

RETAIL

The RealReal's total fundraising reaches \$173M

June 6, 2017



The RealReal perpetuates the luxury cycle. Image credit: The RealReal

By STAFF REPORTS

Online consignment marketplace The RealReal has received \$50 million in funding from Great Hill Partners.

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On June 6, the San Francisco-based company announced it had closed a growth equity financing from the private equity firm. With its additional investment, The RealReal is looking to grow its bricks-and-mortar retail concepts.

Selling secondhand

Along with the funding, Great Hill Partners' managing partner Michael Kumin will join The RealReal's board of directors.

Since its launch in 2011, The RealReal has grown beyond its online platform, opening a number of valuation offices to provide physical spaces for consignors to interact with experts.

Originally centered on jewelry, The RealReal recently extended this service to handbags with an appraisal service at its consignment offices in New York and Los Angeles ([see story](#)).



The RealReal will now offer in-person handbag appraisals

The RealReal notes that the consignment process is a perpetuating cycle, as luxury sellers trade in their previous purchases and then use their newfound cash to buy new luxury goods. With a total 5 million buyers and sellers, the company projects that it will pay consigners \$300 million this year.

"Six years in, The RealReal continues to expand in exciting ways and this incremental capital will be instrumental in supporting the business and our continuous growth," said Julie Wainwright, CEO/founder of The RealReal, in a statement.

The secondhand luxury market is booming, and investors are getting in on the action.

Earlier this year, French online consignment marketplace Vestiaire Collective secured 58 million, or \$62 million at current exchange rates, in funding to support future international growth.

Vestiaire Collective was launched in October 2009 and since then has raised more than 116 million, or \$124 million, from the likes of Zadig & Voltaire, Cond Nast International, Eurazeo and others ([see story](#)).

Last fall, jewelry resale platform TrueFacet completed a \$6 million Series A funding round. TrueFacet has grown 120 percent each quarter since its launch in 2014, with this additional capital from experienced investors expected to help continue its growth ([see story](#)).

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