

RETAIL

## The RealReal files for IPO

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Exterior of The RealReal's new Madison store. Image credit: The RealReal

By STAFF REPORTS

After discussions grew throughout this year surrounding luxury consignment platform The RealReal possibly launching an initial public offering, the resale platform has officially filed.

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In a statement revealing its plans for investors, the resale platform said that it intends to transform the luxury resale segment. The RealReal is boasting its tech and data offerings to investors, citing the up to 50 unique attributes for each piece that is consigned with its company.

Going public

The RealReal plans to list on the Nasdaq Global Select Market under the ticker symbol Real and expects to raise \$100 million. But many experts say that the final amount could be different.

Data provider PitchBook valued the consignment brand at \$745 million in a funding round last July.

The company is not profitable and most recently posted a net loss of \$75.8 million in 2018. Money from investors will be used for general business purposes and operating expenses.



The RealReal recently raised an additional \$115 million. Image credit: The RealReal

"A strong network effect drives the growth of our online marketplace," The RealReal said in its statement. "As we

bring more consignors onto our platform, we unlock more high-quality, luxury supply, which increases our merchandise assortment and attracts more buyers.

"This, in turn, increases sales velocity and commissions for our consignors. In addition, a meaningful share of our consignors becomes buyers and vice versa, which creates a differentiated flywheel that enhances the network effect of our online marketplace."

As it continues to grow, luxury consignment platform The RealReal has also strengthened its board with new members.

The RealReal welcomed four new members to its board, including executives from retailers and entities such as Google, Ralph Lauren, Yelp and Equinox. The new additions double the number of board members for The RealReal, and are likely to greatly impact its future ([see story](#)).

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