

COMMERCE

# Acquisition plans for Farfetch Holdings announced

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*The retail group is dodging insolvency as leaders at South Korea's largest online marketplace Coupang, Inc. move to buy the business. Image credit: Shutterstock*

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By LUXURY DAILY NEWS SERVICE

Retail group Farfetch Holdings is getting a second chance at survival.

NYSE-listed Coupang Inc., South Korea's largest online marketplace, is set to buy the business and its assets. The deal will grant Farfetch a \$500 million bridge loan, seeking to strengthen the digital platform's standing amid the \$400 billion personal luxury goods market.

"Coupang's proven track record and deep experience in revolutionizing commerce will enable us to deliver exceptional service for our brand and boutique partners, as well as for our millions of customers around the world," said Jos Neves, founder, chairman and CEO of [Farfetch](#), in a statement.

"We are thrilled to be partnering with such a respected Fortune 200 company that is committed to investing in innovations that transform all aspects of the customer experience with Farfetch."

## Luxury link-up

Dubbed the "Amazon of South Korea," Coupang's operational and logistical expertise aims to amplify Farfetch's position within the luxury segment.

The transfer of ownership will "drive exceptional experiences for customers, boutiques, and brands across the world," according to a statement from Coupang.

Additionally, the purchase looks to bolster the link between Farfetch and luxury consumers in South Korea, a market that maintains the highest per capita spending worldwide when it comes to personal luxury goods.

With half a billion dollars available to Farfetch as a result of the agreement, the investment allows the London-based ecommerce site to continue equipping luxury brands and boutiques with customized technology and giving designers exclusive access to international customers.

"Farfetch is a landmark of the luxury landscape and has been a transformative force in demonstrating that online luxury is the future of luxury retail," said Bom Kim, founder and CEO of [Coupang](#), in a statement.



*With the acquisition, Coupang now fully controls Farfetch. Image credit: Farfetch*

“Farfetch will rededicate itself to providing the most elevated experience for the world’s most exclusive brands, while pursuing steady and thoughtful growth as a private company,” Mr. Kim said. “We also see tremendous opportunities to redefine the customer experience for luxury clients everywhere.”

For the deal, global firm Greenoaks was Coupang’s investment partner, providing financial advice. More information about the transaction is available at Coupang’s investor relationships website within the [Form 8-K](#) filed with the SEC.

Swiss luxury conglomerate Richemont’s plans to sell a majority stake in online retailer Yoox Net-A-Porter to Farfetch have subsequently been canceled ([see story](#)). According to reports, Farfetch will also be taken off the New York Stock Exchange and turned private.

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