

RETAIL

## Rent the Runway's total venture capital investment reaches \$190M

December 27, 2016



*Image courtesy of Rent the Runway*

---

By STAFF REPORTS

Online fashion rental service Rent the Runway has secured \$60 million in capital from a Series E round of financing.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

Following the close of this funding round on Dec. 27, the ecommerce startup's total investments now stand at \$190 million. Rent the Runway plans to use this added capital to grow both its original rental program as well as its bricks-and-mortar retail presence and recently launched services.

### Rental meets retail

Rent the Runway's Series E was led by Fidelity Management and Research Company. Other participants included Technology Crossover Ventures, Bain Capital Ventures, Highland Capital Partners, and Advance Publications, all of which were existing investors.

Today, Rent the Runway has 6 million members.

Earlier this year, it expanded beyond its original piece by piece lending program with the creation of a membership program.

"Unlimited" grants subscribers access to a virtual closet stocked with designer wardrobe items for a flat monthly fee. The nationwide service threatens to disrupt the fashion industry and could either help or hurt brands, serving as a gateway or an obstacle to purchase ([see story](#)).



*Rent the Runway's New York flagship*

Rent the Runway also set up a store within the retailer's San Francisco location, which includes high-tech customer service features and styling help. Aiming to disrupt retail, this collaboration is meant to introduce a new generation of customers to Neiman Marcus while also appealing to consumers' mixed shopping habits ([see story](#)).

"We are coming off of our most successful year since the company's inception, with the launch of our Unlimited subscription business, our partnership with Neiman Marcus and our new flagship store in New York," said Jennifer Hyman, co-founder/CEO of Rent the Runway, in a statement. "We are excited to bring on Fidelity as a partner as we continue to disrupt the closet and remain at the forefront of the access economy."

The capital will be used to bolster Rent the Runway's operations, including its logistics. The company also has plans to further grow its Unlimited program and grow its store network beyond the current six retail locations.

---

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.