SGB
ISSUE 1436
SEPTEMBER 8, 2014

# WEEKLY

The Weekly Digital Magazine for the Sporting Goods Industry


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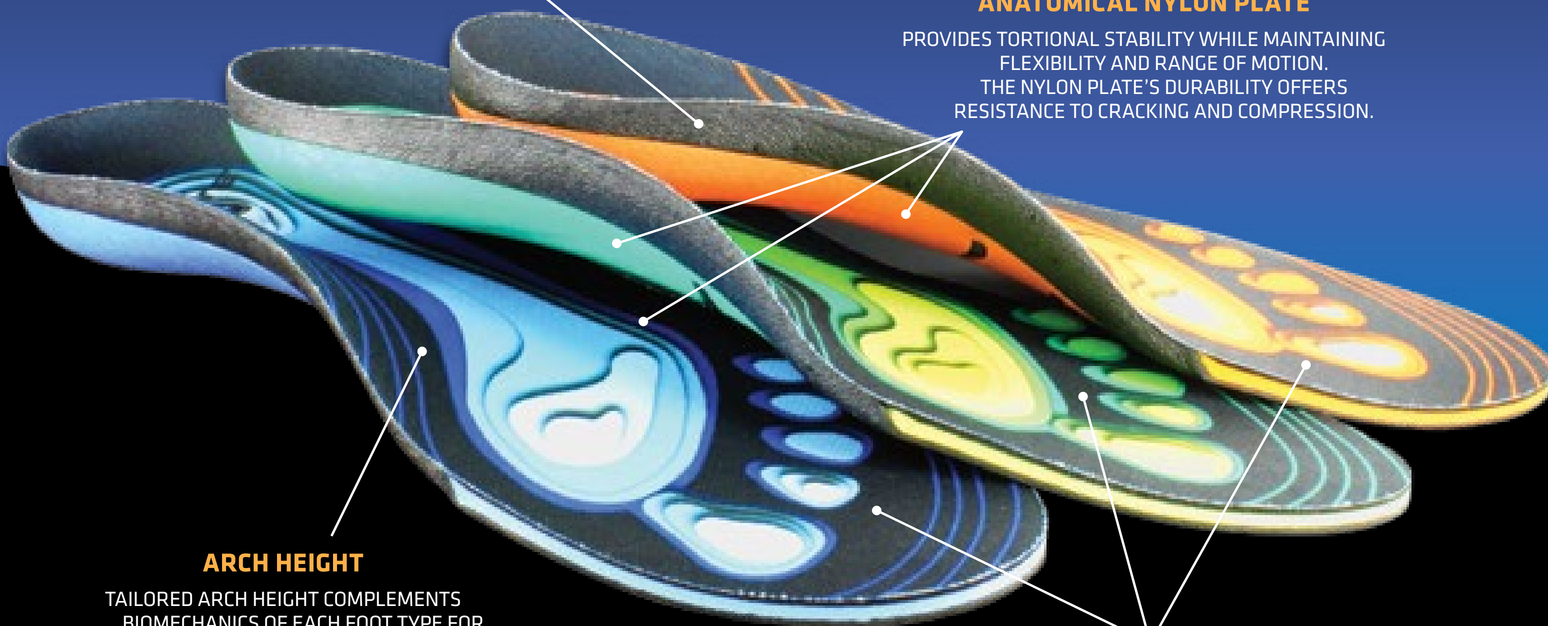

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Photo courtesy Specialized



On The Cover photo courtesy The North Face

## BY THE NUMBERS

### +2.1%
Shoe Carnival earnings slumped 55.7 percent in the second quarter to $2.58 million, or 13 cents a share, but still within the company's guidance for the period. Revenues were up 2.6 percent to $222.1 million. Comparable store sales decreased 2.1 percent after turning positive in July.

### -1.8M
Pacific Sunwear of California reported that adjusted for special items it showed a loss from continuing operations of $1.8 million, or 3 cents a share, as compared to income from continuing operations of $1.6 million, or 2 cents, for the same period a year ago. Results reached the higher end of its previous guidance but were impacted by a down trending denim cycle.

### +17.5%
Brown Shoe Company reported net income in the second quarter rose 17.5 percent to $18.1 million, or 41 cents a share, from $15.4 million, or 35 cents, a year earlier. Results exceeded Wall Street's consensus estimate by 6 cents a share. Sales reached $635.9 million, up 2.3 percent versus second quarter 2013 net sales of $621.7 million. Famous Footwear's comps grew 1.6 percent.

### -24.7%
DSW reported second-quarter earnings on an adjusted basis slid 24.7 percent but came in ahead of Wall Street's consensus estimate by 5 cents a share. Comps rose 0.8 percent and the footwear chain was "encouraged by the sequential improvement in sales trends as the quarter progressed." DSW raised its guidance for the year.

### -39.4%
Citing weakness at its LIDS Sports Group, Genesco, Inc. reported earnings on an adjusted basis fell 39.4 percent in the second quarter. It also sharply reduced its EPS guidance for the year due to continued erosion at LIDS for the balance of the year. Comps in the second quarter increased 2 percent with a 5 percent increase in the Journeys Group offsetting a 2 percent decrease in the LIDS Sports Group.

### -69.8%
Tilly's, Inc. reported earnings slumped 69.8 percent in the second quarter to $1.3 million, or 5 cents a share. Results were in line with expectations, "reflecting the continuation of challenging market conditions and the planned reduction in our clearance inventory." Comparable store sales decreased 7.1 percent and gross margins eroded 40 basis points.


# BRG SPORTS
## ACQUIRES STAKE IN MIPS AB TO SUPPLEMENT HELMET R&D

BRG Sports, Inc., formerly Easton-Bell Sports, has invested in MIPS AB. The Swedish company has developed the Multi-directional Impact Protection System (MIPS) technology that will be featured in several new cycling helmet models from BRG Sports brands Giro and Bell.

"We constantly evolve helmet design to incorporate technologies that prove effective at reducing impact energy," said BRG Sports Executive Chairman and CEO Terry Lee. "After studying and testing MIPS for more than 18 months, we understand how well it works and have a strong desire to collaborate with MIPS to improve the effectiveness with which it manages certain types of impact energy. During the process of getting to know the MIPS team, and after learning more about their technology and capabilities, we decided to make an investment in the company. This investment will enable us to work closely with MIPS in our quest to improve helmet safety and consistently raise the level of protection we offer our customers."

MIPS said its system would launch in more than 20 new helmet models this year alone. MIPS will be available in helmets across all categories including road, mountain, commuter, youth, and women's bike helmets from 661, Fox, Lazer, POC, Scott Sports, Smith Optics, Sweet Protection, Triple 8, and more.

"Much like how airbags became a safety standard in cars, we see MIPS as an equally important safety component in helmets," says MIPS CEO Johan Thiel. "For 2015, we are pleased to add several new brand partners and to expand the product offering with some of our long-standing customers."

The patented MIPS Brain Protection System was developed through collaboration between Swedish engineers and a Swedish neuroscientist to address angled impacts and rotational forces to the brain. Rotational forces to the brain often cause concussion and brain injuries during a head impact. MIPS utilize a low friction layer on the inside of the helmet to absorb some of the energy created by angled blows to the head. By mimicking the brain's own protective mechanism, MIPS can provide an additional measure of protection in some impacts.

BRG Sports' investment in MIPS AB will expand the company's own extensive research, design, and testing capabilities. The first results of these synergies are eight cycling helmet models from Giro and Bell which will debut at the Eurobike 2014 trade show in Friedrichshafen, Germany. Giro also has plans to incorporate MIPS technology in their line of market-leading snowsports helmets.

"We think highly of BRG Sports' helmet development capabilities and are proud that they have selected MIPS as a strategic partner," said Johan Thiel, CEO of MIPS. "This partnership and the investment made by BRG Sports will contribute to MIPS' continued growth and in meeting the helmet users' demand for increased safety and will further strengthen our overall R&D capacity."

## NEW YORK CITY

MOST 'BIKE-FRIENDLY' IN THE U.S.

New York City ranked first in *Bicycle* magazine's list of the 50 best cycling cities in the United States. New York previously placed seventh in the magazine's previous ranking done two years ago.

The ranking follows former NYC Mayor Michael Bloomberg's ambitious plan to add more than 350 miles of new bike lanes, many of them barricaded from traffic by concrete and parking lanes. The city now has more 900 miles of bike lanes across its five boroughs, with more than 600 of those on city streets. Between 2007 and 2011, the city doubled the number of bike commuters on its streets.

Also supporting the ranking is the 2013 launch of Citi Bikes, the bike-sharing program sponsored by Citibank. More than 96,000 annual members subscribe to the nation's biggest bike share.

As a result, New York doubled its number of bike commuters during the years 2008 to 2012 to 34,496, which is the largest number of any U.S. city, according to the U.S. Census Bureau. By 2020, current Mayor Bill de Blasio vows to double all bicycling trips in the city.

One percent of city residents bike to work, about the same rate as commuters across the country. It's 6 percent in Portland, nearly 5 percent in Minneapolis, and 4 percent in Washington, D.C., Seattle, and San Francisco.

"More and more, the leaders of the cities who appear on our list are understanding what *Bicycling* [magazine] has long said - bikes are accurate and sensitive indicators of an urban area's vibrancy and livability," said Bill Strickland, *Bicycling's* editor-in-chief, in a statement.

