

RETAIL

HBC joins Insight Partners, furthering investment into Saks Off 5th ecommerce

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In the same manner as its full-priced counterpart, Saks Off 5th is splitting its ecommerce and retail businesses. Image credit: Saks Off 5th

By LUXURY DAILY NEWS SERVICE

Hudson's Bay Company is entering into a new partnership to further efforts in establishing the ecommerce site for Saks Off 5th.

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HBC is collaborating with Insight Partners, which has led a \$200 million equity investment in the Saks Off 5th ecommerce business, valuing the company at approximately \$1 billion. The latest partnership announced on June 21 establishes Saks Off 5th's ecommerce business as a standalone entity, while the Saks Off 5th store fleet, spanning 105 locations across the U.S. and Canada, will be a separate entity referred to as O5 and entirely owned by HBC.

"With a unique market position and on the heels of explosive growth, we are excited to establish Saks Off 5th as the preeminent digitally native luxury off-price retailer," said Richard Baker, executive chairman, governor and CEO at HBC, in a statement. "As a true off-price business with a superior merchandise offering, Saks Off 5th has a significant opportunity to capture additional market share by further expanding its digital capabilities."

Saks Off 5th in disparate capacities

Paige Thomas has been appointed president/CEO of the digital Saks Off 5th business.

Ms. Thomas will focus on guiding the future direction of the business and investments on enhancing omnichannel capabilities, including fulfillment and logistics improvements, supporting infrastructure and delivering excellent customer experience across channels.

Rob Brooks, who previously served as chief customer officer for Saks Off 5th, has been named president of O5.

Mr. Brooks will report directly to Mr. Baker and will lead a team responsible for supporting and further enhancing the overall omnichannel experience.



In April, the retailer announced it will begin phasing out fur products throughout all of its stores, both physical and online. Image credit: Saks Fifth Avenue

Marketing and merchandising will be led by Saks Off 5th for both businesses.

Returns, exchanges and SaksFirst credit cards will continue to be accepted both online and in stores.

This move with Saks Off 5th follows HBC's spin-off of the ecommerce site for Saks Fifth Avenue into its own separate entity from the physical retail stores in March ([see story](#)).

"There is a category-making growth opportunity within luxury off-price, and we believe Saks Off 5th has carved out a differentiated position in an underserved market," said Deven Parekh, managing director of Insight Partners, in a statement. "We look forward to working with HBC on this new partnership as they continue to build on Saks Off 5th's momentum and growth trajectory."

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