

The Nordstrom family: Legacy through ownership

BY JESSIKA MCQUEEN

The Nordstroms are finally doing it: They're taking their four-generation family business private. The deal marks the end of over 50 years as a public company since 1971 for the 123-year-old Seattle-based retail chain.

This move will give the Nordstrom family the freedom and flexibility to focus on long-term strategy, without the pressures and scrutiny of being publicly traded. In other words, the Nordstrom family is repositioning themselves to *play the long game*.

Longtime CEO and Chairman Bruce Nordstrom passed away in May 2024. Now, the fourth-generation Nordstrom family leaders — Pete, Erik, and Jamie — are at the helm of securing the privatization of their namesake business. The family has partnered with Mexican retailer El Puerto de Liverpool to strike an all-cash deal valued at \$6.25 billion, acquiring all outstanding stock and taking the chain private.

According to financial filings, the deal was scheduled to close the week of May 18 following a special shareholders' meeting on May 16. As of May 21, 2025, Nordstrom's stock was officially delisted, marking the completion of the transaction between Nordstrom and Liverpool.

A long time coming

CMG profiled the Nordstrom family in November 2022, highlighting its four generations of successful business ownership and how the "Nordstrom Nice" approach has built and strengthened the business. The story also speculated on the Nordstrom family's uncertain future at the company, which was founded by Swedish-born John W. Nordstrom in Seattle in 1901.

At that time of that initial publication, the family was regrouping after an unsuccessful attempt to achieve a private ownership structure in 2018. Partnering with private equity firms, the Nordstroms made an offer to the Nordstrom board of \$8.4 billion, around \$50 per share. The board rejected the offer as too low.



Now, the Nordstroms are finally achieving the privatization they've been pursuing on and off for years. The family currently owns 33% of the company stock, while Liverpool has owned a roughly 10% stake since 2022. After the deal closes and the remaining shares are purchased at \$24.25 each, the Nordstrom family is expected to hold a 50.1% majority ownership stake, while Liverpool is set to acquire a 49.9% stake.

A strategic partnership

Operating over 300 stores under their own banner, Liverpool also manages Mexican franchises for several well-known international brands, including Gap, Banana Republic, and Williams Sonoma. It is also one of Mexico's leading credit card issuers.

Its expertise and resources in e-commerce make Liverpool a strong partner to collaborate with Nordstrom as they diversify and modernize their retail operations. Liverpool's experience in the Mexican market and Nordstrom's experience in the American market make this union mutually beneficial, allowing both parties to enter new markets and position themselves for future international success.



CMG PARTNER, PETER CREAGHAN, OFFERS A FEW INSIGHTS ON THE NORDSTROM FAMILY'S LATEST DEVELOPMENTS:

- 1. The Nordstrom family, by bringing the business back under family control, is securing an enduring legacy for both the family and the business.** You could argue that the Nordstrom family is just getting "re-started". When the Nordstrom family regained control, it wasn't just about a shift in ownership, but a recommitment to their legacy and renewing their long-held "Nordstrom Nice" values.
- 2. Family control, including alignment around key family values, allows for a long-term view and protects what's most important for the company's assets: their people and culture.** The Nordstrom family is known for putting their customers and employees at the center of their philosophy. By staying aligned on shared values, the family has created a cultural backbone that has supported their entire organization.
- 3. The Nordstrom family's story serves as both a cautionary tale, and an inspiration, for business families who are searching for the right path to secure longevity for the businesses.** It's never easy, but it's worth the effort! Like many business families, the Nordstroms have had to navigate generational transitions and balancing between professional management and family involvement – all of which can test the unity and direction of the family. Nonetheless, their decision to bring the business back under family leadership offers inspiration to others.

The future of Nordstrom

Taking their company private will allow the Nordstrom family to restructure the business without the pressure of quarterly earnings. They can make investment decisions that prioritize long-term growth over immediate stock price impacts. Privatization also gives them more freedom to create innovative visions for the company's future, which are necessary if they are to navigate the significant changes and challenges facing the retail industry today.

"We're grateful to the employees, customers and shareholders who have shaped Nordstrom into the company it is today. Since our founding in 1901, we have been committed to providing our customers with the best possible service – and to improving it every day. We look forward to building on that commitment in this next phase of the Company's evolution."

– Pete Nordstrom, Fourth-Generation Family Member & President and Chief Brand Officer of Nordstrom



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