

## **Wacoal Inks Deal to Acquire Lively, Adding Digital Lingerie Savvy**

**The \$85 million deal is an attempt to court more Millennial and Gen Z consumers.**

By [Kellie Ell](#) on July 31, 2019



Online lingerie startup Lively has been acquired by Wacoal.  
Jon Macapodi

Lively has a new home.

Wacoal International Corp., parent company to women's intimates apparel company Wacoal America, has agreed to acquire Lively, the online lingerie start-up founded by Victoria's Secret alum Michelle Cordeiro Grant, for \$85 million. MMG Advisors Inc. advised Wacoal on the deal, which also includes another \$20 million to \$55 million dollars in payouts based on performance achievements.

The acquisition is part of a growing trend of established companies acquiring online start-ups, allowing each to play off the other's strengths. The deal gives the budding company access to the Wacoal's infrastructure and brand name, while Lively brings in its ability to market directly to younger consumers, many of whom only shop online.

“Lively came prominently into focus with that target in mind,” Bob Vitale, president and chief executive officer of Wacoal America, told WWD. “We were interested in exploring acquisition candidates, [which] were these digitally native brands who were disrupting the market place and taking market share and really courting the Millennial customer successfully.”

He added that, with the U.S. women’s intimates apparel industry in flux (as current leader Victoria’s Secret continues to lose market share), there’s a lot of potential for growth.

“Our vision is for [Lively] to continue to operate independently with our guidance and support and helping each other along the way,” Vitale said. “There are things we can learn from them and things we can help them with. Certainly, our strong points are in our product development and manufacturing capabilities. And these are the things that we can pass on, only to make the product even better.”



Wacoal, which sells primarily in department stores and through wholesale channels, targets an older demographic. Courtesy Wacoal

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Wacoal was founded in Japan in 1949, before expanding to the U.S. in 1985. While the women’s intimates apparel company now sells direct-to-consumer at [wacoal-america.com](http://wacoal-america.com) and in its sole retail location in Short Hills, N.J., the majority of sales are by way of the company’s wholesale partnerships.

Lively, by contrast, was born online in 2016, only expanding into brick-and-mortar stores last year. Still, the majority of Lively’s revenues are generated by the direct-to-consumer channel. And while Lively is popular among Millennials and Gen Z shoppers for its size-inclusive line —

pricing each bra at \$35 regardless of size and omitting a “plus-size” section on the web site — Wacoal continues to have a plus-size section, targeting an older than 40 crowd, primarily by way of department stores.



Michelle Cordeiro Grant, founder and ceo of lingerie start-up Lively. Courtesy Daryl Oh

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But Grant, who served as senior merchant at Victoria's Secret between 2008 and 2012, said the companies actually have more in common than meets the eye.

“When you look at the values of Wacoal, their goal is to impact lives,” Grant said. “They had the utmost respect for the importance of product innovation, of fit, all in the end to make sure their customers feel great and confident, which is exactly what Lively is here to do. It just made sense to partner with a company that saw the world the way we do.”



Lively's Chicago retail location appeals to many Millennial and Gen Z shoppers. Courtesy

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The two firms will continue to operate as separate entities, with Grant remaining as ceo of Lively after the acquisition is complete. In addition to new product innovations, such as a no-wire strapless bra that is in the works, Grant said Lively will open a new retail location next quarter. The location has not yet been disclosed, but Grant said it will be in a new market. The brand has stores in New York and Chicago.

“The market is ripe for diversification,” Grant said. “There’s just been a lack of options and I think now — finally — there’s many of us are entering the category, rightfully so. Because the category needs choices, it needs options. Women are all different.”