

# Otrium

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## Otrium raises €24 million in Series B funding to extend fashion's life cycle — and solve unsold inventory problem



**Amsterdam, The Netherlands, May 27th, 2020** – Otrium, an online fashion marketplace that helps global and independent clothing brands sell end-of-season collections that would otherwise go unsold, has raised €24 million in Series B funding, in a round led by Eight Roads Ventures (Alibaba, Treatwell, Made.com), with existing investors Index Ventures (Asos, Net-a-Porter, Farfetch, Glossier) and Hans Veldhuizen participating. The company has also announced the launch of its UK site, adding to its presence in the Netherlands, France and Germany. The funding will be used in part to fuel further international expansion.

Otrium's fashion marketplace is underpinned by a sophisticated e-commerce platform that provides fashion brands with in-depth analytics and a dynamic pricing engine, tailored to help maximise revenues on each item. Brands retain full control over pricing, merchandising, and visibility of their excess inventory -- important factors in making Otrium the preferred partner for leading fashion houses.

Otrium works with over 200 global names and up-and-coming designers – including Joseph, Reiss, G-Star, Asics, Puma, Vans, Pepe Jeans, ALEXACHUNG and Scotch & Soda. Their products are marketed to the 1 million registered Otrium shoppers.

Extending fashion's life cycle and finding customers for excess inventory at the end of a season, has been a challenge for brands for years. With the new generation of consumers showing increased awareness around sustainability, there's a demand for innovative retail models offering solutions for end-of-season stock.

This is now even more pressing as the industry responds to Covid-19 with usual sales channels severely disrupted, and clothing piling up in warehouses. According to McKinsey, the value of excess inventory from spring/summer 2020 collections is estimated at €140 billion to €160 billion worldwide (between €45 billion and €60 billion in Europe alone)—more than double the standard level for the sector. Since the beginning of the crisis, Otrium has seen doubling of interest from brands, and has grown revenues 40% in the past month alone.

“We're committed to helping our partners get the most value out of their last season's collections, and we realise that this need has never been greater. We are focused on onboarding an unprecedented pipeline of brands and we're working on generating revenue for items that would otherwise go unsold. We have increased distribution capacity to ensure more brands can deliver their orders quickly and safely to consumers' homes,” commented CEO and co-founder of Otrium Milan Daniels.

Davor Hebel, Head of Eight Roads Ventures Europe who joins the board with the latest round of investment, commented: “Otrium successfully addresses a huge pain point for brands, and we've been impressed by the company's rapid growth. We're thrilled to begin working with the founders and their management team as Otrium looks to build another large global scale-up success story from Europe.”

## **About Otrium**

Otrium's mission is to extend the life cycle of fashion. Founded in 2016 by Milan Daniels and Max Klijnstra, the online marketplace helps brands turn their unsold previous collections into their biggest opportunity. Otrium has 200 brand partnerships with both up-and-coming designers and luxury names and more than 1 million shopping members. Otrium has garnered global recognition, including the WIRED 100 Hottest Startups 2018 list, Forbes Magazine's 30 under 30 list for Best Entrepreneurs 2019, and the Deloitte Rising Star 2019 award.

### **About Eight Roads Ventures**

Eight Roads Ventures is a global venture capital firm that helps entrepreneurs scale. Eight Roads Ventures has \$6bn AUM, 250 portfolio companies and over 50 years of venture investing experience including participations with companies such as Alibaba, Made.com, and Treatwell.

### **About Index Ventures**

Index is a London and San Francisco-based international venture capital firm that helps the most ambitious entrepreneurs turn bold ideas into global businesses. Index-backed companies that are reshaping the world around us include Farfetch, Asos and Net-a-Porter.

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#### ABOUT OTRIUM

#### ***It's our mission to extend the life-cycle of fashion***

*We enable brands to turn their unsold inventory challenge into one of their biggest opportunities. We increase the value of previous collections by finding the right match within our shopping community, dynamic pricing and managing fulfillment services. Through our managed marketplace, brands can open an online direct-to-consumer outlet store with full control over pricing, merchandising and visibility.*

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