

SGB

ISSUE 1315
APRIL 15, 2013

WEEKLY

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Tasc Performance is vying to become a recognized brand in the growing performance apparel market. Photo courtesy of Tasc Performance

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NEWS

BY THE NUMBERS

19.7%

Zumiez, Inc. reported that total net sales for the five-week period ended April 6 increased 19.7 percent to \$61 million, compared to \$50.9 million for the five-week period ended March 31, 2012. The company's comparable store sales increased 2.1 percent compared to a comparable store sales increase of 14.1 percent for the five-week period ended March 31, 2012.

7%

Bauer Performance Sports, Ltd. reported revenues climbed 7 percent in the third quarter to \$54.9 million. The gains were due to strong growth in apparel across all apparel categories, and the addition of Cascade revenues, partially offset by lower ice hockey equipment revenue. The company's lifestyle (+51 percent), performance (+56 percent), and team apparel segments (+14 percent organic, +53 percent including Inaria) all showed strong increases. Its loss in the period was cut to \$4.2 million, or 11 cents a share, from \$4.4 million, or 14 cents, a year ago.

NEW BALANCE LAUNCHES 'PAUL REVERE' CAMPAIGN

Timed for Patriots Day and the 117th Boston Marathon held last weekend, New Balance introduced a new "Midnight Ride of Paul Revere" marketing campaign dedicated to running in Boston.

The campaign featured a limited-edition version of New Balance's 890 series athletic shoe using outdoor and digital advertising with taglines of "The Runners are Coming, The Runners are Coming," "To Light, Liberty and the Pursuit of Excellent" and "Made for Midnight Miles."

"This campaign is all about celebrating the rich history of our home city of Boston at a time when the city is flooded with runners," said Josh Rowe, New Balance's running marketing manager. "Boston is a city that loves running regardless of the weather, time of day or route. This campaign celebrates that dedication by revisiting one of Boston's most historic tales, the Midnight Ride of Paul Revere."

Campaign advertising was planned in Boston on back-lit bus shelter wraps, light pole banners and MBTA stations, including Park Street, where New Balance installed a dozen digital flat screens.

Consumers spotting "Paul Revere" downtown were encouraged to take a photo and spread the word via Twitter using hashtag #nbboston2013. In exchange, they received a card to redeem at New Balance's Boylston Street store for chances to win gift cards, limited-edition Boston 890v3 shoes, laces, socks, water bottles and other items.

New Balance also has created limited-edition versions of its 990v3 and 574 styles to coincide with the campaign. Features include dark midnight colors such as navy and purple glow-in-the-dark stars, Paul Revere's lantern and the map of his route.

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DECKERS OUTDOOR ACQUIRES BALANCE OF HOKA ONE ONE

Deckers Outdoor Corporation has fully acquired performance running shoe brand Hoka One One, after taking a minority stake in the company in July 2012.

Hoka One One is known for its lightweight running shoes with an unconventional design featuring a midsole with volume two and a half times greater than traditional running shoes. Long distance runners and endurance athletes wearing Hoka One One shoes have recorded more than 30 podium finishes on five continents in the past 18 months

"Since making our initial investment in Hoka in the summer of 2012, we've seen the brand's momentum increase rapidly," said Deckers President, CEO and Chairman of the Board Angel Martinez. "The enthusiasm for Hoka product from both retailers and runners is significant and fully acquiring the brand gives us the opportunity to support the brand's momentum with the resources to accelerate its growth."

Jim Van Dine, brand president of Deckers brands Ahnu and Tsubo, and an executive with more than 30 years of experience in the running shoe industry, will add Hoka One One to his management portfolio. The brand will operate from Deckers offices located in Richmond, CA.

"I began my footwear career in running specialty retail over 30 years ago alongside Angel," said Van Dine. "It's gratifying to come full circle with our roots, and we look forward to helping drive the brand's continued growth and innovation."

Founders Jean-Luc Diard and Nicolas Mermoud will continue to work with the brand. Diard will be responsible for international distribution and will continue to work with the brand on product innovation, while Mermoud will continue to support the brand's sports marketing and athlete management. Among Hoka's athletes are world class endurance runner Karl Meltzer - who currently holds the record for most 100-mile trail race wins and was named 2006 Ultra Runner of the Year - and Dave Mackey, the 2011 Ultra Runner of the Year who most recently won the Miwok 100K.

RUNNING COMPANY SEES MODEST QUARTERLY COMP GAIN



Glenn Lyon, chairman & CEO
The Finish Line

The Finish Line said comparable-stores sales at The Running Company, its 27-store subsidiary focusing on the run specialty channel, were up in the low-single digits in its fiscal fourth quarter ended March 2.

Sales reached \$7.8 million in the quarter. The net loss was in line with management's expectation at \$550, 000, impacting EPS by 1 cent a share. The business was acquired by Finish Line in 2011.

For the full year, sales were \$27.6 million, with comps increasing in the low teens. The

net loss for the year was \$1.4 million or 3 cents per share.

For 2013, Finish Line expects its Running Co. subsidiary to deliver revenues between \$45 million to \$55 million, driven by a combination of comp store sales growth plus the acquiring and opening of approximately 30 new stores. In 2012, The Running Co. acquired six stores and opened two new stores. The Running Co. is expected to be modestly dilutive for the year.

On a conference call with analysts, Glenn Lyon, The Finish Line's chairman and CEO, said The Running Co.'s partnership entered March 2012 with Denver-based Gart Capital to run the daily operations of The Running Co. has supported the chain's growth. New hires in merchandising, marketing and store operations are also supporting a venture "now well-positioned for accelerated growth."

Asked by an analyst about The Running Co.'s comps decelerating to the low-single digits in the quarter from double-digits earlier in the year, Lyon admitted sales were "somewhat less than we'd hoped around the holidays." He said the decline was likely partly due to a colder winter versus the prior year. Lyon added, "I will say to you that the harsh winter has probably hurt the running specialty guys, and that's what we're hearing around."

Lyon also said The Running Co. is "in transition with a brand new team" and continuing to work on optimizing inventories as well as enhancing community engagement. With improvements, he expected the business will eventually see 40 to 50 percent increase in square foot productivity.

"It will be a road to get there," he added. "But we're very positive about the future. And here again, we're starting out at low levels. We're making a lot of investments. We've made a lot of moves that aren't immediately accretive, and we recognize that."

THE ORIGINAL

"The GOruns break new ground with a convex bottom that encourages a midfoot strike."

-Women's Running

"Skechers impressed our wear testers with this superlight yet well-cushioned and comfortable trainer."

-Runner's World
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"They have claimed a place in my shoe rotation."

-runblogger.com

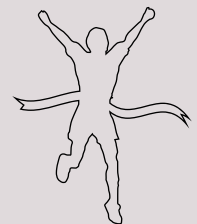
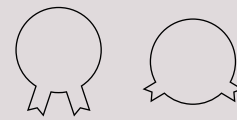
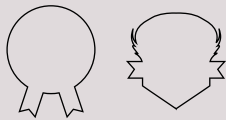
"Like training wheels for less biomechanically efficient runners, these shoes provide a comfortable transition to a minimal shoe."

