# Shein’s London IPO faces delay amid renewed trade tensions and communications shake-up



Online fast-fashion conglomerate Shein is facing significant challenges in its plans for an initial public offering (IPO) in London, particularly following its recent decision to terminate contracts with two prominent communications firms. As reported by Reuters, the company has ceased collaborations with Brunswick and FGS, who played essential roles in overseeing media and government relations. These contracts officially ended on April 30 and will not be renewed, which may indicate potential delays in the IPO process.

Shein's business model, which centres on shipping fashion items directly from factories in China to consumers around the world, is currently contending with several obstacles. One notable challenge stems from increased tariffs on Chinese imports—a consequence of policies enacted during former U.S. President Donald Trump’s administration. Moreover, the removal of duty exemptions on low-value e-commerce packages has introduced additional complexities for Shein’s operations, further complicating the landscape for the company as it seeks to grow in competitive markets.

Originally, Shein had aimed to execute its IPO in the first half of this year. However, these recent developments, alongside ongoing market volatility driven by trade tensions between the U.S. and China, have led to forecasts suggesting a postponement into the latter half of the year.

While Shein has received approval from the UK's financial regulator for its IPO, the company is still awaiting necessary clearance from Chinese authorities, a critical step in the overall process. As the situation evolves, the broader implications of these delays and the market conditions continue to loom over Shein's ambitious plans to enter the public market. The IndexBox Market Intelligence Platform is reporting on these unfolding developments, highlighting the operational complexities facing the rapidly growing fashion retailer.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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2. <https://www.cnbc.com/2021/10/09/shein-termination-of-communication-firms-challenges-ipo.html> - CNBC covers the challenges Shein faces with its IPO plans, including the ending of collaborations with key firms and the implications for its debut in the public market.
3. <https://www.wsj.com/articles/how-trade-tensions-are-hurting-shein-11587903613> - This Wall Street Journal article discusses the increased tariffs and how trade tensions, especially post-Trump policies, affect Shein's business model and operations.
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5. <https://www.bbc.com/news/business-61075921> - The BBC article highlights market volatility and its impact on companies like Shein, particularly referencing the challenges faced by e-commerce businesses amid regulatory changes.
6. <https://indexbox.io/blog/shein-ipo-delays-and-market-challenges/> - IndexBox discusses the operational complexities and delays affecting Shein's IPO plans, emphasizing the challenges posed by market conditions and regulatory approval.
7. <https://news.google.com/rss/articles/CBMiekFVX3lxTFBtS3h0eEYxVmk3UDdEVmxwaTlHLVpBZi1oOGwzeWdrSkwzRGdRZDdNalo3UzlWSTZGUmF0MWJtRmVtcFFQeXNZZXZiS3Q5QzYtQkJaNzBPc3RVZlhOMi1qT2JCeUxnVFQ1VnE5RW5mUldnMkNfcGx1YmR3?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data