The study is based on the percentage of bicycle commuters in the city, miles of bike lanes, and how recently the cycling infrastructure was installed.

Rounding out the top-ten cities in Bicycling's list - Chicago, Minneapolis, Portland, Washington, D.C., Boulder, San Francisco, Seattle, Ft. Collins, CO, and Cambridge, MA.

**Asics America** welcomed two-time Olympic hurdler, **Queen Harrison**, to its team of elite athletes.

**Billabong** appointed **Randy Mikko Royce** to the role of VP, g lobal supply chain and **Kitty Ho** as VP, global sourcing.

**Confluence Outdoor** hired new sales representatives **Andrew Miller and John Jameson** to cover the Mid-Atlantic/Northeast and the Gulf Coast regions and promoted longtime sales representative **Matt Yablonowski** to key account representative in the Central U.S. region.

Australian footwear brand **EMU** appointed **Dan Singer** as VP of North America.

**ExOfficio** appointed **Brian Thompson** as general manager.

**Marin Mountain Bikes, Inc.** hired **Chris Holmes** as brand director, a position that makes him responsible for establishing and coordinating all of Marin's marketing activities.

**Nike** re-signed NBA star **Kevin Durant** to a 10-year contract potentially worth about $350 million, according to reports.

**Osprey Packs** hired veteran outdoor specialty rep **Bill Chandler** as its outdoor sales manager, a new position created to enhance Osprey's focus on customer service while supporting programs at retail.

**POC** has added **Dan Greenwood** to its snow sports sales team which is ramping up to launch the Swedish brand's new line of helmets and goggles and a new avalanche pack.

**Respect Your Universe**, the training and fitness brand with roots in MMA, appointed **Jameel Vaghela** as chief financial officer.

**Running Specialty Group (RSG)**, which is owned by The Finish Line, Inc., appointed **Bob Wallace** as senior adviser, strategic Initiatives. Wallace will focus on strategic planning, operational excellence, and being an ambassador to the running community.

**Under Armour** signed German supermodel **Gisele Bündchen** to a roster of spokeswomen for its largest global marketing campaign aimed at women.




## DECKERS OUTDOOR

### CHANGING CORPORATE BRAND IDENTITY

Deckers Outdoor Corp. said it is changing its corporate brand identity from Deckers Outdoor to Deckers Brands and unveiling a new corporate logo. The move marks the growth and expansion of its direct-to-consumer footprint and evolution of its omni-channel resources and product portfolio, which includes a diverse offering of lifestyle brands, such as Ugg, Teva, Sanuk, and Hoka One One.

"Our recent listing on the NYSE and our corporate brand marks four decades of growth and expansion across our organization," said Angel Martinez, president, CEO and chairman. "Building on the strength of our brand portfolio, we have made great progress in transforming our company from a domestic footwear wholesaler into a leading multi-channel global brand operator. From our early roots in developing outdoor footwear, we've evolved into a dynamic omni-channel organization centered on delivering compelling lifestyle products to consumers through seamless shopping experiences."

He added, "Underpinning our ability to lead the industry in developing an effective consumer-centric model is our engaged team of over 2,800 employees globally. Together we are creating a culture of innovation that has enabled our company to quickly adapt to the ever-changing dynamics of the retail environment, expand our customer base, and drive returns to the benefit of our shareholders."

Columbia Tamiami II
Short Sleeve Shirt and
Perfect Cast Polo

## COLUMBIA SPORTSWEAR

### INKS FIRST NFL DEAL WITH THE DALLAS COWBOYS

Columbia Sportswear and the Dallas Cowboys announced an apparel licensing partnership featuring co-branded sportswear, outerwear, and accessories for men, women, and youth with product available to the public starting in late spring 2015.

This marks the first time Columbia has partnered with an NFL team to offer co-branded product to consumers.

The initial launch of select styles will be available in spring 2015, expanding to a more robust assortment of sportswear, outerwear, and accessories by fall 2015. The partnership provides Dallas Cowboy fans access to quality outdoor performance apparel crafted with innovative technologies and design. The line includes Performance Fishing Gear (PFG) styles; which are extremely popular globally and especially in Texas.

"This first-of-its-kind partnership between the premier NFL franchise and a global leader in outdoor apparel is a real win for consumers," said Joe Boyle, VP of apparel merchandising at Columbia. "The Dallas Cowboys are a world class organization with one of the strongest fan bases of any NFL team. This collaboration will allow those fans to wear their favorite outdoor apparel brand while supporting their favorite team."

"We are excited to be joining forces with Columbia, the most innovative name in outdoor apparel," said Jerry Jones, Jr., EVP and chief sales and marketing officer, the Dallas Cowboys. "Whether tailgating before games or just enjoying the fall weather, I know our fans will appreciate Columbia's proven track record of high-quality, state-of-the-art clothing and outdoor equipment."

The Columbia-Dallas agreement extends through early 2018.

## OGIO

### APPOINTS DISTRIBUTOR FOR IBD CHANNEL

Ogio International appointed Hawley USA, with its sales force of 30+ representatives, as its new distributor for its Endurance Collection of sports bags to the independent bicycle dealer, or IBD, channel.

"We are really excited to partner with Hawley to further expand our rapidly growing Endurance Sports category," said Ogio's VP of Endurance Sports Mark Talarico. "Hawley has a broad reach across the entire country and enjoys a fantastic reputation in the IBD network, so we felt the partnership was a great fit."

"Ogio's Endurance sports product line is a fantastic fit for our team and the IBD channel. These are specialty bags that really appeal to the core cycling community and fit right in Hawley's distribution wheelhouse," said Ian Cross, director of sales at Hawley.

Ogio is an official sponsor of both the Belkin Pro Cycling team and Jamis Hagens-Berman Cycling team along with the perennial national championship contending University of Colorado Triathlon Club. Ogio is also a sponsor and official bag supplier of Ironman.

## ELLSWORTH

### HANDCRAFTED BICYCLES ACQUIRED BY CARBON FRAME SUPPLIER

BST Nano Carbon, a leading design and advanced composites manufacturer, acquired Ellsworth Handcrafted Bicycles, designer and "Made in America" manufacturer of award-winning mountain bicycles for nearly 25 years.

As part of the agreement, Ellsworth Bikes' Founder Tony Ellsworth will oversee the brand's product design and work closely with BST Nano Carbon's engineering and advanced materials team to create the next generation of Ellsworth bicycles. Ellsworth Handcrafted Bicycles' offices and operations, previously based in Ramona, CA, are now located in BST Nano Carbon's state-of-the-art 65,000 square-foot R&D and manufacturing facility at 16275 Technology Drive in San Diego, CA.

"I look forward to seeing the brand I started nearly 25 years ago continue to excel with ideals in environmental consciousness, craftsmanship, advanced material of the highest quality and technology utilization," Ellsworth said. "Those ideals are clearly embraced and shared by the leadership at BST Nano Carbon, who are a perfect steward for the brand's future. I'm confident with their amazing design and technological expertise, truly 'Made in the USA' manufacturing and financial resources, Ellsworth will not only continue to grow, but become the worldwide leader I always envisioned it could be."

The acquisition enables BST Nano Carbon to showcase its advanced composites, engineering, and manufacturing expertise to the cycling community, said William C. Wood, senior VP of BST Nano Carbon's worldwide sales and marketing.

"Our team has made high-end bike components on an OEM basis for many years," said Wood. "We appreciate Tony's design brilliance and have had our eye on the Ellsworth brand for some time. Ellsworth customers will be very excited to soon see a new generation of high quality, Tony Ellsworth-designed bicycles and components that are engineered and manufactured in our San Diego facility. In addition, we are committed to a strategy that promotes globally but relies on independent local bike shops throughout the country and around the world to dramatically grow the brand and bring the highest quality, best riding mountain bikes to our customers."

Ellsworth's heritage moments, awards, and accolades have been numerous including the Truth XC/Race mountain bike being named one of Mountain Bike Action's Top 25 Bikes of the Last 25 Years; *Outside* magazine awarding the Epiphany its Gear of the Year mountain bike award, and the Ellsworth Ride cruiser bike winning *Popular Science* magazine's Best of What's New Grand Award.

BST Nano Carbon specializes in the advanced resins, polymers, and carbon fiber products and has evolved to focus on nano carbon composites for use in the latest era in advanced design and manufacturing opportunities including expertise in carbon nanotubes (CNTs), grapheme, and synthetic spider silk, among others.

