Skechers is going private during the middle of a trade war

Skechers is fleeing the public market and hunkering down by going private during the middle of a trade war.

The company announced Monday that investment firm 3G Capital will buy Skechers for $9.4 billion. 3G will pay $63 a share for the brand, a 30% premium of the company's stock.

"With a proven track-record, Skechers is entering its next chapter in partnership with the global investment firm 3G Capital," Skechers CEO Robert Greenberg said in a statement.

Skechers, based in Southern California with 5,300 US stores, is the third largest shoe company in the world. Shoe companies are highly exposed to President Donald Trump's tariffs, which include 145% duties on Chinese imports and a 10% minimum tax on all other countries.

Ninety-nine percent of all shoes sold in the United States are manufactured overseas, according to the Footwear Distributors and Retailers of America, an industry group.

Skechers manufactures all the shoes it sells in the United States abroad, with around 40% from China, according to analysts. Skechers' children's shoes are mainly made in China. The company last month withdrew its financial guidance due to uncertainty around tariffs.

Skechers, Nike, Under Armour and other sneaker giants urged Trump to exempt the footwear industry from tariffs in a letter last week. The companies warned that the import taxes could wipe out hundreds of businesses, kill tens of thousands of jobs and raise prices for consumers.

“American footwear businesses and families face an existential threat from such substantial cost increases,” the companies said. “This is an emergency that requires immediate action and attention.”