consumers by matching the physical footprint and loyal customer base of Neiman Marcus with Fashionphile's digital inventory of 15,000 ultra-luxury items. With limited overlap between buyers and sellers in the pre-owned luxury market, the exclusive partnership will serve as a catalyst for Neiman Marcus to enable its existing customers to participate in pre-owned, while also reaching new, younger shoppers ahead of their peak spending years.

"Our investment in Fashionphile is an exciting step in Neiman Marcus Group's transformation into a luxury customer platform, as we work to better serve our customers, continue to shape the future of luxury and position Neiman Marcus for long-term and sustainable growth," said Geoffroy van Raemdonck, Chief Executive Officer, Neiman Marcus Group. "Over half our customers already engage in pre-owned luxury, and this exclusive partnership exemplifies our commitment to providing our customers with services and offerings they want and need. Fashionphile's hyper focus on curating high-quality supply and providing best-in-class shopping experiences makes it the ideal partner. With Fashionphile, we will engage with customers participating in the secondary market and introduce Neiman Marcus to younger and aspirational shoppers already devoted to luxury brands. We look forward to partnering with Fashionphile to create yet another exciting reason to experience our stores."

Founded in 1999, Fashionphile is an ultra-luxury pre-owned leader offering one of the largest inventories, best-in-class authentication and a direct buyout model. Ranked as one of the top most-searched fashion brands on Google in 2018, the company is well-established, profitable, and poised for growth.

"Neiman Marcus is the perfect partner for Fashionphile as we pursue more innovative ways to engage with customers," said Sarah Davis, Founder and President of Fashionphile. "Since our launch two decades ago, Fashionphile has expanded to become one of the leading and most trusted destinations for pre-owned luxury. I am excited about our future as we enter this new stage in the company's growth."

"Customers are approaching luxury in new ways, and pre-owned is at the center of that shift," said Ben Hemminger, Fashionphile's Co-founder and Chief Executive Officer. "Fashionphile is ideally positioned to benefit from this trend, and we look forward to leveraging the resources, capabilities and expertise of Neiman Marcus to help us scale more quickly."

As part of the partnership, Neiman Marcus and Fashionphile will be launching new ways for both buyers and sellers to more easily participate in pre-owned. For instance, at select Neiman Marcus stores, customers will be able to not only receive an immediate quote for their items from Fashionphile, but also immediate payment they can use that day to reinvest in new luxury fashion items at Neiman Marcus. Pre-owned merchandise will continue to be sold exclusively through Fashionphile.com.

Kirkland & Ellis LLP served as legal advisor to Neiman Marcus Group. DCS Advisory served as financial advisor and Latham & Watkins LLP served as legal advisor to Fashionphile.

### About Neiman Marcus Group

Neiman Marcus Group LTD LLC is a luxury, multi-branded, omni-channel fashion retailer conducting integrated store and online operations under the Neiman Marcus, Bergdorf Goodman, Neiman Marcus Last Call, Horchow, and mytheresa brand names. For more information, visit <http://www.neimanmarcusgroup.com>.

### About Fashionphile

Founded in 1999, FASHIONPHILE is the leader in buying and selling ultra-luxury pre-owned handbags and accessories online. The recommerce pioneer ranked as one of the most searched fashion brands on Google in 2018 and is known for its never-ending inventory of the most coveted handbags, a direct buyout model, and best-in-class authentication.

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<sup>1</sup> 2019 *thredUP* report, <https://www.thredup.com/resale>

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Additional assets available online: [Photos \(3\)](#)

<https://www.neimanmarcusgroup.com/2019-04-17-Neiman-Marcus-Group-Becomes-First-Luxury-Retailer-to-Invest-in-Pre-Owned-Market>