

US department store Nordstrom invests in ASOS brands

US retailer Nordstrom has bought a minority stake in four brands owned by online fashion giant ASOS, including Topshop and Miss Selfridge, as it seeks to win back younger customers who are increasingly shunning malls and shopping centres.

ASOS, the London-based company, acquired the brands, which also include Topman and HIIT, out of bankruptcy this year from Sir Philip Green's Arcadia Group for £330m.

Now, the new deal will see ASOS stocking its brands in Nordstrom's 350 shops across the US, while the retailer will allow ASOS shoppers to collect and send back products at its stores.



Image:

Nick Beighton is the chief executive of ASOS

A statement from ASOS said that the venture would open the door to wider collaboration with Nordstrom, the first physical retailer that ASOS has partnered with.

“With its long-established connection to Topshop, extensive US consumer insight and unparalleled reach right across North America, Nordstrom is the right partner to help ASOS accelerate the growth of our Topshop and ASOS brands in this key market,” said Nick Beighton, CEO of ASOS.

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Mr Beighton said the deal would offer ASOS the chance to reach “even more 20-somethings in North America”, a sentiment echoed by a senior Nordstrom executive.

“We could not have found a better partner in ASOS, the world leader in fashion for the 20-something customer,” said Pete Nordstrom, president of Nordstrom.

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The financial details of the deal were not made public.

ASOS is likely to announce booming sales this week when it reports its results for the four months to June, with analysts predicting that its takings from British customers will rise 58% year-on-year as the relaxing of lockdown restrictions drives customers back into shops.

The acquisition of Topshop, in particular, will provide a lift to ASOS's results, analysts at Berenberg said, with ASOS expected to sell between £124m and £132.5m of Topshop clothes between February and August this year.

"ASOS will be a reopening winner," analysts at JP Morgan Cazenove said in a note.