

RETAIL

Nordstrom explores possibility of going private

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Exterior of Nordstrom's Seattle flagship store. Image credit: Nordstrom

By STAFF REPORTS

Retail group Nordstrom is eyeing a potential move toward private ownership.

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According to an announcement from the company on June 8, the Nordstrom family is looking into the possibility of a "going private transaction," in which it would purchase all common stock in the company. Despite its public exploration, the family members involved have not submitted a proposal to the company as of press time.

Taking stock

The Nordstrom family members involved include the company's co-presidents Blake W. Nordstrom, Peter E. Nordstrom and Erik B. Nordstrom; president of stores James F. Nordstrom; chairman emeritus Bruce A. Nordstrom and Anne E. Gittinger.

This group is considering purchasing 100 percent of Nordstrom's shares. The retailer, which includes the Nordstrom full-line stores, off-price retailer Nordstrom Rack, flash sale ecommerce platform HauteLook and Trunk Club, trades its common stock on the New York Stock Exchange.



Nordstrom spring 2017 campaign. Image courtesy of Nordstrom

In light of the Nordstrom family's probe into private ownership, the company's board of directors has created a special committee of non-affiliated advisers to act on behalf of the retail group should a transaction occur.

The Nordstrom family group is not promising to make an offer, and it has not laid out terms of a potential deal. There is also no guarantee that the special committee will accept an offer, should the group present terms to Nordstrom.

This announcement by Nordstrom comes following the initial public offerings for a number of luxury players.

Following the merger of Net-A-Porter and Yoox in 2015, the newly formed group listed itself on the Italian Stock Exchange ([see story](#)). Ferrari also made its IPO debut in 2015, while Jimmy Choo joined the London Stock Exchange in 2014.

Still, a number of brands, including Armani, Valentino and Versace, remain privately owned. However, a Pambianco report found that they would be attractive to investors were they to open up a public option ([see story](#)).