-Competitor



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Photo courtesy of On

On Lands In Portland

On, the innovative running shoe company based in Zurich, Switzerland, has officially opened its first U.S. headquarters in Portland, OR. A small local team had been operating out of an office in Florida since the brand launched in the U.S. in the back half of 2011.

Caspar Coppetti, one of the founders of On, said the brand saw the urgency to open a formal U.S. office at The Running Event held in Austin, TX, in early December. At the time, On had expanded to around 140 specialty run accounts in the U.S. and was investing in a number of hires to properly service the channel.

“Our global vision is to build a specialty-focused organization in all markets we’re dealing with,” said Coppetti. “They have very special needs compared to larger accounts in regards to fill-ins and other support areas. We knew that if we were going to replicate the success we’ve had in Europe, we needed to build the same organization in the U.S.”

Coppetti said On’s team also found Portland had a “European feel” with the city’s “whole atmosphere and spirit” fitting the brand’s roots. The nearby mountains harkened back to the founders’ Swiss base.

Finally, On will seek to take advantage of the local “talent” when recruiting, given the number of other running companies based in the area, Coppetti said.

In the U.S., On now has eight full-time employees as well as five independent reps. The mix includes three full-time reps, with one covering the east coast, one for Chicago and another for Texas.

Many of the new hires were made by running industry veteran Ted Goodlake, who was hired last year as national director of sales, North America. Goodlake formerly headed running sales for Puma. Said Coppetti, “Ted has made a significant contribution to how quickly we’ve progressed. He’s been able to implement his vision of a specialty-driven organization that caters to the needs of specialty accounts, and that’s something he wasn’t able to do with some of the larger brands he has worked for. It’s all about ease of doing business.”

In the U.S., key accounts for the brand include Road Runner Sports, Runner’s High and Tri, Boulder Running or Blue Mile as well as around 10 doors of the Finish Line’s Running Specialty Group.

Overall, On has landed in about 700 doors globally since being launched 3 years ago with a plan to reach 1,100 by the close of this year. It has developed a strong foothold in Central Europe, Scandinavia and Australia and is currently launching in Japan, Taiwan and Korea.

“Right now we’re adding two to four doors every week in the U.S.,” said Coppetti. “But the idea is not to be in as many accounts as possible but to be in the right ones and to work very closely with them.”

The move comes as On is launching its first stability shoe with the re-engineered Cloudrunner. Coppetti noted that although the attention toward lightweight and minimalism has led more runners to shift to use more neutral models, about 40 percent are using stability shoes. Stores also continue to offer more protective shoes to help runners avoid injuries.

The most unique feature of the Cloudrunner stability shoe is that it doesn’t feature a post but an all-new Speedboard placed between the CloudTec sole and the foot. The Speedboard’s four functional layers set the specific impulse for the foot to move in a natural motion while still providing control against pronation and supination. Said Coppetti, “Some of the accounts who have seen it can’t believe how stable the shoe looks and feels even though it doesn’t have a post.”

The Cloudrunner’s patented CloudTec system now features 15 enforced rubber “Cloud” elements that make concrete easy and transform heavy impact into a light, natural running sensation. Besides the Cloudrunner, the 2013 On collection includes the ultra-light Cloudracer, the popular Cloudsurfer, the female-specific, all-white Cloudsurfer Prism Edition and the fun Cloudster.



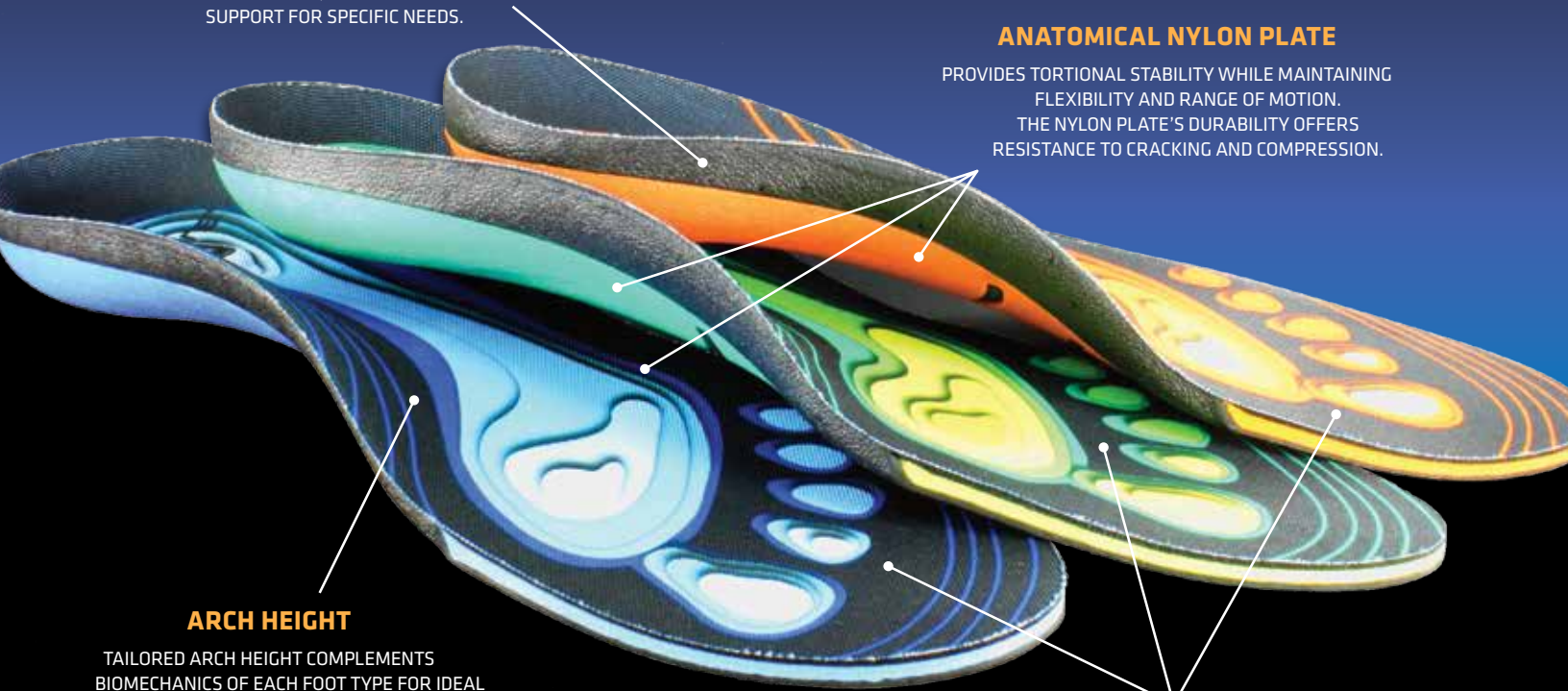
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NEWS

MOVERS & SHAKERS

Under Armour said that **Marcelo Ferreira da Silva** will serve as a consultant to help the brand establish its Brazilian entity and to organize business operations in that region.

The board of directors of **J.C. Penney Company, Inc.** announced that **Myron E. (Mike) Ullman, III** has rejoined the company as CEO, effective immediately. He succeeds **Ron Johnson**, who is stepping down and leaving the company.

Franklin Retail Solutions of Boulder, CO hired **Travis Percival** and **Chantel Ellerington** as account managers.

