

RETAIL

## Neiman Marcus invests in secondhand luxury with Fashionphile stake

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*Neiman Marcus has invested in Fashionphile. Image credit: Fashionphile*

By STAFF REPORTS

Retailer Neiman Marcus Group is taking a minority stake in secondhand luxury seller Fashionphile, betting on the projected growth in upscale resale.

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Neiman Marcus sees an opportunity to get more of its existing customers to buy pre-owned merchandise, since today the populations of consigners and customers for secondhand luxury have little overlap. This partnership will include placement for Fashionphile at select Neiman Marcus stores, allowing consumers to cash in on their previous purchases and buy new items in the same trip.

"Our investment in Fashionphile is an exciting step in Neiman Marcus Group's transformation into a luxury customer platform, as we work to better serve our customers, continue to shape the future of luxury and position Neiman Marcus for long-term and sustainable growth," said Geoffroy van Raemdonck, CEO of Neiman Marcus Group, in a statement. "Over half our customers already engage in pre-owned luxury, and this exclusive partnership exemplifies our commitment to providing our customers with services and offerings they want and need.

"Fashionphile's hyper focus on curating high-quality supply and providing best-in-class shopping experiences makes it the ideal partner," he said. "With Fashionphile, we will engage with customers participating in the secondary market and introduce Neiman Marcus to younger and aspirational shoppers already devoted to luxury brands.

"We look forward to partnering with Fashionphile to create yet another exciting reason to experience our stores."

### Secondhand sales

Fashionphile was founded in 1999, and focuses on ultra-luxury handbags and accessories. The company has an inventory of approximately 15,000 items.

As part of Neiman Marcus Group's investment, the company will be giving Fashionphile placement in some of its Neiman Marcus stores.

Customers will be able to get an instant quote for their pre-owned goods, and if they wish they can trade in their bags or accessories for a payment. While Neiman Marcus will not be selling pre-owned goods through its channels, the

quote service will enable shoppers to get money back and shop for new items from the retailer.

[View this post on Instagram](#)

Coco Chanel was the first to rock the high-low trend, mixing fine jewels with costume versions. @chanelofficial's costume jewelry is still a staple in our closet! Comment below- which pair would you go for?

A post shared by FASHIONPHILE (@fashionphile) on Apr 15, 2019 at 12:55pm PDT

### *Fashionphile focuses on handbags and accessories*

According to figures from ThredUp, the resale market is expected to climb to \$23 billion in 2023.

"Customers are approaching luxury in new ways, and pre-owned is at the center of that shift," said Ben Hemminger, cofounder and CEO of Fashionphile, in a statement. "Fashionphile is ideally positioned to benefit from this trend, and we look forward to leveraging the resources, capabilities and expertise of Neiman Marcus to help us scale more quickly."

With this move, Neiman Marcus says it is the first luxury retailer to invest in pre-owned. While this is Neiman Marcus' first investment in secondhand luxury, the company has previously partnered with resale firms.

In 2015, Neiman Marcus expanded its watch selection through a partnership with luxury timepiece consignor Crown & Caliber.

At select stores and online, consumers were able to shop a hand-picked assortment of pre-owned pieces from brands such as Rolex, IWC, Patek Philippe and others. This enabled Neiman Marcus to benefit from added selection within its watch department, while enabling Crown & Caliber to bring its ecommerce offerings in-store with a high

level of service ([see story](#)).

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