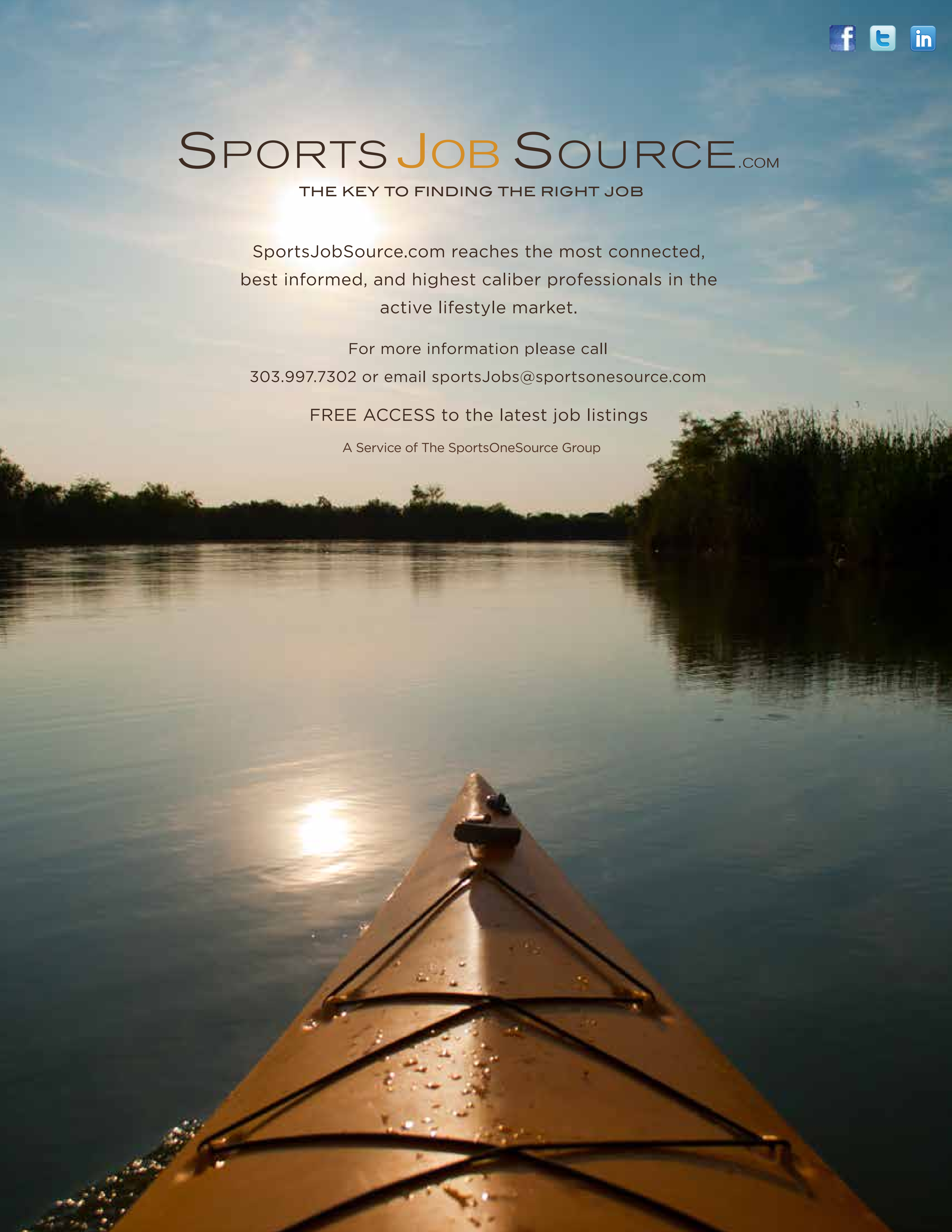

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Photo courtesy Accell N.A./Currie

# To "E" or Not to "E"

By Charlie Lunan

The U.S. e-bike industry passed an important milestone in August when the Bicycle Product Suppliers Association announced it had formed a committee to study ways to track e-bike statistics and address safety, legal and legislative issues emerging around the technology. The announcement and recent product announcements signal that the industry's leading vendors see e-bikes becoming a significant part of their U.S. business in the coming years, even if the overwhelming majority of independent bike dealers do not.

While the great e-bike debate will be raging full throttle at this year's Interbike trade show, one point can no longer be argued. The latest e-bike technology now arriving on U.S. shores is disrupting the market.

One needs to look no further than last month's IMBA World Summit in Colorado where a panel discussion on whether to allow e-bikes access to trails exposed major divisions in the mountain biking community. Electric-assist mountain bikes, it would seem, have brought to the fore tension between the industry's desire to expand participation and the tendency of many enthusiasts to dismiss electric bikes as a bastardization of the sport.

As long as e-bikes were awkward abominations, the independent bicycle dealers and the industry's three largest brands - Giant, Specialized, and Trek - could afford to neglect the category in the U.S. But Bosch changed all that with its new Performance Line mid-motor pedelec drive system, which have completely transformed the e-bike experience and enabled a new generation of electric motor-assisted mountain bikes.

Bosch's decision to team up with its largest customer, Accell Group of The Netherlands, for an unparalleled e-bike launch in the U.S. this year is forcing many U.S. companies to reconsider their posture. In early August, the Bicycle Products and Suppliers Association announced it had formed an e-bike committee to look at how to approach market statistics, safety, and legal and legislative issues. Tellingly, BPSA appointed Currie Technologies, Inc. president and Accell North America (ANA) executive Larry Pizzi as committee chairman. Joining him on the committee are executives from Trek, Specialized, Giant, Felt, Pedego, Shimano, Bosch, and SRAM.

Felt is also launching a line of Bosch powered bikes this year, while Easy Motion, an electric bike brand owned by Spain's BH Bikes, will offer five new step through models and a new electric mountain bike featuring a new Samsung battery that extends their range 33 percent to about 65 miles.

"We are on a great trajectory," said Nate Smith, III, the California-based western regional sales manager with Easy Motion. "I liken 2014 to the year Prius was introduced and a few years later every fourth or fifth car was a Prius. At Interbike its going to be the buzz, I guarantee you."

Perhaps more importantly, Specialized slashed the price on its Turbo S Electric Urban Bike by $2,000 to $5,900 in July and announced it will introduce the $3,800 Turbo and $4,000 Turbo X models at Interbike.

Shimano is expected to make its new STEPS mid-electric drive system, which weigh in at just 3.2 kilograms, available in North America in 2016. Shimano has been testing the system with two German bike brands since February and was expected to begin shipping it to bike manufacturers for the European market last month. SRAM has partnered with Bosch to integrate its DDE electronic shifter with Bosch's Active Line and Performance Line motors and Intuvia cycling computer. The product will enable both manual and automatic shifting, although it's not clear if, or when, it will be made available for U.S. bound e-bikes.

In January, Trek acquired Electra Bicycles, which makes electric versions of the popular Townie comfort bike. While it is launching its first electric mountain bikes in Europe this year, it has not commented on whether it plans to introduce them in the U.S.

Giant, which stopped selling European-style electric step-through bikes in the U.S. in 2012, has not said when it will reintroduce e-bikes to the U.S. but has vowed to never bring its electric-powered mountain bikes to the U.S.

"The issue is trail access, which is already tenuous," said Andrew Juskaitis, Giant's global senior product marketing manager. "The great majority of trails in the U.S. market do not allow motorized vehicles and that is not open to interpretation. Introducing electric mountain bikes sets up a great argument for those people to keep mountain bikes off the trails completely. It just adds more fuel to fire."

What many in the bike industry find troubling is that e-bikes seem to be growing in spite of, rather than because of, the independent bicycle dealer. Currie Technologies CEO Larry Pizzi, who has been designing and marketing e-bikes in the U.S. since 1997, estimates independent bike dealers account for less than 15 percent of the companies' dealers base. The rest is made up of light electric vehicle dealers, although REI has become a significant dealer in the San Francisco area.

At Easy Motion, which has been offering electric commuter and urban bikes in the U.S. for three years, Smith estimates independent bike dealers account for less than 4 percent of the of distribution. "They are still very, very resistant," Smith said. Interbike, however, is not waiting for dealers.

"The evidence that the e-bike category is going to take shape is easily noticeable in Europe and Asia," said Pat Hus, vice president with Emerald Exposition who runs the Interbike and Health+Fitness show. "That's why we started the Electric Bike Media Event in early 2013 – to help show the public - not current bike enthusiasts - how these bikes tap a new segment of cycling. I think retailers that embrace the e-bike category today will benefit in the near future as the segment continues to grow in North America."

Interbike's e-bike neighborhood will include 31 companies and 91 booths this year, up from 24 and 54 in 2013. These numbers do not include some companies that chose to have a booth outside of the e-bike neighborhood – so the growth is actually slightly higher.

### Accell's Big Push

Group will have the most extensive e-bike offering in North America on display at Interbike. In addition to Bosch powered mountain bikes from Haibike and Lapierre, Accell North America (ANA) will be showing e-bikes from Raleigh that are powered by lower cost rear hub motors as well as center-drive systems developed by TranzX and Currie Technologies, which offers a comprehensive assortment of e-bikes under the IZIP and eFlow brands.

Raleigh and Lapierre e-bike models are only available through authorized Raleigh and Lapierre retailers who support the lines. Haibike, eFlow and IZIP e-bike models are available to any specialty bicycle dealer not

Haibike Xduro AMT RX
Photo courtesy Accell N.A./Currie Technologies

competing directly with its existing retailers, and to authorized Raleigh and Lapierre retailers as well. Put another way, ANA offers everything from a $2,150 IZIP Compact folding bike featuring a Dahon frame to Raleigh's entry-level $2,400 Venture comfort e-bike with rear hub drive, to Lapierre's $4,500 Bosch-powered Overvolt hard tail and the $6,700 Haibike Xduro dropbar road bike that became available in Europe last year.

Accell is no stranger to pioneering e-bikes, which reached 35 percent of its sales in 2013. The company reported sales of e-bikes grew 14 percent in the first half of 2014, helping offset a 6 percent decline in overall unit sales attributed primarily to soft sales of sport bicycles. The growing mix of e-bike sales also lifted the company's average sales price 10 percent to about $520.

