



Yoox Net-a-Porter and Alabbar's New Middle-East Venture

The Yoox Net-a-Porter Group is launching a joint venture with Mohamed Alabbar's Symphony Investments to create a major new platform for online luxury retail for the Middle East.



DUBAI, United Arab Emirates — The Yoox Net-a-Porter Group is to enter into a joint venture with Mohamed Alabbar's Symphony Investments in a bid to create a major new platform for online luxury retail for the Middle East.

Yoox Net-a-Porter will hold a 60 percent stake in the joint venture, while Symphony Investments will own the remaining 40 percent.

The new company will manage Net-a-Porter, Mr Porter, Yoox and The Outnet in the region, as well as online stores for fashion brands — an opportunity with significant potential in the Middle East. The sites will re-launch in the region under the new partnership across 2018 and 2019.

The joint venture will be headquartered in Dubai, and will serve the United Arab Emirates, Saudi Arabia, Kuwait, Qatar, Bahrain and Oman, with a view to expand to other countries in the Middle East and North Africa in the future.

The Dubai office, set to open in late 2017, will boast dedicated sales, PR and marketing teams, as well as Arabic-language customer care and editorial content, while a new distribution centre in Dubai will be powered by Yoox Net-a-Porter's techno-logistics platform, allowing for services such as same-day delivery.

Symphony Investments will make a significant cash contribution to the joint venture, phased over the first three years of business, to support Yoox Net-a-Porter's expansion in the Middle East.

“The Middle East is one of the fastest growing global centres for luxury retail. The region also has a significant population of over 200 million young people who are tech-savvy and influence luxury retail decisions,” said Mohamed Alabbar, chairman of Symphony Investments, in a statement.

“With this joint venture to be based in Dubai, a global business and leisure hub, we are pioneering a never-before online luxury retail experience that integrates luxury with techno-logistics. It will redefine the retail sector, and create a brand-new way to access the world’s high-end brands brought by Yoox Net-a-Porter Group.”

Yoox Net-a-Porter welcomed Alabbar as a strategic investor in April this year, when Alabbar Enterprises acquired a €100 million (\$113 million) stake.

“We are thrilled by the potential of the Middle East market: combining Yoox Net-a-Porter Group and Mohamed Alabbar’s strengths, we look forward to giving shoppers in the region access to a fantastic luxury assortment with our unparalleled service and content,” said [Federico Marchetti](#), chief executive officer of Yoox Net-a-Porter Group, in a statement.

“We were delighted to welcome Mohamed Alabbar as a strategic investor earlier this year and together we are now embarking on a major expansion in the region,” Marchetti added.

In addition to Symphony Investments, Alabbar is also chairman of Emaar Properties and Emaar Malls, and is famed for developing the Burj Khalifa, the world’s tallest building, and the Dubai Mall, the world’s largest mall.

Earlier this month, it was announced that Alabbar and Saudi Arabia’s sovereign wealth fund [will each contribute \\$500 million to Noon](#), an e-commerce venture to tap the Middle East’s fast-growing online retail market.

Aramex PJSC, the Dubai-based courier and logistics company in which Alabbar bought the founder’s entire 9.9 percent stake in July, will back Noon’s operations. It will go live in January.

Economic prosperity and an expanding population in the Middle East is leading to increased investments in the consumer industry by companies and private equity firms. Amazon.com. is [in talks to acquire Dubai-based retailer Souq.com FZ](#), Bloomberg reported earlier this month.