Power Force Apparel announced that wounded war veteran **Sergeant Noah Galloway** will serve as the brand's head spokesperson.

Hoka One One, the running shoe brand recently acquired by Deckers Outdoor, appointed **Howard Jones** as national sales manager.

GSI Outdoors hired **Tom Hathaway** as director of sales for North America.

Hi-Tec Sports appointed **Peter Shean** as VP of sales and product of its U.S. subsidiary.

Yakima Products, Inc. added **Stephanie Bastin-Wells** as the company's new global director of human resources, and promoted **Emily Davis** to director of supply chain.

Timberland appointed **Camila Vesth** as its new global design director for apparel and accessories.

Factory Design Labs, a global creative agency based in Denver, CO, hired Oakley marketing guru **Scott Bowers** as its chief brand officer.



Photo courtesy Tasc Performance

There's a new kid in town, banking on the performance apparel market with crossover styling and innovative fabric combinations.

Tasc Performance is vying to become a recognized name in the highly competitive - yet rapidly growing - performance apparel market. The brand is just now coming onto retailers' radars in a big way, making their Outdoor Retailer debut in January and upping their media presence in anticipation of a big Fall selling season.

Continuing to bridge the gap between performance and lifestyle, Tasc has the category as dialed as anyone to date. Utilizing proprietary Bamboo Performance Technology, Tasc is the product of years of natural-fiber research and fabric engineering. The resulting garments are comfortable, lightweight, breathable, moisture-wicking, sun blocking and anti-odiferous. And the company is eager to point out - chemical free.

Owned and operated by a family with a 40-year legacy in the apparel industry, Tasc Performance takes pride in creating fashionable fit with creative design features in each product. Runners, mountaineers, yogis, fitness professionals and weekend athletes have all adopted the brand. And while wool blends are certainly not new to the base-layer market, and other companies are incorporating naturally occurring

elements such as Cocona into synthetic-blend apparel, the Tasc process is unique.

The most innovative of its performance apparel is the recent blending of its exclusive Bamboo Performance Technology fiber (patent pending BamCo) and Merino wool. Garments incorporating this fabric blend range from quarter-zip tops, base layer tops and bottoms and accessories, available in both men's and women's. By combining the natural performance characteristics of Merino and the bamboo specialty fabric, resulting



Todd Andrews,
president
Tasc
Performance

pieces are soft next-to-skin and perform as well as or better than both wool and synthetic base layers.

"The established brands are widely available across all channels and they are all selling on two main points: the quality and benefits of their Merino or the performance of their syn-

thetic fabric," said company president Todd Andrews.

"Tasc offers the retailer a new story to tell, the opportunity to differentiate their product offering and become more meaningful to the consumer."

- Todd Andrews

The straight Merino and traditional polyester stories have been told very well and the consumer is educated; however both fabrics have drawbacks: the irritation

of wool against the skin, even with the finest micron yarn, the care required of Merino (if it makes it in the dryer, the garment is toast), the odor retention of polyester and the fact that synthetic options derive all their performance attributes from chemicals. The thought leaders, the consumers at the upper end, are looking for the next technology. Our brand provides the retailer the opportunity to deliver newness and stay vital to their customers."

So how can a start-up apparel company compete against the Patagonias, SmartWools and other major players in the space? "It all starts with the product. We're very confident in the feel and performance of our fabrics and how they work within the 24/7 active lifestyles of the modern consumer," said Andrews. "We are not making single-use product, where you buy one shirt for running, one shirt for hiking, one shirt for sun protection, etc."

"We are offering the consumer something new, but also distilling the characteristics of performance apparel to what is most important: feels great against the skin, performs well and is versatile." - Todd Andrews



Jessica Walther, Tasc
Design and Development

"The bamboo fibers also give the fabric a much softer hand feel than pure Merino wool competitors," said the company's Jessica Walther in design and development. "All performance attributes are inherent to this mixture of natural fibers. We do not spray any chemicals onto our fabric like synthetic competitors."

"We created the base layer system by mixing Merino wool and viscose from bamboo to complement and enhance the natural fibers' ability to wick moisture and fight odor." - Jessica Walther

The garments are durable and performance driven with four-way stretch, UPF-50 sun protection and natural anti-microbial properties.

"As a family we've been involved in apparel production for a combined 55 years," said Andrews, whose father Al Andrews was a 1966 Tulane University basketball Academic All-American. "Over that time we've worked with a very broad spectrum of materials and products. When we set out to create our fabrics and process, we wanted to use fibers that breathed and felt like cotton. We started working with bamboo and were intrigued by the characteristics of the plant and the inherent performance characteristics of the fiber. Over a period of two and a half years, we perfected our blends and entire process: spinning of yarn, knitting, dyeing and fabric finishing. The fact that we create our own process and fabric technology is very unique. Most brands are using fabric that is either very common or widely available from technical fabric suppliers."

To cement its place in the market, Tasc will stay true to the specialty retail model. "Our main focus is specialty - wherever the conversation is happening about how clothing can help someone feel and perform better. The best place to introduce our fabric and brand story is at the specialty level... outdoor, fitness, running and resort/tennis," Andrews said.

"Our target end-user is the person that performs at a high level in all aspects of life. They are involved, educated and adventurous. They are leaders and have the confidence to be first."



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COMING IN MAY
Full editorial coverage of the
40 Under 40 Awards in SGB



SAUCONY

RUN FOR GOOD FOUNDATION ANNOUNCES GRANT RECIPIENTS

The Saucony Run for Good Foundation, established to help combat childhood obesity, announced its latest round of grant winners. Since 2006, the Saucony Run For Good Foundation has awarded over one million dollars to nearly 120 schools and community organizations – all dedicated to preventing childhood obesity through running and an active lifestyle.

By Thomas J. Ryan

For the current year, the six organizations selected to receive a Saucony Run For Good Foundation grant include:

Run Vermont, Burlington, VT: Ready, Set, Run! is a 12-week youth running program administered by Run Vermont, the organizers of the Vermont City Marathon, an event about to celebrate its 25th anniversary. Run Vermont engages 1,200 young people in its programs annually. The RFG grant will allow the organization to offer a summer RSR! program in 2013 for economically challenged elementary school children. For more information runvermont.org.

Men Giving Back Run-4-Life Program, Macon, GA: MGB, a program of Middle Georgia Bucks, Inc. fosters relationships between fathers their children, their families and the communities. The organization will use the RFG grant to expand a running program to augment the school system's PE program. The Run-4-Life program will also have a component for youth who cannot participate in PE due to being overweight, obese or special needs. For more information mgbinc.wordpress.com.

Kenton County Board of Education, Fort Wright, KY: The school district will use the RFG grant to establish a new running program available to 4th and 5th graders at ten district elementary schools. Nearly 20 percent of students in these elementary schools are overweight or obese. The running program will also include instruction related to nutrition, self-esteem, social skills and making appropriate choices. The culminating event will be a 5K run in the spring for all the children. For information kenton.k12.ky.us.

Twin Cities in Motion, St. Paul, MN: The Twin City Kids Program will use the RFG grant to expand its after school component, Wise Kids In Motion, that teaches children about eating right and making smart nutritional choices while providing a structured running program to promote long-term healthy habits. The organization's goal is to expand the reach to 450 inner city and suburban youth in fall 2014. For more information cmevents.org.