During an eight-city dealer tour launched in August, Accell North America CEO Chris Speyer is telling dealers that e-bikes represent the best opportunity to grow the market in many years.

"Here in the United States, the industry has been doing 2.5 million units a year for 10 years," Speyer explained to Raleigh and Lapierre dealers during an August 12 stop in Charlotte, NC. "What that says to me is that if someone is growing, it's strictly growth by displacement. What are we going to do to expand the market, to bring more people into the specialty bike shop? Important performance categories like road are down. While that business will correct itself this year, sales won't be at the halcyon levels seen in the years of Lance. In Europe, eight years ago, it was the same thing and the e-bike changed that."

Speyer then turned over the presentation to Currie Technologies' Vice President of Sales Rob Kaplan, who assured his audience that he is well aware of the category's ups and downs.

"We've been pushing this boulder up the hill for a while now," said Kaplan, in a refrain heard from several Currie Technology employees. He explained how the German engineering company Bosch, which has more sales then the global bicycling industry combined, has completely changed the e-bike experience with its center-mount electric drive systems. The system, he explained uses three sensors to measure force, pedal cadence, and speed up to 1,000 times per second to enable seamless shifting between four pedal assist modes. He explained how Accell has tasked Currie Technologies with running its new Electric Bicycle Competency Center in California and hired Magura Direct to make sure dealers get the technical support, training and warranty services they need to successfully sell and service e-bikes. He urged dealers to invest in a few Haibike, Raleigh or Lapierre demo e-bikes, which Accell will gladly sell them at a


deep discount, because the best way to sell an e-bike is to let people ride them.

### Dealer Ambivalence

The dealers listen politely and many stroll down to the hotel parking lot for test rides. Invariably, they return with big smiles. Any doubts they had about the technology have vanished, but few are prepared to order demo bikes.

"They are living up to the hype," said Kevin Hessler after riding a Currie-powered Raleigh and Bosch powered Haibike. "It seems like Raleigh's program is pretty good. I'm a little more confident they are committed and that we could get on to a decent program and that we could succeed."

Hessler said he is considering buying a Raleigh hard tail, but his colleague Drew Cistola who works Liberty's sales floor, remains skeptical.

"I've seen e-bikes sit," Cistola said. "The problem in Asheville is that there is no good infrastructure. The perception is that if you are out on the road you are taking a significant risk. Unless that improves, I don't see e-bikes coming in."

After his test rides, Derric Jennings said he thinks e-bikes are "going to be a huge market and it's going to be good for cycling." But he added that he would have to convince his father to invest in the bikes, which could be tough. His father still has a bad taste in his mouth from selling e-bikes and scooters 15 years ago and most of the trails near their shop in High Point, NC ban e-bikes.

"When my son was younger I always thought it would be great to have an e-bike so we could go mountain biking together," said Jennings. "I do think these are going to be huge."

Currie Technologies has encountered a lot of this ambivalence from bike shop employees since August 2013, when it began dispatching vans loaded with demo bikes to deliver test rides nationwide. Once they ride a new generation e-bike, they want to own one. They just are not sure if they can sell them.

Currie Technologies President Pizzi estimates IZIP and eFlow sales to bike dealers are up more than two fold this year. The company will introduce 12 Haibike models at Interbike, double what it had planned this spring thanks to stronger than expected demand for its flat bar XDURO Trekking Urban bike line.

"We are seeing really substantive growth in the IBD channel this year," said Pizzi. "Better IBD retailers, primarily multi-door retailers, have all of the sudden embraced the category because other sectors of their business are off. Carbon road bike sales are down significantly. Those were very nice sales for IBDs and here is an opportunity to sell something in the same price category without having mail order enthusiasts squeeze you on price."

### A Slow Start In Washington, D.C.

Sell through, however, may be another matter. Even in bike-friendly Washington D.C., e-bikes have been slow to catch on with commuters, according to Jim Strang, a partner at Spokes, Etc., which operates five stores in the metro area. After commuting 15 miles each way to work on an eFlow Nitro with a rear hub motor and an IZIP Peak hard tail for six months, the 200-pound Strang has become a big fan of Currie Technologies.

"The bikes have been amazing, rock solid," he said. "But it's still a hard sell."

Strang said the region is home to one of the largest Rails to Trails systems in the country and that his commuter bike sales are "on fire." But for some reasons, commuters have not bought into e-bikes the way he thought they would. "I'm enthusiastic about it," he said. "I have not lost my passion. I am having some success, but I've probably sold half of what I thought we would have sold by now."

### Change From Without

Some say it may take new leaders less beholden to the bike industry's old ways of doing business to find a viable business model for selling e-bikes in the U.S. A host of innovative e-bike start-ups are emerging that do not have the resources to exhibit at Interbike but are grabbing attention in mainstream publications for their elegant designs.

Among them is Faraday Bikes, which began shipping in June to 200 award-winning e-bikes it presold on Kickstarter for $3,500 a piece. The company was founded by Adam Vollmer, who left his job at the prestigious design firm IDEO in 2012 to turn an e-bike he designed for a contest into a business. The steel frame Faraday Porteur is handcrafted in America and has won accolades for its elegant and minimalist design, including a Gates Carbon Drive. Faraday faces some major challenges scaling its business. It currently sells exclusively via its own website. To ensure the best customer experience, it is shipping all online orders to local bike shops for assembly and inspection by professional mechanics at its own expense.

"We are looking forward to expanding our hybrid online/dealer distribution model and working with some of the best electric and conventional bicycle dealers in the country," Vollmer said in August. "Right now, customers in San Francisco and Portland can test ride and purchase a Faraday at three great shops - Huckleberry Bikes and The New Wheel (San Francisco), as well as Clever Cycles (Portland)."

### People Just Want To Have Fun

New bicycle dealers like Van and Debbie Roldan could also accelerate change from within the industry. The couple relocated from Miami, FL to North Carolina a year ago after buying a motel and bike shop overlooking Mount Mitchell, the highest peak in the Appalachian Mountains and a favorite ride for hard core road bikers. But the Roldans see a much bigger opportunity selling and renting bikes to residents at a nearby retirement community and the many tourists visiting the Blue Ridge Parkway.

"I think this is the ground floor on a potentially huge opportunity," said Van Roldan, after riding a few electric mountain bikes at Accell's Dealer Tour in Charlotte. "I was a computer consultant and saw paradigm shift with computers where the industry decided to shift to the cloud-based data storage. I see this as a paradigm shift because people want to have fun on their bicycle and not feel exhausted when they are done. I think the technology has caught up with that desire."

"There are a lot of people who want to get out and ride and they are intimidated by the landscape," Roldan continued. "This would go a long way to make our area a destination for mountain biking and not just for the elite riders." ■

# Outdoor Brand Strength Report Shows Quality is Job Number One

The SportsOneSource Consumer Research Group's first survey of specialty outdoor consumers reveals the industry's Top 50 strongest brands, including some brand names that just may surprise you.

By Charlie Lunan

Outdoor specialty brands may want to consider resurrecting the "Quality is Job One" slogan Ford Motor Company abandoned in 1998, according to the latest Outdoor Brand Strength Report from The SportsOneSource Consumer Research Group.

In a survey of nearly 2,500 specialty outdoor consumers conducted in June and July, The SportsOneSource Consumer Research Group queried core outdoor consumers, or those frequently participating in hiking, backpacking, camping, mountaineering, bouldering/rock climbing, and/or paddlesports. Respondents were asked specifically about their experiences with outdoor footwear, outdoor apparel, and outdoor gear and accessories. The survey found 72 percent of respondents considered the "Product Quality" attribute *Extremely Important* when purchasing an outdoor apparel brand.

“Value for Price" was deemed *Extremely Important* by 62 percent of respondents when purchasing a footwear brand and 63 percent when making apparel and gear/equipment brand purchases.

With the exception of "Style/Fashion/Fit," which 52 percent of respondents deemed Extremely Important when purchasing outdoor apparel, none of the remaining criteria were considered *Extremely Important* by more than 47 percent of the respondents.

"Innovation and Technology" was deemed *Extremely Important* by just 39 to 48 percent, while 32 to 36 percent of respondents said "Low Price" was *Extremely Important*. Rounding out the criteria in decreasing importance were "Brand Name," "Environmental Initiatives," and "Athlete/Celebrity Sponsorship."

The findings are among those highlighted in this year’s Outdoor Brand Strength Report. Highlights from the report are included in this edition of *SGB* magazine. The report is a top line summary of findings from a bi-annual consumer survey The SportsOneSource Consumer Research Group conducts every two years to measure outdoor consumer awareness, attitude, and intent to purchase specialty outdoor products from specific brands. Though best known for its Brand Strength Index, which uses a proprietary formula to rank the Top 50 brands in the outdoor industry, the report provides brand, product, and marketing managers fresh and unparalleled insight for gauging success, or viability, of their campaigns and strategies.

"Quality is key at MSR (Mountain Safety Research)," noted Chris Parkhurst, a vice president with MSR, which received the highest Product Quality score of any equipment brand in the study and the 30th highest Brand Strength Index score. "It’s part of our DNA, so to see our customers’ expectations align with our values is important. We won’t design our products any differently, but it does reinforce the importance of keeping our message focused on that attribute of MSR."


