Selfridges 'has held talks' about webstore spin-off - report

By Sandra Halliday - November 8, 2021

Selfridges has held talks about selling off its web operations, a report has claimed, and it’s unclear whether this might still be an option as the retailer holds talks to sell itself.

Bloomberg said people familiar with the matter have talked of a possible splitting-off of the e-commerce operations.

News that the company was up for sale came in the summer and this latest report said the retailer had considered spinning off its webstore from its lucrative property holdings, which remain much bigger than its e-commerce arm.

The wider company’s sale price is expected to be around £4 billion when the controlling Weston family finally decides who will buy the firm and it’s currently unclear whether the webstore spin-off remains a possibility.

The company hasn’t commented officially but Bloomberg said a "person close to the retailer said that it’s not currently under consideration”.

It's a route that has been taken before with the owner of Saks Fifth Avenue agreeing to separate its Saks and SaksOff5th websites from its physical stores on a $700 million investment from Insight Partners.

But the retailer still controls marketing, merchandising and intellectual property around its web operations.

And it would be likely that Selfridges would do the same if it did sell its web business. A thriving e-commerce operation is a must-have for any retailer these days and post-pandemic it has become even more crucial.

In the UK department stores sector that Selfridges is a high-profile part of, we’ve already seen Debenhams becoming an online-only business while John Lewis is on a path that will see its web ops being bigger than its physical stores in more normal times, not only during a pandemic.

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