Overland High School Track and Field, Aurora, CO: The track and field team is open to any student interested in participating. Since poverty and obesity are well-documented risk factors for the community, the team will use the RFG grant to supply their student athletes with basic needs, including nutritious meals and running shoes. For more information cherrycreekschools.org/Schools/Overland/Pages/default.aspx.

Obesity Prevention Center for Children and Youth, Brockton, MA: OPCCY has been serving at-risk overweight and obese children in Brockton since 2005. The RFG grant will be used to enhance and expand an exercise/nutrition education summer program to build a solid foundation of running, exercise and eating habits that lead to healthy, lifelong, lifestyle changes for children. For more information obesitypreventioncenter.org.



Saucony is also inviting the running community to help double the brand's donations to the selected kids' running programs by logging miles run or walked on Saucony Run4Good, the running industry's first-ever iPhone app dedicated to battling childhood obesity. Over the next six months, the selected grant recipients will each be a monthly feature on the app. When a predetermined community mileage goal is reached during the recipient's featured month, Saucony will double its contribution to the selected organization, inspiring individual runners to both unite over their passion for running and combat the childhood obesity epidemic. The free app can be downloaded from the Apple App Store or at saucony.com/run4good.

"We're a brand focused on runners and social responsibility," said Richie Woodworth, president of the Saucony Run For Good Foundation Board of Directors and Saucony. "The mission of the Foundation is to improve the lives of children by further optimizing the impact and success of community organizations that inspire our kids to run. Given the issues facing our nation with childhood obesity, it's vital that everyone does their part in increasing awareness and education." ■



JEFF PHILLIPS, PRESIDENT AND CEO, FLEET FEET, INC.

By Thomas J. Ryan

Much attention in the specialty run channel has been paid to the new competitors entering the space, whether The Finish Line in a big way with its acquisition of Running Specialty Group or Dick's Sporting Goods, The Sports Authority and Foot Locker all at least probing the channel with test concepts.

But the biggest fish in the channel, Fleet Feet Sports, just opened its 100th door. And with a new equity partner and some strategic new hires, the franchisor of Fleet Feet Sports has "never been in a better position for accelerating future growth," according to Jeff Phillips, president and CEO of Fleet Feet.

Last spring, the management team of Fleet Feet, Inc. partnered with Raleigh, NC-based Investors Management Corporation (IMC) to acquire Fleet Feet Sports from Tom Raynor, its former long-time CEO and majority shareholder. The deal was just awarded the 2012 Private Equity Deal of the Year from the Raleigh Durham Chapter of the Association for Corporate Growth.

While providing an exit strategy for Raynor and enabling current Fleet Feet management to increase their equity participation in the business, Fleet Feet also found an investor in IMC committed to supporting Fleet Feet's ambitious growth plans. Its founder, James Maynard, also co-founded the successful Golden Corral grill-buffet chain, which is one of IMC's holdings.

"We have owned Golden Corral for 40 years," Reeves McGee, managing director of IMC, recently told The News & Observer newspaper in Raleigh, NC. "We are looking for the next 40-years-plus opportunity, and we hope that is what we have in Fleet Feet."

Here, *SGB* talks with Phillips - who started with Fleet Feet in 2001 in a general manager role - about the merger, Fleet Feet's ramped-up expansion plans, and run specialty's increasingly crowded landscape.

With all these larger competitors entering the run specialty space, what makes you so bullish on the Fleet Feet franchise model? Our commitment to the local owner/operator model and the ability that model gives us to connect with customers and communities in a deep and personal way through our knowledge and expertise, service, training programs, outreach, etc. Our local owner/operator system is powerful and unique. Highly personalized local commitment and deeply entrenched community involvement are not the kinds of values that can be easily dictated from a distant corporate headquarters. Our model allows us to connect with each other, our customers and our vendors on a different level than any other retail brand. Fleet Feet Sports in every market is something special, something more than just another outlet of a national retailer. It represents a unique and powerful presence that can change lives in a community.

What concerns you about the new competitors as well as the first wave of consolidation of independents in the channel? Consolidation creates opportunity for us in that it opens up markets where we would not have gone in and competed with a good local owner/operator. The bigger concern is the increase in points of distribution from new entries. This reality combined with increased distribution of premium products into virtually all channels of distribution is challenging for the specialty channel. There is certainly no shortage of places to buy technical running products at prices that are often south of suggested retail.

What benefits do you see from all the attention? What excites me is the energy and laser focus this has brought to our entire organization. I think it squeezed out any tendency toward complacency and I have never seen our local owner/operators more



Pictured at left and below:
 Fleet Feet Sports opened its 100th store in Mount Pleasant, SC on March 14. Family owned and operated by Mount Pleasant residents Chris and Amy Minkel, the new store is the third Fleet Feet Sports store in South Carolina.
 Photos courtesy Fleet Feet

motivated to aggressively grow their business and “own” their markets. It makes us aware that we need to unify in a way that we never have before, banding together from store to store and focusing as a brand, challenging ourselves to pick up the pace and become more aggressive. Now is the time to truly embrace growth and invest in it.

What about from a corporate level? It reinforces the importance of supporting the existing stores and keeping the system healthy and strong while growing our retail footprint.

What’s your overall message to franchisees around these developments? That we need to continue to acquire new customers and drive sales in our existing stores and to ensure that we have a dominating presence in the markets where we already operate. It’s more important than ever to be local, and build strong and deep connections with their customers and communities where they operate. It is also important that we expand our national retail footprint to protect our established brand and our leadership position in the industry.

How has the merger with IMC gone? Fantastic. I can’t imagine a partner that is better suited for our current and future needs. We are philosophically aligned in our approach to supporting and growing the business and IMC provides us with a financially strong partner with experience and expertise in the franchise business.



Chris and Amy Minkel
 owners, Fleet Feet Sports,
 Mount Pleasant, SC

Fleet Feet showed another impressive 10.6 percent comp gain in 2012. What drove the robust gains? Q1 2012 was off the charts because of the nationwide warm weather. Q2 and Q3 were on plan and we gave what we gained in Q1 back in Q4. I think the election, taxes and fiscal cliff worries impacted all consumers to some extent in Q4.

Finish Line had indicated that running footwear sales had slowed at its flagship chain, and also just indicated that The Running Company’s sales in early spring might have been hurt by the weather and maybe some internal changes. What’s your read on what’s happening with the running category? What’s happening with running at mall-based retailers has virtually no correlation to our business. I presume that everyone’s running business has been hurt by the weather compared to last

year when the entire country had virtually no severe winter weather during Q1. We're only in the running business so I can't speak to the strength of running vs. other categories; but the product is better than ever and our business will be robust based on our ability to acquire and retain customers more than the strength (or weakness) of the running category across multi-category channels of distribution.

What does the 100-store milestone mean for Fleet Feet? The 100-store milestone means a lot to the organization and all of the people along the way that have put so much into making Fleet Feet Sports the industry's leading specialty brand. We have a lot of people

brand both local and national, healthy and strong, relevant to the vendors, and leading the competitive landscape.