Chris Parkhurst, VP Mountain Safety Research

## The Brand Strength Index Top 50

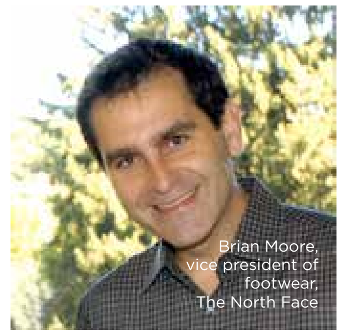
The centerpiece of the Outdoor Brand Strength Report is the Brand Strength Index (BSI), developed by The SportsOneSource Consumer Research Group more than seven years ago to more effectively measure and assess the consumer’s view and perception of brands. A brand's BSI score is determined based on consumer's awareness of the brand, whether they have purchased the brand in the last year, whether they intend to buy it again, and the depth of their brand loyalty. The latter, which has the greatest weight in a brand's BSI score, measures the percentage of respondents answering “yes” when they were asked (unaided) which brands were so important to them that they would leave a retail location if that brand were not available. The respondents who answered “yes” were directed to a follow-up question asking which brands would prompt that response. Those brands were determined to be “Non-Negotiable Brands” in the eyes of that consumer. If a consumer leaves a store because that store doesn’t carry the brand they want, the Outdoor Brand Strength Report shows that as a leading indicator of brand value.  It should be noted that only 10 brands made Non-Negotiable Brands’ lists.

The above criteria were then combined using The SportsOneSource Consumer Research Group’s proprietary formula to generate a single BSI for each qualifying brand.

This year's Top 50 list contains more than a few surprises, which can sometimes yield the most powerful insights about why some brands are succeeding. It won't surprise many that The North Face landed at the top of the Brand Strength Index, but it may surprise many that its footwear received higher Product Quality scores than its apparel or gear/equipment. In fact, The North Face ranked highest for “Product Quality” among outdoor footwear brands, with an average ranking of 9.24 (out of 10). Almost eight-in-ten specialty outdoor consumers who purchased footwear from The North Face rate their product quality “Extremely Positive.”

The high scores did not surprise Brian Moore, who joined The North Face as vice president of footwear in 2012 from Timberland.

"Two years ago, we made a very specific decision to hyper invest in footwear," said Moore. "We built a new management team, brought in a new set of competencies and established that we would make a hard play to position the footwear brand on the same principles the rest of the brand stood for."


Brian Moore, vice president of footwear, The North Face

Moore's team sought out the most technical materials available and extended its product development life cycle 90 days to allow for extensive testing by athletes. In January 2013 The North Face launched its Ultra Protection Series, a collection of shoes for hiking, trail running, and a featherweight training shoe for running on roads and smooth trails. By combining its own ultra-light breathable Ultra Airmesh fabric with new technology from Vibram, Gore-Tex, and other vendors, The North Face reduced the weight of its shoes by 25 percent without sacrificing the protection needed by hikers and runners. The shoes have gone on to win several awards and are changing how people perceive the brand's footwear.

"What people found is that we now have footwear consistent with what our brand represented in technical apparel," said Moore. "The irony is we had been in the footwear business for 15 years."

The North Face ranked first in BSI ratings with a top score of 622 (out of 1,000), reflecting extremely high brand awareness among specialty outdoor consumers, (67 percent aided awareness) as well as its status as the most Non-Negotiable Brand, with 8 percent of specialty outdoor consumers stating they would walk out of a store if The North Face wasn’t available.

## Columbia Takes Second Spot With Strong Conversion Rate

Columbia took the second spot on the BSI index as the only other brand to score 600 points or higher, thanks in part to its strong Brand Purchasing score, which measures the percentage of respondents who said they purchased the brand in the last 12 months. Columbia out ranks The North Face on this important metric with a conversion rate of 54 percent compared to 49 percent. Outdoor brands Timberland,

L.L.Bean, and REI show conversion rates above 40 percent.

Columbia's strong conversion rate shows the company's strategy of balancing great performance with affordability is resonating with American outdoor specialty consumers, according to Jeff Timmins, senior brand director for Columbia Sportswear.

"Accessible innovation is key to long-term success," said Timmins. "This is no different than what one observes in other industries (e.g. technology, autos) in which innovations are introduced in limited, higher-end products, then through scale and continued refinement become commercially viable across more accessible price points. In each of the last seven years, Columbia has introduced a new, significant technology to keep consumers warm, dry, cool, and protected, so that they can enjoy the outdoors longer. These innovations have gradually become available in an ever-increasing range of product options and price points, allowing for increased accessibility and tiers of performance."

Timmins said he was not at all surprised that "Innovation/Technology" ranked fifth out of nine criteria consumers used to evaluate apparel and footwear products.

"Innovation, by itself, often ranks below other attributes," he said. "No one needs, per se an innovative new jacket, but they want a quality, well built jacket that may have features deemed innovative.

Adidas Outdoor ranked third with a BSI of 593, an impressive feat given that the brand only re-entered the U.S. outdoor market in 2008. Timberland, which like The North Face is owned by VF Corp., took the number four position with a BSI score of 575. Coleman, the only equipment brand to make the Non-Negotiable Brands lists, rounded out the Top 5 with a score of 568.

REI, L.L.Bean and Eddie Bauer took the 6th, 9th and 12th spots, reflecting strong Brand Awareness scores that were likely boosted by their longevity and large brick & mortar retail presence. After Coleman, Swiss Army, Igloo, Camelbak, Gerber, and Black Diamond Equipment were the only equipment brands to make the BSI Top 25.

## Workwear Brands Making In-Roads

Another surprise in this year's Outdoor Brand Strength Report is the strong showing of workwear brands Carhartt and Dickies, which rank 10th and 15th respectively, on the BSI. While it would be easy to dismiss this to their growing success in big box hook & bullet stores like Academy, Bass Pro, Cabela's, Dick's Sporting Goods, Gander Mountain, and Scheels, it's important to remember that the Outdoor Brand Strength Report excluded hunting and shooting consumers, which will be covered in a pending Sportsman's Brand Strength Report.


Tony Ambroza, Senior Vice President of Marketing, Carhartt

Carhartt, it turns out, has stepped up its game with technical fabrics in the last few years in much the same way The North Face did with its footwear. In fall 2012 it introduced Quick Duck, a 60 percent cotton/40 percent polyester blend fabric that is 30 percent lighter than its iconic Brown Duck canvas. It followed up in spring 2013 with its first ever spring advertising campaign to promote Force, a new line of apparel using proprietary wicking, stain, and odor resistance technologies.

"Our focus at Outdoor Retailer was on continued expansion of the Force line with the addition of stretch," said Carhartt Senior Vice President of Marketing Tony Ambroza. "We will be rolling out product in fall taking iconic style and incorporate range of motion like no one has seen before. We are seeing opportunities and grasping them."

Carhartt supercharged its investment in technical fabrics three years ago as more of its customers came back to them demanding the kind of performance they were seeing in outdoor recreational apparel, particularly for warm weather conditions.

Those investments likely played a role in Carhartt earning the nineth highest Product Quality score among apparel brands after Smartwool and ahead of Patagonia and nineth highest Brand Purchasing score after Dickies and ahead of Adidas Outdoor. Those scores jibe with what Carhartt is hearing from its own panel of 8,000 customers.

"It's great to get this information because it reinforces the added focus on those products with additional performance properties," said Ambroza.

## Equipment Brands Bask In Authenticity, Flight To Quality

Swiss Army landed in the 11th spot on the BSI by garnering the fifth highest Brand Awareness score and nineth highest Brand Purchasing score. Interestingly, slightly more women, 64 percent, then men, 61 percent, were aware of the brand. Swiss Army also ranked fourth in Product Quality among equipment brands.

Victorinox Swiss Army, Inc. Vice President of Sales Patrick Ehren attributes the strong performance of the brand's authenticity and a successful licensing program that has extended it into high quality cutlery, timepieces, travel gear, apparel, and fragrances. This has made Swiss Army a go-to brand for both personal use and gifting.

"In the past three to five years, the industry has experienced economic changes, the birth of new lifestyle trends, and the demise of others, heightened social awareness, and many other factors too numerous to list," Ehren said. "However, regardless of the shifts in economic health or popular opinion, there is one, guiding and true indicator of past, current and future brand health – authenticity. Today brands must be authentic to appeal and be relevant to consumers, especially millennials."

Black Diamond's high Product Quality score among equipment brands demonstrates the huge opportunity it has as its expands into apparel and retail, said Nicholas Bornling, vice president of marketing for Black Diamond Equipment.


Nicholas Bornling, vice president of marketing, Black Diamond Equipment

"From a marketing perspective, it tells us that we need to drive brand equity awareness via every channel," said Bornling. "As apparel grows it will automatically provide us with a vehicle to drive brand awareness, but it will also demand that we build demand and sell-through. It's clear that all the top brands have a well designed omni-channel platform which is providing robust vehicles to tell the brand story and drive awareness."

