

JEWELRY

Tiffany & Co., LVMH agree to discounted acquisition deal

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LVMH and Tiffany & Co. have renegotiated their merger agreement. Image credit: Tiffany & Co.

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate LVMH Mot Hennessy Louis Vuitton is ready to tie the knot with U.S. jeweler Tiffany & Co., after the two companies agreed to change the price of the acquisition.

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After months of back and forth, LVMH has agreed to acquire Tiffany & Co. for \$131.50 per share in cash, for a total price of \$15.8 billion. The modified cost is lower than the \$16.2 billion deal both brands agreed to nearly a year ago, before the coronavirus pandemic sent shockwaves across the luxury industry.

"This balanced agreement with Tiffany's Board allows LVMH to work on the Tiffany acquisition with confidence and resume discussions with Tiffany's management on the integration details," said Bernard Arnault, president and CEO of LVMH, in a statement. "We are as convinced as ever of the formidable potential of the Tiffany brand and believe that LVMH is the right home for Tiffany and its employees during this exciting next chapter."

Happily ever after?

It was earlier this week that reports emerged that LVMH and Tiffany & Co. had resumed acquisition talks ([see story](#)), after a legal battle had ensued between both companies.

After LVMH backed out of the deal in early September, citing concerns over potential U.S. tariffs, Tiffany filed suit to enforce the merger.



A classic Tiffany solitaire engagement ring. Image credit: Tiffany & Co.

Among Tiffany's accusations was that the French conglomerate had not been assertive about receiving governmental approvals for the deal, including the European Union. Meanwhile, LVMH claimed that the "highly profitable" jeweler it had planned to purchase "no longer exists" due to mismanagement during the pandemic ([see story](#)).

In a statement from LVMH, the luxury group revealed both sides have also agreed to settle their pending litigation in Delaware Chancery Court.

The acquisition is now scheduled to be completed in early 2021, and is still subject to approval by Tiffany's shareholders.

"We are very pleased to have reached an agreement with LVMH at an attractive price and to now be able to proceed with the merger," said Roger N. Farah, chairman of the board of directors of Tiffany, in a statement. "The Board concluded it was in the best interests of all of our stakeholders to achieve certainty of closing."

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