In late November, Luke Rowe was promoted to SVP, business development, and Robyn Goby to VP, marketing and communications. The surprise was bringing on Ben Cooke, who formerly ran operations for Running Specialty Group, as VP, operations. Ben was a big hire for the company. He has substantial experience operating and growing a multi-store specialty running business and a really high retail IQ. We have rock solid franchise development and back of the house operations teams. Ben was brought on board to focus on and strengthen our front of the house – or customer-facing operations.



Photo courtesy Fleet Feet

Outside opening/adding stores, what plans does Fleet Feet have this year? We are working on a number of exciting initiatives to help us acquire and stay connected with our customers. We rolled out cloud-based POS across the system over the past two years, dramatically improving our ability to consolidate performance data and information. We will have over 100,000 people participate in FFS training programs this year, and that's only the tip of the iceberg as we are working on a longer term project to build a consistent and seamless brand experience across local and digital communities.

What makes you bullish on the overall run specialty opportunity even with the heightened competition? I think competition is a good thing. As I said earlier, I think it squeezes out any tendency towards complacency. What excites me is all of the markets that are underserved or completely un-served by a local resource that not only serves the local running community, but reaches far outside core runners to a broader segment of the population that can benefit from the products, programs and services that we provide.

to thank – going all the way back to the founders, Sally Edwards and Elizabeth Jansen in 1976, to the recently retired Tom Raynor, our vendor partners, and all of the amazing franchise owners along the way that made reaching the 100-store milestone possible.

What's the expansion plan going forward? Right now we're focused on number 101. We will open 12 to 15 new locations this year through a multitude of growth vehicles: new franchise locations, multi-unit locations opened by existing franchisees, acquisitions, conversions, and de novo company stores through the retail development arm of the company (formerly the Specialty Retail Development Company) which is now under the corporate umbrella. Our first company owned start-up will open in Athens, GA in June. With that said, we will grow the brand "with the right people and in the right way." This doesn't tie us to some dubious and irrelevant store count number, but speaks to growth in a way that keeps the

How is Fleet Feet Sports better positioned to address this need? Our mission statement reads: "We change peoples lives by creating a culture of inclusiveness and belonging, thereby helping people live a more fit life." Everything we do is rooted in this brand position. We are not just a running shoe store. We change lives and communities. It is inclusive. It is not fabricated. It is real. And few brands have this. In fact, most brands have to pretend they have it. It's what differentiates us and makes us Fleet Feet Sports. ■

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A man with brown hair, wearing a white tank top and black shorts, is running on a paved road. The road has a dashed white line down the center and solid white lines on the sides. The background shows a clear blue sky and some rocky terrain. The man is looking forward with a determined expression.

OPPORTUNITY BROADENS FOR INSOLES

A more-informed
consumer is expanding
the opportunity for the
insoles category.

By Thomas J. Ryan

While the 'less is more' advocacy of the minimalism movement may seem to run counter to messages around insoles, it's only opening up a greater opportunity for the hot accessory category.

Jason Richter, product marketing director at Shock Doctor, a new entry to the category, said that the barefoot movement is making consumers more educated about foot health. And while a few may crossover to the skimpy minimal models, the wide majority are getting smarter about the need for proper support and fit.

"They're learning not only how running affects their feet but also how it affects their knees and their back," said Richter. "And for the many who find out that barefoot running isn't for them, they're realizing that there are other options and that includes a supportive insole."

But as shoes get smaller and lighter, insoles need to follow suit. "Thinner, more-technical materials are required to maintain the same support and cushioning in slimmer profiles," noted **Jeff Antonioli, global sales director of Spenco**. "While the minimal movement shows signs of waning, insoles can provide a transitional option for making the change from full-cushion to minimal shoes."

Antonioli added that for Spenco, running represents the core activity that informs the design of its most technical insoles. Just as most running shoes are purchased by non-runners, the majority of Spenco's insoles see considerably less action than running. Said Antonioli, "Consumers want to know that they have the best technology available even for their everyday activities - and look to companies on the forefront of athletic design to guide their choices. By designing insoles based on the sophisticated bio-mechanics of technical sports we ensure that they will perform well during all levels of activity."

Kurt Wineman, SVP of sales, Sof Sole, sees the lightweight footwear category helping insole usage extend well beyond running shoes.

"It has crossed into activities like basketball and cross-training, which is an opportunity for us to broaden our category reach," said Wineman. "We see people from all walks of life that are looking for ways maximize and improve the gear they purchase."

Chris Griffin, Footbalance North America sales director, said Footbalance is seeing a stronger opportunity in snowsports and cycling. Said Griffin, "Custom fit is king in these sports, and it is becoming rare to find a skier or cyclist who isn't concerned with getting a custom boot fit or bike fit in their specialty retail shop. A key to getting this perfect fit is getting the perfect footbed."

Other trends working for the insole category is increased demand for user-customization.

"Increasingly, customers are not satisfied with off-the-shelf footwear," said Antonioli. "If the opportunity exists to improve, upgrade or tune OEM offerings - customers are eager to listen to the options. Replacement insoles are a perfect opportunity to customize footwear to the wearer's foot."

At **Spenco**, new releases include the *GRF Basketball Insole*, which dropped exclusively in select Foot Locker, Champs and Footaction stores. The GRF Basketball Insole is the first replacement insole that intentionally uses ground force modulation as the basis for design.

In biomechanics, Ground Reaction Force (GRF) is the force exerted by the ground on a body in contact with it, according to Antonioli. By placing a unique combination of pods with varying



Spenco
GRF Basketball Insole

degrees of hardness in specific locations beneath the foot, the GRF insole is able to modulate the GRF forces acting on the foot. This reduces tensile and compressive stress throughout the lower limbs that results in increased comfort and performance and can help reduce injury.

The *ProForm Gel Insole* combines the comfort of gel with a flexible arch and heel cradle that gives the insole beneficial structure.

Also new is the Total Support Trio of products (Total Support Original, Total Support Thin and Total Support Max) which all feature the patented 3-Pod system, Spenco's most technologically advanced products. The low-profile and more rigid versions of Spenco's flagship product creates varying degrees of cushioning to help reduce over-pronation.

Sof Sole is updating its best selling performance insole, the *Athlete*, for Fall. A lightweight insole for anyone looking for extra comfort throughout the day, the *Athlete* features a neutral arch and suits a variety of foot types. Exclusive Implus foam wicks moisture while a Hydrologix top cover helps prevent the buildup of odor-causing bacteria. The Implus foam and additional gel cushioning in the heel and forefoot offer added comfort.

"We are enhancing the technologies we use (for shock absorption, moisture wicking, etc.) to ensure our insoles reach their maximum potential for customers, as well as updating how we are presenting at retail," said Wineman. "Sof Sole's goal is to improve the footwear experience for the end consumer. We are making the number one selling insole in the country, the Sof Sole Athlete, even better as we seek to improve the comfort and performance of people's footwear."

Sof Sole is also redesigning its *Arch* insole, targeted to help those with high arches or in need of increased arch support. Improvements include a deeper heel cup to prevent foot slippage, gel drop in the heel, and foam arch support. A Hydrologix antibacterial top



Spenco
ProForm Gel Insole



Sof Sole
Athlete



Sof Sole
Arch

cover offers moisture protection while Implus foam diffuses moisture away from the foot.