At MSR, Parkhurst said the strong correlation between consumers' perception of product quality and a brand's BSI score reinforces the importance of keeping quality job one. "The next generation of outdoor customers are even more conscious of quality, reliability, and longevity," he said. "This is driven in part by the fact that the amount of disposable income is less than previous generations. Gear has to last longer. ■

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*Editor's Note: To receive a pdf of the Topline version of the Outdoor Brand Strength Report including methodology, or to discover what The SportsOneSource Consumer Research Group has learned about how consumers' perceive your brand and the brands you compete against, contact your account manager at The SportsOneSource Group or Bethany Cooner, Director Market Research, 303.997.7302 x7101, or email BSR@SportsOneSource.com.*

*The SportsOneSource Group clients, retail reporting partners, sponsors, and advertisers are eligible to receive a complimentary copy of the Topline version of the Outdoor Brand Strength Report. For details contact your account manager or client solutions at The SportsOneSource Group.*


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# Brand Strength Topline Report

## Specialty Outdoor Consumer 2014

Specialty Outdoor Consumers - those involved in backpacking, camping, hiking, mountaineering, bouldering/rock climbing, and/or paddlesports - seek trusted outdoor brands to enhance and support their outdoor pursuits. These core outdoor enthusiasts demand high product quality from brands, rating quality as the most influential factor on their purchase of outdoor footwear, apparel, and equipment. Specialty Outdoor Consumers rely on outdoor footwear brands to enable them to experience the outdoors safely and comfortably. They trust outdoor apparel brands to make the difference between an enjoyable adventure and a miserably wet, cold, hot or otherwise unpleasant experience. When it comes to equipment, outdoor consumers need their gear to perform as expected to get them further in their outdoor pursuits, achieving new personal bests and arriving back home safely.

New advances in innovation and technology are far more important to core outdoor enthusiasts than a lower price point. In equipment especially, outdoor consumers are looking for product advances and innovation to extend their outdoor adventure time, improve their performance, and enhance their outdoor experiences.

Specialty Outdoor Consumers also believe it is extremely important that outdoor brands contribute to the preservation of the environment and the opportunity to participate in the outdoors in the future. It's especially important to those buying outdoor gear and equipment.

These observations and more are highlighted in this year's Outdoor Brand Strength Report, which summarizes the bi-annual consumer survey conducted by The SportsOneSource Consumer Research Group to measure outdoor consumer awareness, attitude, and intent to purchase outdoor product from specific brands. The following is a sampling from the complete Outdoor Brand Strength Report.

# Brand Strength Index

The centerpiece of the Outdoor Brand Strength Report is the Brand Strength Index, (BSI), a rating system developed more than seven years ago by The SportsOneSource Group to more effectively measure and assess the overall consumer perception of a specific brand. Each brand measured was tested across four main criteria and those criteria individually weighted to reflect their importance in the overall indexing formula.

Key factors influencing the BSI included Brand Awareness, both unaided and aided. In an effort to measure a brand's mindshare for the consumer, the survey respondents were first asked open-ended questions to name five outdoor footwear, apparel or gear/equipment brands. Respondents were then provided a list of 117 brands and asked about awareness levels for each brand. Respondents were then asked if they had purchased any of the brands and to answer questions about their experiences.

The next factor used to formulate the BSI was a respondent's likelihood to purchase a specific brand again in the future. For each brand that a respondent mentioned having purchased, the respondent was asked on a scale of 1 to 5 – with 1 representing "Definitely Would Not" and 5 representing "Definitely Would" – how likely they would be to purchase that brand again in the future. Brands earned points for positive responses while points were subtracted for negative responses.

The attribute with the greatest importance in the BSI formula is a consumer's uncompromising commitment to a brand. Respondents were first asked if they would leave a specific retail location if a particular brand were not available at that retailer. The respondents answering "yes" were then asked (unaided) which brands were so important to them that they would leave a retail location if that brand were not available.

The above criteria were then combined using The SportsOneSource Group's proprietary formula to generate a single BSI for each qualifying brand.

The North Face and Columbia both vie for top position as the strongest brand in the specialty outdoor space.

The North Face ranks first in the Outdoor BSI, third in Brand Awareness, second in Purchasing and dominates in Non-Negotiable brands. The North Face is the top-rated brand for Product Quality in footwear, and ranks in the Top 10 for Product Quality in apparel and equipment.

Columbia ranks second in the Outdoor BSI, and Non-Negotiable brands, ranks sixth in Brand Awareness and dominates in Purchasing and Conversion. Columbia ranks fourth for Product Quality in footwear.

Timberland is king in Brand Awareness, and scores in the Top 5 in the Outdoor BSI, as well as Purchasing, and Non-Negotiable brands. Timberland ranks in the Top 10 for Product Quality in footwear.

Coleman ranks in the Top 5 in the Brand Strength Index, Brand Awareness, Purchasing, and Non-Negotiable brands.

BRAND STRENGTH INDEX - OVERALL TOP 50 BRANDS*

| Brand | Index | Brand | Index |
|---|---|---|---|
| The North Face | 622 | Osprey | 452 |
| Columbia | 606 | Kelty | 450 |
| Adidas Outdoor | 593 | Jansport | 449 |
| Timberland | 575 | Sorel | 445 |
| Coleman | 568 | Buck Knives | 444 |
| REI | 565 | Sanuk | 442 |
| Merrell | 554 | EMS (Eastern Mountain Sports) | 442 |
| Patagonia | 542 | Mountain Safety Research (MSR) | 441 |
| L.L. Bean | 531 | Eureka | 440 |
| Carhartt | 498 | Chaco | 439 |
| Swiss Army | 497 | High Sierra | 439 |
| Eddie Bauer | 493 | Sierra Designs | 435 |
| Teva | 481 | Yakima | 435 |
| Keen | 479 | Reef | 434 |
| Dickies | 479 | Snow Peak | 434 |
| Smartwool | 473 | Vasque | 433 |
| Marmot | 471 | Mammut | 432 |
| Igloo | 467 | Vibram FiveFingers | 431 |
| Camelbak | 466 | Hobie Cat | 426 |
| Salomon | 460 | Outdoor Products | 426 |
| Mountain Hardwear | 459 | Slumberjack | 425 |
| Woolrich | 457 | PrAna | 424 |
| Gerber | 457 | Petzl | 424 |
| Hi-Tec | 456 | Camp Chef | 422 |
| Black Diamond | 454 | Lowa | 421 |

** Index out of 1,000*

REI was the top vertical outdoor retail brand in the survey. REI ranks in the Top 10 in Brand Awareness, scoring somewhat higher with female consumers than male consumers in the attribute.

L.L. Bean also ranks in the Top 10 in the Outdoor BSI, ranks second in Brand Awareness, ranks in the Top 5 for Purchasing, and is a Top 10-rated brand for Product Quality in footwear.

Eddie Bauer missed the Top 10 in the Outdoor BSI but ranks in the Top 5 in Brand Awareness, ranks seventh in Purchasing, and is a Top 10-rated brand for Product Quality in equipment.

The North Face is the specialty outdoor brand ranking first in BSI ratings with a top score of 622 (out of 1,000). This top position reflects extremely high brand awareness among Specialty Outdoor Consumers, (67 percent aided awareness), and their strong commitment to the brand, (highest ranks non-negotiable brand). The BSI score tallied by The North Face is 55 points higher when assessed by the core outdoor specialty consumers responding to this survey than the 567 BSI scored by the brand in the Active Lifestyle Brand Strength Report that also released this summer. The Active Lifestyle Brand Strength Report measured brand perceptions with the general population consumer that purchased athletic or outdoor product in the past year.

Columbia also ranks in the 600 range in the Outdoor BSI - higher than all other brands except The North Face - and 57 points higher than their score in the Active Lifestyle Brand Strength Report. With aided awareness at 64 percent, Columbia also holds a top position in the mind-share of the outdoor specialty consumer.

Adidas Outdoor ranks third with an Outdoor BSI of 593 and Timberland takes the number four position with an Outdoor BSI of 575. With an Outdoor BSI score of 568, Coleman rounds out the Top 5 specialty outdoor brands in 2014. The Coleman brand scores nearly 50 points higher in the Outdoor BSI than the Active Lifestyle Brand Strength Index.

REI, Merrell, Patagonia, and L.L. Bean all scored above 500 in the Brand Strength Index and rank in the Top 10 specialty outdoor brands in 2014. Carhartt rounds out the Top 10 with a BSI of 498.

Equipment brands Swiss Army, Igloo, Camelbak and Gerber all rank in the Top 25 specialty outdoor brands. Swiss Army barely misses the Top 10 with a BSI of 497.

# Brand Awareness

In the Brand Awareness section of the survey, Specialty Outdoor Consumers were asked about their recognition of brand names on two levels - unaided and aided. First, respondents were asked an open-ended question to identify brands of outdoor footwear, apparel and gear/equipment that come to mind to determine the unaided level of awareness. The respondents were later asked to select from a randomized list of 117 brands to determine their recognition of each brand. The tables below show total awareness, which is a combination of both lines of questioning.

Timberland, L.L. Bean, and The North Face claimed the top spots in Brand Awareness. More than two-thirds of respondents mention awareness of each brand. Coleman and Eddie Bauer round out the Top Five brands for overall Brand Awareness.

Swiss Army, Buck Knives, and Gerber each carve out spots in the Top 25, with awareness levels of the outdoor gear brands near or above 25 percent. Merrell, Teva and Hi-Tec also stand among the Top 25 most recognized brand names. More than a quarter of all Specialty Outdoor Consumers are aware of these three outdoor footwear brands.

