

JEWELRY

Signet acquires Blue Nile in diamond expansion

August 9, 2022



Blue Nile is an online retailer of diamonds and fine jewelry. Image credit: Blue Nile

By LUXURY DAILY NEWS SERVICE

Jewelry retailer Signet Jewelers is expanding its hand in the diamond industry with the acquisition of online jewelry retailer Blue Nile for \$360 million.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

In 2021, Blue Nile reached revenue of more than \$500 million, solidifying its place in the fine jewelry ecommerce space. In an all-cash transaction, Signet is looking to strengthen its bridal offerings and accessible luxury portfolio all while leveraging digital commerce.

"Blue Nile is a pioneer and innovator in online engagement rings and fine jewelry, providing a unique and highly desirable shopping experience for customers," said Virginia Drosos, CEO of Signet, in a statement. "Adding Blue Nile to our strong and diversified portfolio of banners will further drive our Inspiring Brilliance' growth strategy."

Diamonds forever

The transaction will be funded with cash on hand and is expected to close in the third quarter of fiscal year 2023.

Separately, Signet is updating its guidance for the second quarter and full-year fiscal 2023 given increased pressure on discretionary spending and global economic volatility.



In October 2020, Blue Nile welcomed lab-grown diamond maker Lightbox to its site. Image credit: Lightbox Jewelry

"While our initial guidance for FY23 anticipated the impact of stimulus in the base period and the level of inflation that we were seeing at that time, we have seen a further deterioration in consumer spending, including at higher price points, in July," said Joan Hilson, chief financial and strategy officer at Signet, in a statement.

"Assuming this trend will persist in the back half of the year, we are modestly reducing our FY23 guidance," she said. "Importantly, our outlook continues to reflect a double-digit annual operating margin based on the strength of our transformed business model."

This acquisition could also signify greater implications for the lab-grown diamond sector, as Blue Nile welcomed its first lab-grown diamond brand, De Beers' Lightbox, on its site in 2020 ([see story](#)).

Signet did not suggest that the acquisition is related to Blue Nile's inclusion of alternative materials, however, as awareness of lab-grown diamonds increases, this new venture may open the door for more opportunities and discussions within this space.