Sole's 2013 line-up welcomes the addition of its insulated Footbed collection.

"With the same moldable orthopedic platform that Sole Footbeds are known for, this new line adds the warmth of 3M Thinsulate insulation for comfort, support and warmth," said **Jonathan Koops**, Sole's VP of sales.



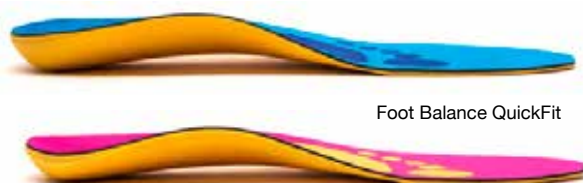
With cushioning of 3.2mm and 1.6mm, the *Insulated Ultra* and *Insulated Response* footbeds are perfect for medium- to high-volume footwear like winter, hiking and work boots. Both models are designed for fitting ski boots, snowboard boots and skates.

Also new for 2013 is the insulated *CD Thin*, designed in collaboration with elite skier Chris Davenport. Part of its Signature Series Custom Footbed line, the CD Thin provides support with the insulation of Thinsulate. Aimed for cool-weather gear, at 2.5mm thick, the CD Thin is ideal for tight-fitting ski boots and skates.

Koops noted that while the trend in insoles is to control the heel, research from Dr. Reed Ferber of the University of Calgary Running Injury Clinic finds that support - not control - is the key to an effective orthotic and good foot health. Using a model of the plantar fascia of the foot, Dr. Reed's studies found that Sole Custom Footbeds don't control the heel or prevent arch deformation during the footfall but they do reduce plantar fascia strain. Sole custom footbeds were found to be the only over-the-counter orthotics to reduce plantar fasciitis by an average of 34 percent. But Koops said the broader trend for insoles is continuing education around the benefits of insoles.

"The importance of foot health is drastically underestimated - surprising given feet have the endless task of bearing the entire weight of our bodies," said Koops. "This is clear when you extract the manufacturer's insole from any piece of footwear and find a flimsy, flat piece of material lacking any resemblance of support. But if you examine the shape of the foot, it is the furthest thing from flat."

Footbalance recently launched *QuickFit*, the brand's new innovation in home-moldable footbeds. Based on the Footbalance Balance Plate, QuickFit pre-molded footbeds can be customized to the users' feet in one of two ways - either the Wear Mold or Heat Mold methods. With the Wear Mold method, users place the pre-formed footbeds in their shoes, where a natural customization process will take place over time. The Heat Mold method allows



users to customize the footbeds in their conventional oven at home, or in a Footbalance oven at participating retailers to contour the QuickFit footbeds to their feet. By walking around for five minutes, the QuickFit Heat Mold footbeds take form while the patented Balance Plate core provides optimal posture and alignment.

QuickFit footbeds come in a narrow width model for narrow to normal width shoes and a standard width model that fits normal to wider shoes. They also feature a universal mid-to-high arch height that will mold to arches of all shapes and sizes.

QuickFit pre-molded footbeds complement Footbalance's current line of 100 percent custom molded footbeds. The full custom option is rapidly molded in less than 10 minutes by trained Footbalance dealers using the Footbalance Recommendation System (FRS) software to provide a free overview of a users' foot dynamics and stance.

Griffin said run specialty is finding that Footbalance's footbeds are very low profile and flex with the foot.

"Naturally, some do not want to put anything in the footwear they sell (in the way of support), but other retailers feel that by offering something like Footbalance, they can ease the transition to more of a minimalist-type shoe and prevent injuries by offering slightly better support, shock absorption and alignment," said Griffin. "I have seen that the minimalist approach is very good at driving customers to the stores, it adds excitement through new products, etc."

A new player to the insole category is **Shock Doctor**, best known for its mouthguards. The brand's insoles lineup includes Cleat (football, baseball and soccer), Court (basketball, tennis), Skate (hockey, inline) and Active (running, hiking, walking, training).

Richter said that in exploring the category, Shock Doctor found that a wide range of athletes weren't being served in the marketplace that also needed foot protection. Said Richter, "When you go into a sporting goods store, the insoles are all located by the running shoes. There's a huge group of consumers, particularly in the expansive team sports categories, that just aren't getting served."

In team, opportunities naturally present themselves in offering sport-specific insoles for the older athlete playing flag football, basketball or soccer in recreation leagues, he said. Many could already be dealing with foot issues acquired



Shock Doctor Cleat Insole

over the years. For youth, while messages around long-term foot health may not resonate, reducing fatigue and providing protection against a debilitating injury that may remove weeks to months from a season do. Said Richter, "Preventing some pain is a lot better than dealing with the recovery time after it happens."

The insoles are specifically designed for each activity. For instance the *Cleat Insole* (for football, baseball, softball and lacrosse) resists lateral torque, creates better balance and supports the foot on uneven surfaces. By comparison, the *Court Insole* resists lateral torque from hard cuts that cause foot, ankle pain and fatigue.



Shock Doctor Court Insole

Shock Doctor also feels it has brought a unique technology to the category by offering a better solution for core running, walking and hiking uses. Richter said that the company noticed that consumers were frustrated by having to choose between comfort and support with many of the insole choices in the marketplace. It has come up with a "Goldilocks" solution to deliver the most adaptable insole on the market.

Besides all the cushioning and comfort components, all Shock Doctor insoles have Shock Doctor's Contoured Shape and feature its Adaptive Arch Technology that flexes vertically and horizontally in the arch area to adapt to the athlete's arch shape and height. Another difference is the contoured shape of the insoles that

cradles the athlete's foot for comfort, support and fit to maximize foot ankle and leg performance. Said Richter, "It feels soft but still has all the support you need."

Superfeet covers a wide range of needs across fit-to-trim and customer options with models delineated by color. Its most popular insole, *Green*, has been on the market for over 30 years. Designed for running, walking, hiking and alpine, Green is designed for those seeking maximum support and shock absorption. Featured technologies include Foundation, its ultra-light, closed-cell foam that resists moisture and helps reduce shock while offering advanced comfort. Green also features Agion antimicrobial technology and a unique stabilizer cap, the Encapsulating Stabilizer System, for underfoot support.

Specifically designed for women's feet, the *Berry* features a full-forefoot shock pad for comfort and shock absorption under the metatarsals and toes. Along with Superfeet's intrinsic design that promotes biomechanical alignment and function, its hybrid EVA contouring Rebound foam enhances the fit and feel.

For hikers, skiers and other outdoor activities, *MerinoGrey* adds a thick pile of 90 percent Merino wool top cover that lays over its supportive Foundation foam and Encapsulating Stabilizer System [ESS] for support, alignment and comfort. The model is ideal for feet with medium to high arches.



Superfeet - Green (top), Berry (middle), Merino-Grey (bottom)

Ellen Harwick, communications manager at Superfeet, feels the movement toward lightweight has opened up the conversation about footwear and foot health - and not with just runners.