When it comes to the brands that help them haul their outdoor gear, outdoor consumers mention Yakima and Thule more than any other cargo companies. Yakima finishes at number 27, with a 21 percent Brand Awareness level, while Thule ranks 33 in overall Outdoor Brand Awareness. Water and paddlesports' brands Hobie Cat, Ocean Kayak, and Old Town sail into the Top 50. Hobie Cat finishes with a Brand Awareness level at 22 percent, five percentage points above Ocean Kayak and eight points above Old Town.

Adidas Outdoor jumps into the Top 5 position among male outdoor consumers, one spot ahead of Eddie Bauer. Overall, footwear brands fare better among female outdoor consumers. Female awareness of outdoor sandal-maker Teva is higher than men's awareness by a third. Women are more aware of Reef and Keen footwear than men, as both brands land in the Top 25 among women.

Brands ranking in the Top 25 for Brand Awareness among men include Buck Knives, Gerber, and Eagle Creek.

## BRAND AWARENESS - OVERALL TOP 50 BRANDS

MOST RECOGNIZED BRAND NAMES

| Brand | Percentage | Brand | Percentage |
|---|---|---|---|
| Timberland | 72% | Hobie Cat | 22% |
| L.L. Bean | 71% | Yakima | 21% |
| The North Face | 67% | Salomon | 20% |
| Coleman | 66% | Black Diamond | 20% |
| Eddie Bauer | 65% | Sorel | 20% |
| Columbia | 64% | Reef | 19% |
| Adidas Outdoor | 63% | Mountain Hardwear | 19% |
| Swiss Army | 62% | Thule | 19% |
| Dickies | 57% | Eastern Mountain Sports | 18% |
| REI | 49% | Keen | 18% |
| Igloo | 46% | Sierra Designs | 18% |
| Jansport | 43% | Ocean Kayak | 17% |
| Carhartt | 42% | Osprey | 17% |
| Patagonia | 39% | Thermarest | 17% |
| High Sierra | 39% | Highgear | 16% |
| Camelbak | 34% | Smartwool | 15% |
| Merrell | 32% | Old Town Canoe | 14% |
| Teva | 30% | Kelty | 14% |
| Buck Knives | 27% | Mammut | 14% |
| Woolrich | 27% | Snow Peak | 13% |
| Hi-Tec | 26% | Yeti | 13% |
| Eagle Creek | 25% | Canada Goose | 13% |
| Gerber | 23% | Icebreaker | 13% |
| Eureka | 23% | Outdoor Research (OR) | 13% |
| Marmot | 22% | Slumberjack | 12% |

## BRAND AWARENESS - BY GENDER

| MALE | | FEMALE | |
|---|---|---|---|
| Brand | Percentage | Brand | Percentage |
| Timberland | 69% | L.L. Bean | 77% |
| L.L. Bean | 66% | Timberland | 75% |
| Coleman | 64% | The North Face | 70% |
| The North Face | 64% | Coleman | 68% |
| Adidas Outdoor | 64% | Eddie Bauer | 68% |
| Eddie Bauer | 63% | Columbia | 68% |
| Columbia | 61% | Swiss Army | 64% |
| Swiss Army | 61% | Adidas Outdoor | 63% |
| Dickies | 56% | Dickies | 59% |
| REI | 46% | REI | 52% |
| Igloo | 44% | Jansport | 49% |
| Carhartt | 41% | Igloo | 48% |
| High Sierra | 37% | Carhartt | 42% |
| Jansport | 36% | Patagonia | 42% |
| Patagonia | 36% | High Sierra | 40% |
| Buck Knives | 34% | Camelbak | 38% |
| Camelbak | 30% | Teva | 36% |
| Merrell | 29% | Merrell | 35% |
| Hi-Tec | 27% | Woolrich | 29% |
| Gerber | 27% | Eagle Creek | 27% |
| Woolrich | 24% | Hi-Tec | 25% |
| Teva | 24% | Marmot | 23% |
| Hobie Cat | 24% | Reef | 23% |
| Eagle Creek | 23% | Eureka | 23% |
| Eureka | 23% | Keen | 22% |

# Brand Purchasing

All respondents were asked to identify brands that they have purchased recently. Columbia and The North Face led all brands in the Purchasing category. A third of all respondents recently purchased outdoor goods from the two brands. Columbia jumped from the seventh spot in Brand Awareness to the top spot in Brand Purchasing. Timberland, Coleman, and L.L. Bean round out the Top 5 most purchased brands.

REI ranked number 10 in Brand Awareness and moved to number six in Brand Purchasing, with 20 percent of all respondents buying product from the growing outdoor retail vertical label. Brands with overall purchasing rates above 15 percent include Eddie Bauer, Dickies, and Carhartt. Gear and equipment brands Igloo, Camelbak, and Jansport rank in the Top 20, with purchases at or above 10 percent.

Men purchased Timberland more than any other brand and it ranked first in Brand Awareness among men. The outdoor footwear and apparel company also attracts eight percent more male purchasers than females. This is most likely due to its position as a lifestyle footwear brand as well. Ranking seventh in Brand Awareness among men, Columbia claims the number two position in Brand Purchasing. Coleman and The North Face round out the Top 5, with 31 percent of all male respondents purchasing gear or apparel from the two outdoor standards. More than a third of all women made Columbia and The North Face their choice for outdoor footwear, apparel or gear. L.L. Bean, Coleman, and Timberland round out the Top Five brands purchased by women.

Another key metric recorded in the 2014 Outdoor Brand Strength Report is conversion rate, or the percentage of respondents who said they were aware of the brand and purchased the brand. Brands like Columbia leveraged awareness levels into sales with strong conversion rates. Columbia outranks The North Face on this important metric with a conversion rate of 54 percent compared to 49 percent for The North Face. Outdoor brands Timberland, L. L. Bean, and REI show conversion rates above 40 percent.

**BRAND PURCHASING - OVERALL TOP 50 BRANDS**

| Brand | Percentage | Brand | Percentage |
|---|---|---|---|
| Columbia | 34% | Sorel | 5% |
| The North Face | 33% | Marmot | 4% |
| Timberland | 31% | Mountain Hardwear | 4% |
| Coleman | 30% | Eastern Mountain Sports | 4% |
| L.L. Bean | 30% | Eureka | 4% |
| REI | 20% | Black Diamond | 4% |
| Eddie Bauer | 19% | Eagle Creek | 4% |
| Dickies | 17% | Salomon | 3% |
| Carhartt | 16% | Yakima | 3% |
| Adidas Outdoor | 15% | Thermarest | 3% |
| Swiss Army | 15% | Camp Chef | 3% |
| Igloo | 13% | Kelty | 3% |
| Merrell | 12% | Outdoor Research (OR) | 3% |
| Camelbak | 10% | Vasque | 3% |
| Jansport | 10% | Outdoor Products | 3% |
| Patagonia | 9% | Thule | 3% |
| Teva | 9% | Chaco | 3% |
| Buck Knives | 7% | ArcTeryx | 3% |
| Gerber | 6% | Ocean Kayak | 3% |
| Keen | 6% | Mountain Safety Research | 3% |
| Woolrich | 6% | Wenger | 2% |
| Smartwool | 6% | Sierra Designs | 2% |
| High Sierra | 6% | Osprey | 2% |
| Hi-Tec | 5% | Mountainsmith | 2% |
| Reef | 5% | Five Ten | 2% |

**BRAND PURCHASING - BY GENDER**

| MALE | | FEMALE | |
|---|---|---|---|
| Brand | Percentage | Brand | Percentage |
| Timberland | 35% | Columbia | 36% |
| Columbia | 33% | The North Face | 35% |
| Coleman | 31% | L.L. Bean | 31% |
| The North Face | 31% | Coleman | 29% |
| L.L. Bean | 28% | Timberland | 27% |
| Eddie Bauer | 20% | REI | 22% |
| Dickies | 19% | Eddie Bauer | 18% |
| REI | 19% | Carhartt | 16% |
| Swiss Army | 17% | Adidas Outdoor | 15% |
| Carhartt | 16% | Dickies | 15% |
| Adidas Outdoor | 16% | Igloo | 13% |
| Igloo | 13% | Swiss Army | 13% |
| Merrell | 11% | Merrell | 12% |
| Buck Knives | 9% | Jansport | 12% |
| Camelbak | 9% | Camelbak | 11% |
| Gerber | 9% | Teva | 11% |
| Jansport | 7% | Patagonia | 11% |
| Patagonia | 7% | Keen | 8% |
| Hi-Tec | 6% | Smartwool | 7% |
| Woolrich | 6% | Reef | 6% |
| Teva | 6% | Woolrich | 6% |
| High Sierra | 6% | High Sierra | 6% |
| Keen | 5% | Sorel | 5% |
| Reef | 4% | Marmot | 5% |
| Yakima | 4% | Mountain Hardwear | 5% |

## Non-Negotiable Brands

For the final and most heavily weighted component of the BSI, respondents were first asked if they would leave a store to shop elsewhere if a specific brand was not available in that store. They were then asked (unaided) to name the brands they would leave a store to purchase somewhere else. Those brands were determined to be "Non-Negotiable Brands" in the eyes of that consumer. If a consumer leaves a store because that store doesn't carry the brand they want, the Brand Strength Report shows that as a leading indicator of brand value.

