

RETAIL

Farfetch IPO still years away while heavy investment continues

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Image courtesy of Farfetch

By STAFF REPORTS

Online retailer Farfetch sees a public offering as a possibility only after its strong investment period ends, which it anticipates happening as soon as two years from now.

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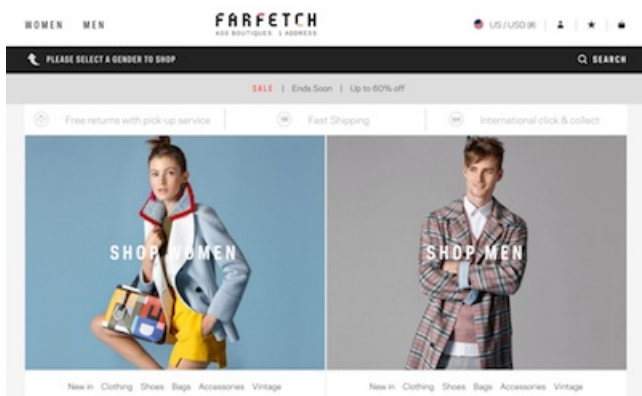
Responding to a Nov. 4 report in Bloomberg that the high-fashion startup was speaking with advisors in New York about an IPO as early as this year, the \$1.5 billion-valued company's CEO Jose Neves told [Reuters](#) that he would only start to consider an IPO years from now. Providing a new model of luxury retail, Farfetch has seen a lot of interest from investors over the years.

Investment over IPO

Farfetch acts as the ecommerce platform for a network of about 500 upscale fashion boutiques worldwide. Working with these highly curated shops gives Farfetch the ability to sell a greater variety of labels than a traditional retailer, selling many smaller, niche brands.

A Series F round in May raised an additional \$110 million in capital.

Led by players including Temasek, IDG Capital Partners and Eurazeo, the financing round brought the total amount the company has raised to more than \$305 million, per [Business of Fashion](#). The fashion ecommerce startup space has seen a lot of interest from investors, as newcomers change the way luxury does business ([see story](#)).



Farfetch Web site

Despite investor interest, Mr. Neves told Reuters that Farfetch is not yet profitable. It has, however, seen revenue grow 60 percent in the past few years.

In addition to clarifying the timeline for its potential IPO, Mr. Neves also noted that Farfetch has not decided whether it would list in New York, London or Hong Kong.

Other luxury companies have put IPOs on the back burner to focus their efforts elsewhere.

British apparel label Belstaff decided to hold off on its initial public offering plans.

The brand has put its IPO plans on hold due to the Brexit vote on June 23 that decided whether or not the United Kingdom would remain in the European Union. The vote to leave the E.U. has caused uncertainty for the U.K.'s market and resulted in pound value fluctuations ([see story](#)).

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