"Running is a big part of our business, but almost everyone can benefit from a proper fitting insole," said Harwick. "We support, and have our roots in ski boots. We fit snowboard boots, hiking boots, cleats, walking shoes, dress shoes. The list goes on and on. I think people are becoming more aware of their options when it comes to footwear and that in large part is due to the minimalist or lightweight movement. Whether a minimalist shoe is right for you or not, it started the conversation and opened the door to a deeper discussion of how a foot works and how it can work best." ■

THE INSOLES EDUCATION PROCESS

To maximize insole sales, misperceptions around the benefits and the user experience still need to be overcome.

By Thomas J. Ryan

The selling of insoles often requires a learning process, first starting with the staff and then reaching out to the customer. The quickest and most critical way to increase sales is for the sales associate to demonstrate the product and its uses and then have the customer try it on while they are in the store.

“Once the customer feels the difference, they will be more inclined to buy an insole,” said **Kurt Wineman, SVP of sales, Sof Sole**. “It’s also important for associates to understand that their audience is broader than they think – it’s not just the serious athletes. It’s anyone looking for extra comfort in their shoes.”

Wineman also pointed to the importance of gait and fit analysis in assuring the proper fit.

“Our philosophy on insoles is different,” said Wineman. “The insole needs to be fitted properly in the shoe, but we’re not looking to correct or alter someone’s gait – that’s the shoe’s job. Sof Sole’s insoles are designed to take a good shoe and make it work better by improving the performance and comfort of the shoe.”

Jeff Antonioli, global sales director, Spenco, noted that sales associates must dispel the notion that insoles must be hard and hurt to help. “This is not the case for the majority of customers,” said Antonioli. “Another misperception is that the original equipment (insert) is good enough for the life of the shoe. It is not. Replacing the original insert with a premium insole can extend the life of

the shoe while providing a better experience at the same time.”

Finally, Antonioli said many customers are not aware that there are replacement insoles for the wide range of low profile and minimalistic shoes on the market. Antonioli also sees gait analysis as a way to get replacement insoles and multiple styles of shoes on the customer’s feet to experience each.

In the past Spenco has relied on minimal POP to support its products - preferring instead to educate the sales associate on the benefits of Spenco insoles. This year it will test more sophisticated product support initiatives including expanded product knowledge using mobile devices for delivery. For the first time this year, Spenco will also be testing consumer-targeted advertising campaigns.

Ultimately, Antonioli said, it’s about getting the insole on the customer and letting them feel the difference compared to the replaceable sock-liner in an OEM, (original equipment manufacturer), shoe.

“The trend continues to do more with less,” said Antonioli. “Selling insoles takes a little more time but it is a key way to show the customer superior service and keep them coming back.”



Jeff Antonioli, global sales director, Spenco

Jonathan Koops, VP of sales, Sole, said one common misconception about insoles is that 'softer is better.'

"What feels soft to the fingertip is drastically different than what feels comfortable under the entire weight of your body," noted Koops. "Trial underfoot is essential. And although cushion is important, shape largely determines the comfort of an insole."

Another misconception about insoles is 'my feet are flat so I need flat support.' Koops said people with flat feet need more support as often flat feet are more prone to foot ailments because the plantar fascia is already stretched and under strain. Added Koops, "Customers need to decide what insole will work best for them."

Sole offers a 90-day satisfaction guarantee to ease the trial process. Said Koops, "Even if the custom footbed has been heated, trimmed and worn, customers have 90 days to ensure that the sole they've selected is the right sole for them."

Sole is not a fan of video gait analysis that's performed in stores since the standard 30Hz camera hasn't proven to be a valid method for determining the correct footwear prescription. Sole also recommends when using a plantar pressure foot scanner, customers step on it multiple times and avoid using it to diagnose pressure points if a consistent recommendation isn't coming up. Different insoles should also be used on the scanner.

Overall, Koops noted that for every ten customers that come into a store, eight of them will exhibit normal gait mechanics and need a neutral shoe. Historically, an over-prescription of motion control and stabilizing shoes has occurred when a better solution for the majority of people is a neutral shoe with an insole for added support (not control) where needed. Said Koops, "When someone suffers from foot and ankle pain, it is beneficial to use an orthotic that reduces foot strain."

Chris Griffin, sales director, Footbalance North America, said one of the common misconceptions is that footbeds take a long time to make and are expensive. Footbalance's big selling point is being able to turn out a 100 percent custom footbed in less than 10 minutes for less than \$80. Sales associates can also offer a trial of a custom footbed with no obligation to purchase.

Beyond price and time, customers underestimate the flexibility possible in a footbed. Said Griffin, "The perception is often that you'll end up with something thick, stiff and clunky, when actually you'll be surprised at how sleek and low-profile footbeds can be while still offering comfort and support."

But he said the core benefit that an insole provides is to "improve



Jonathan Koops, VP of sales, Sole



Chris Griffin, sales director, Footbalance North America

your overall comfort and performance," isn't being heard enough. Griffin is also a fan of gait analysis to best determine correct fit and he believes customers are increasingly expecting the service. Said Griffin, "It seems to me that more people are expecting to be properly fitted and care about the end result. Similar to the expectations of customers when they walk into a bike or ski shop."

Carol Gilpin, owner, Fleet Feet Sports, Vacaville, CA, introduces insoles as part of the franchise's FIT process with almost every customer.

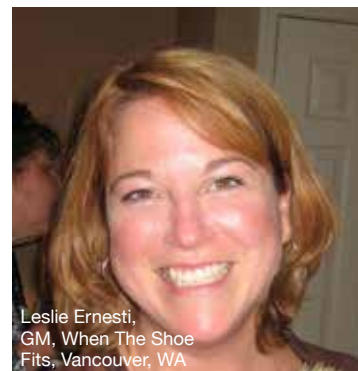
"What makes it work is we are consistent in introducing them and my sales staff is very knowledgeable of the benefits and which insole works for which foot type and footwear," said Gilpin. "I personally educate my staff when they are hired and then have the Superfeet rep spend a good amount of time with each of them until they are fully equipped with the knowledge to educate the consumer."

She said she used to carry three brands but switched to only Superfeet after seeing 95 percent of her sales came from the brand. She stocks every color of Superfeet.

"Shoes have generic insoles, fitting the customer with a more "customized" supportive insole adds value to us as true footwear FIT professionals," added Gilpin. "How important is the category? The customer experience is raised and the margins are better. A happier customer with more sales (and profit) would definitely make it important to us!"



Carol Gilpin, owner, Fleet Feet Sports, Vacaville, CA



Leslie Ernesti, GM, When The Shoe Fits, Vancouver, WA

At **When The Shoe Fits in Vancouver, WA**, insoles represent a "huge" opportunity, according to **Leslie Ernesti, general manager**. The store carries four full-length orthotic brands and one three-quarter length; Sole, Superfeet, Bio-Sole by Orthofeet, Lynco by Aetrex, and Pedag.

"The growth opportunity is excellent, with more people engaging in different exercise regimens and at all ages and stages of life," said Ernesti. "We find most people can benefit from better arch support either to help an existing issue or as a preventive measure."

Educating its staff on the anatomy of the foot, common foot ailments, and appropriate action to take to remedy any issues gives the store a "much better chance of helping the customer and gaining their confidence," said Ernesti. Recommendations from local physicians are also used.

