

RETAIL

## Nordstrom family suspends private ownership plans

October 16, 2017



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

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By STAFF REPORTS

Members of the Nordstrom family have put their exploration of taking the retail company private on hold for the remainder of the year.

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This June, the Nordstrom family announced that they were looking into the possibility of purchasing all common stock in Nordstrom Inc., turning it into a privately owned company ([see story](#)). While suspending its efforts in the short-term, the family is not abandoning its exploration of going public entirely.

Public or private

Dubbed the "Group," the family members involved in the exploration of privatization include the company's co-presidents Blake Nordstrom, Peter Nordstrom and Erik Nordstrom, president of stores James Nordstrom, chairman emeritus Bruce Nordstrom and Anne Gittinger.

The Group has notified the special committee of Nordstrom's board of directors that it is suspending its active exploration of a going private transaction for the remainder of the year. Following the holiday season, the Group intends to continue its efforts, further investigating the possibility of taking the company private.



*Nordstrom's spring/summer 2017 campaign. Image credit: Nordstrom*

In a statement, the company wrote, "The Special Committee, which is committed to protecting the interests of the Company and all its shareholders, is prepared to thoroughly evaluate such a proposal from the Group at that time, if one is made. In the meantime, the company and its employees will remain focused on running the business and delivering the best shopping experience for customers."

A report from the [New York Post](#) earlier this month said that a deal to go private was challenged due to the Nordstrom family's difficulty gaining financing. This was partly due to struggles in other parts of the retail industry, such as Toys 'R' Us bankruptcy.

Following its announcement that it was putting its privatization on hold, Nordstrom's stock fell.

Gordon Haskett analyst Chuck Grom noted that he does not anticipate the stock going below \$40 in the near future.

"Laterally, we don't expect too much collateral damage for the department store players we monitor, which have come back under duress in the past two weeks likely on what could be another difficult quarter given unseasonably warmer temperatures throughout most of the country," Mr. Grom said.