Fabletics calls in banks in preparation for IPO

By Robin Driver  -  July 15, 2021

Kate Hudson-backed athleticwear brand Fabletics has reportedly tapped banks in order to help it prepare for an initial public offering, which the company hopes will value it at over $5 billion.

According to a report from The Wall Street Journal citing sources familiar with the matter, Fabletics has hired Morgan Stanley, Goldman Sachs Group Inc., Barclays Plc and Bank of America Corp. to assist with its IPO.

The company, which is owned by TechStyle Fashion Group, is apparently aiming to raise approximately $500 million with its offering.

Founded by Adam Goldenberg and Don Ressler alongside Hudson in 2013, Fabletics is a monthly subscription service offering workout wear, sports bras and related accessories. The platform operates in the U.S., Canada and most of Europe, boasting more than 2 million members.

The company, which also gives members access to a workout app, began as a digital-focused business, but has expanded into brick-and-mortar retail in 2015 and currently operates around 50 physical store locations. In March, Fabletics announced that it plans to open a total of 24 new stores this year, bringing its total brick-and-mortar fleet
News of the company’s decision to go public comes as the IPO market continues to experience a hot streak. Juicy Couture, Barneys and Forever 21 parent company Authentic Brands Group filed for its own offering earlier in July, while both sustainable running shoe manufacturer Allbirds and eyewear retailer Warby Parker have both reportedly filed for IPOs confidentially over the course of the last month.

Earlier this year, Jessica Alba’s The Honest Company – another celebrity-backed brand, this time specialized in consumer products, including skincare, diapers, and non-toxic household cleaners – raised $412.8 million with its IPO.

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