A large slat wall in each store provides a prominent display of the OTC orthotics coupled with smaller displays in its pedorthic areas.

Ernesti added, “We have a treadmill, video camera, and digital foot scanner for assessing the foot, but most of our salespeople feel that a visual and verbal “hands on” account of the foot gives the customer more information and is a more personal way of examining the entire foot.”

She said the main challenge is introducing the product to a customer who has never used an orthotic before or who has been using the incorrect product for their issue or injury.

“The first thing we do is seat the customer and determine what type of foot and arch they have, then talk about any existing foot concerns or problems,” said Ernesti. “Staff training and education is key and paramount in knowing what to recommend and why. Sole offers a true 90-day guarantee which helps a first-time orthotic customer be less wary of the purchase and gets them over the fear of trying something new.”

Alan Rice, co-owner, Fleet Feet Sports, Chico, CA, said accessories overall have become “very important,” with insoles being the largest part and also an

“excellent margin generator.” Superfeet accounts for 95 percent of its insole business due to the product’s reliability and the brand’s stellar service levels and training, but also carries Spenco for customers who want to feel more cushion underfoot.

Fleet Feet Chico already has a high ratio of insole to footwear sales but continues to seek to improve the ratio.

“The biggest opportunity stems from the fact that if you have an unstable foot, you have an unstable foot whatever item of footwear you are using,” said Rice. “We can make big increases in insole sales if we sell not just for running shoes but also for cycling shoes, ski boots, dress shoes and so on.”

Typical of any category that becomes hot, the main challenge for the insole category is new entrants coming to market with inferior product that ruins the initial insole experience for the customer.

“There are plenty of insole companies out there that try to drastically simplify a very complex area of human bio-mechanics, and are selling nothing more than a plastic arch “bump”, with no fitting services whatsoever,” said Rice. “The customer dislikes the fit and feel and then assumes that all insoles are as bad.”

Extensive associate training around bio-mechanics and injuries caused by unstable feet aids in the discussion around insoles that’s an integral part of Fleet Feet Chico’s Fit process. The staff sells insoles as part of an overall solution but also to address specific benefits to the consumer, such as a tool to alleviate knee pain when running. Added Rice, “We expect to analyze the customer’s gait,

recommend an insole, and then fit it to the customer’s foot.”

Dr. Gregory McCoy, a chiropractic physician based in Jefferson Valley, NY, is an advocate for Footbalance’s orthotics because they are easy to mold, comfortable and carry a friendly price point.

“The only complaint I have about the product is that they wear out quicker than other orthotics I have used,” he said. “The best part of the product is the comfort and quick break-in period.”

“As for selling them,” Dr. McCoy added, “that’s all about the confidence and knowledge of the seller. I imagine if you’re not up on human anatomy you may have a tough time informing the buyer.”

Fleet Feet Sports, St. Louis, MO carries supportive inserts from Superfeet, Sole and Montrail as well as cushioned insoles from Sof Sole.

“Insoles are hugely important to our business because of the big benefits they provide,” said **David Spetnagel, owner**. “A footbed can improve shoe fit, assist in injury recovery, reduce the likelihood of future injury and improve gait efficiency.”

Spetnagel said currently, the shoe vendors are satisfied with fitting the top and sides of the foot, leaving underfoot fitting to the footbed vendors. He added, “The challenges I foresee for the footbed category will arrive when the shoe vendors are no longer happy with this symbiotic relationship and make a concerted effort to better customize underfoot fit.”

On the sales floor, the current challenges arise from integrating inserts deeply into its fit process while educating customers about what footbeds do and do not do and “doing so while not conjuring up comparisons with ‘Do you want fries with that?’”

He added, “When given enough time, the available information from the medical community, Superfeet and Sole, in particular, make those tasks fairly easy. They become more difficult when time is short and/or the task involves more re-education than education.”

Fleet Feet Sports, Roanoke, VA, only carries Superfeet insoles.

Owner Blaine Lewis said, “I think there is a lot of growth opportunity, by helping people be more comfortable on their feet, whether they are exercising or as part of their daily life, and they are a great tool in treating injuries and foot problems.”

Lewis said at the store level, it’s important to educate the sales staff to understand the benefits of insoles. He added, “We sell through education, so it is important to be able to give the customer personal information so they can make decisions about products that are going to work best for them.” ■



Alan Rice and Susan Zepernick, co-owners, Fleet Feet, Chico, CA.



David Spetnagel, Owner, Fleet Feet Sports, St. Louis, MO



Blaine Lewis, Owner, Fleet Feet Sports, Roanoke, VA

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MASON REAY

President

Nuun Electrolyte Enhanced Drink Tabs

Mason Reay joined Nuun in November 2010 and in his short tenure with the unique electrolyte drink-tab company, he has more than doubled the size of the business, launched a new product line, expanded the product offering more than two-fold, achieved distribution in grocery channels such as Safeway, Krogers and Whole Foods, and now just launched new products for Spring 2013.

Prior to joining Nuun, Reay spent 12 years at Dell, Inc., most recently as the vice president of global consumer marketing. Prior to that he was at Bain & Company.

Reay has developed an extensive knowledge of the hydration world and immersed himself in an active Nuun lifestyle--running, cycling, skiing, and climbing. He holds a 2:51 marathon PR, and he's passionate about making America healthier by getting people off artificially flavored drinks, sugary sodas, sports drinks and "diet" drinks.

Based in Seattle, WA, Nuun has created a new category of tablets that turn water into electrolyte drinks without the sugars and container waste of traditional sports drinks. They recently launched Nuun All-Day to help the non-athletic market drink more water in a healthier way. Founded in 2004, Nuun is in over 3,500 stores in the U.S. and available in more than 20 countries, endorsed by athletes worldwide.

What first drove you to get active? I was very active as a kid and at different times played baseball, basketball, soccer, football and swam. My current passion is running. I started running seriously in 2004 after returning from a four-year work assignment in Europe. The day after moving back I went to the running store, bought a pair of shoes, and have been hooked ever since.

What was your first job? My first real job was delivering newspapers. I lived in St. Louis and the Post Dispatch had an afternoon edition. After school, I took the bus to pick up the papers and then delivered them to offices in a couple of the high-rise office buildings. I remember the day Ronald Reagan was shot; I sold a lot of papers that day.

What do you love about working at Nuun? I love to run and I've also done a good bit of riding and some triathlon. Another real interest is nutrition. At Nuun I get to bring all of those together on a daily basis.

What's something people may be surprised to know about you? I'm a big Chicago Cubs fan and am always in search of great India Pale Ale.

What's your favorite book? Life of Pi. The story of perseverance and mind over matter was really cool. And Yann Martel is an amazing storyteller.

What's the best sports movie? I could spend an entire day watching baseball movies. The Sandlot, Bull Durham, Field of Dreams, For Love of the Game, Major League, Rookie of the Year, you name it.

What's your dream trip? To spend a summer in Italy, learning more about the nuances of each of its regional cuisines.

What is your advice to someone looking to work in the sporting goods industry? There are a bunch of great things about working in this industry, but don't forget, it's still work. It's still a job. I have a lot of friends who think I just travel around to events all the time and run. Yes, I get to do those things, but I also get to worry about inventory levels and accounts payable and employee benefits, and so on.

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