The North Face was ranked as the most Non-Negotiable Brand with eight percent of Specialty Outdoor Consumers stating they would walk out of a store if The North Face was not available. Timberland ranks second with six percent of Specialty Outdoor Consumers citing it. Columbia ranks slightly higher than Adidas Outdoor giving the brand third position on this metric.

Key outdoor equipment brand Coleman rounds out the Top 5 Non-Negotiable Brands in 2014 with four percent of Specialty Outdoor Consumers citing it. Merrell and Patagonia also rank high with three percent and two percent, respectively.

When consumers are asked to write in only one brand that causes this level of loyalty, it is an accomplishment for a brand to make the Top 10 brands that Specialty Outdoor Consumers find non-negotiable. REI, Teva, and Keen round out this list of preferred outdoor brands.

NON-NEGOTIABLE BRANDS - OVERALL

| Brand | Percentage |
|---|---|
| The North Face | 8% |
| Timberland | 6% |
| Columbia | 5% |
| Adidas Outdoor | 5% |
| Coleman | 4% |
| Merrell | 3% |
| Patagonia | 2% |
| REI | 1% |
| Teva | 1% |
| Keen | 1% |

NON-NEGOTIABLE BRANDS - BY GENDER

| MALE | | FEMALE | |
|---|---|---|---|
| Brand | Percentage | Brand | Percentage |
| The North Face | 7% | The North Face | 9% |
| Columbia | 6% | Adidas Outdoor | 8% |
| Timberland | 4% | Timberland | 8% |
| Coleman | 4% | Columbia | 5% |
| Merrell | 3% | Coleman | 4% |
| Adidas Outdoor | 2% | Merrell | 3% |
| Patagonia | 2% | Patagonia | 2% |
| REI | 2% | Eddie Bauer | 2% |
| Keen | 2% | Carhartt | 1% |
| L.L. Bean | 1% | Hi-Tec | 1% |

Adidas Outdoor falls out of the Top 5 Non-Negotiable Brands among male Specialty Outdoor Consumers, replaced with Merrell. Eddie Bauer ranks in the Top 10 Non-Negotiable Brands among female Specialty Outdoor Consumers, along with Carhartt and Hi-Tec. REI, Keen, and L.L. Bean round out the Top 10 Non-Negotiable Brands for male Specialty Outdoor Consumers.

# Influences On Footwear Purchases

The Outdoor Brand Strength Report survey respondents were asked to rate a list of footwear purchase factors on a scale of 1-to-10 to identify how each factor influenced their outdoor footwear purchase. Some of the most influential factors from the survey are as follows:

*"Product Quality"* rates as the most influential factor for Specialty Outdoor Consumers when purchasing outdoor footwear. With over 86 percent rating it somewhat or extremely important, it ranks highest with an average rating of 9.1. Over three quarters rate it extremely important. This is the only factor to rate a nine or above for footwear in 2014. Specialty Outdoor Consumers rely on their footwear purchase to enable them to participate in their favorite outdoor activities comfortably and safely. Therefore, trusted brands capable of delivering this quality command loyalty and premium pricing from this demanding consumer.

The importance Specialty Outdoor Consumers place on getting the right footwear for their activities and their budget is reflected in the second most influential factor.

*"Value for the Price"* is the second biggest factor for Specialty Outdoor Consumers when making brand decisions, giving this attribute an average rating of 8.7. Nearly 95 percent rate it as somewhat or extremely important. In contrast, *"Low Price"* only earns an average rating of 7.1. For these core outdoor enthusiasts, getting footwear they can rely on is far more important than saving a few dollars and running the risk of ruining their outdoor experience.

*"Past Experience with Brand"* ranks third most influential in outdoor footwear purchase, showcasing the faith Specialty Outdoor Consumers place in their own knowledge and loyalty to trusted outdoor brands. Over eight-in-ten Specialty Outdoor Consumers rate *"Past Experience with Brand"* somewhat or very important, giving it an average rating of 8.1.

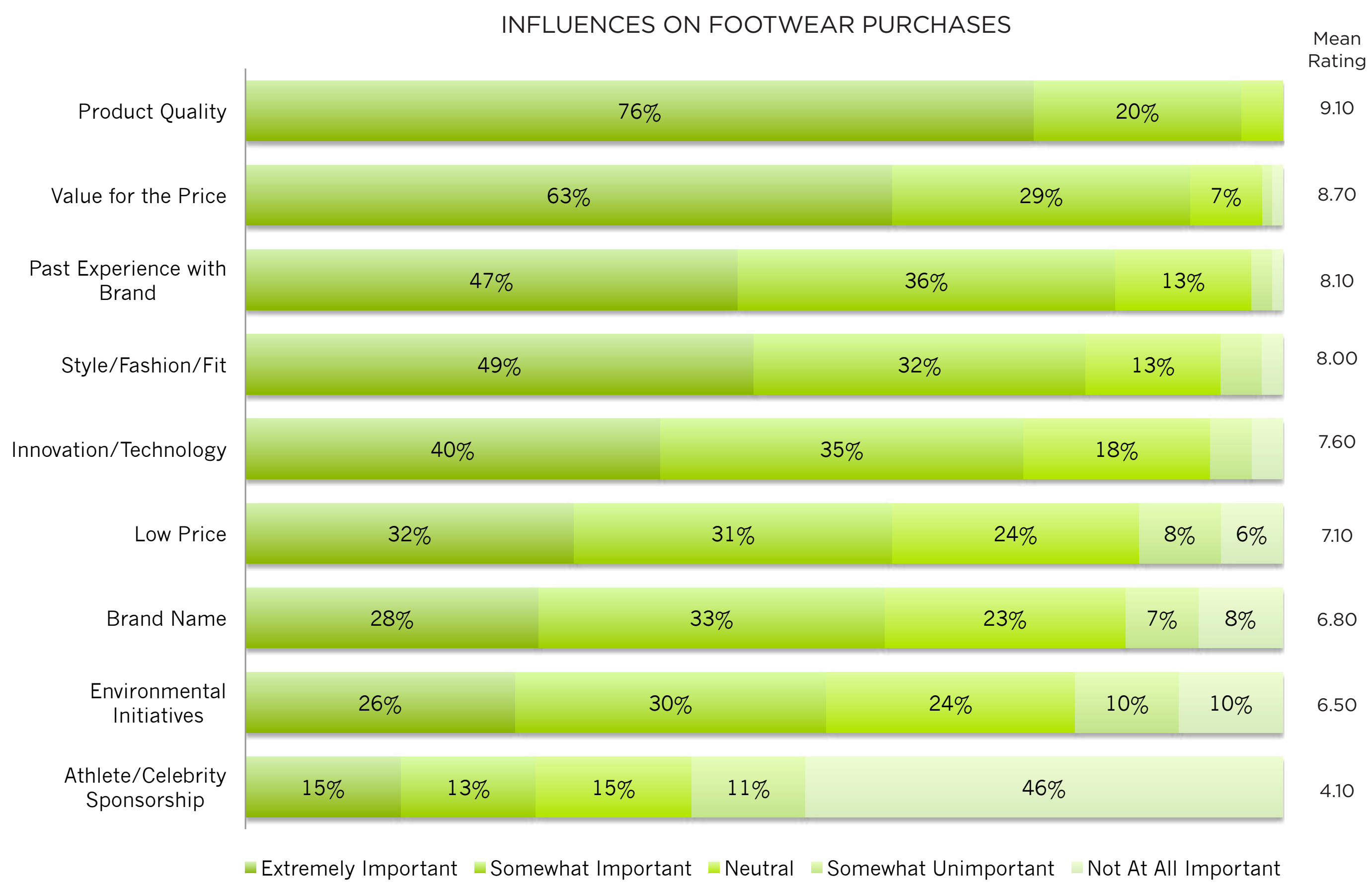
Over eight-in-ten Specialty Outdoor Consumers rate *"Style/Fashion/Fit"* somewhat or extremely important, giving it an average rating of 8.0.

All other outdoor footwear purchase influences fall below an 8.0 in average ratings.

Three-quarters of Specialty Outdoor Consumers rate *"Innovation/Technology"* somewhat or extremely important giving it an average rating of 7.6 where it ranks above *"Low Price"*.

*"Brand Name"* and *"Environmental Initiatives"* both rank higher than *"Athlete/Celebrity Sponsorship"* with average ratings of 6.8 and 6.5, respectively. Twenty-six percent of Specialty Outdoor Consumers rate a brand's *"Environmental Initiatives"* extremely important. For these outdoor enthusiasts, it is important to know their footwear dollar is contributing to the preservation of the outdoors and protecting their opportunity for future participation in their favorite activities.

Just 15 percent of Specialty Outdoor Consumers rate *"Athlete/Celebrity Sponsorship"* extremely important when purchasing outdoor footwear.



# Footwear Ratings By Attribute

For each brand of footwear that Specialty Outdoor Consumers said they purchased, they were asked to rate each brand on six attributes on a scale of 1-to-10. Categories included: *"Value for the Price"*, *"Product Quality"*, *"Style/ Fashion/Fit"*, *"Past Experience with Brand"*, *"Innovative Technology"*, and *"Environmental Initiatives"*. To qualify for each of these ratings, the brands had to receive a minimum number of purchase responses.

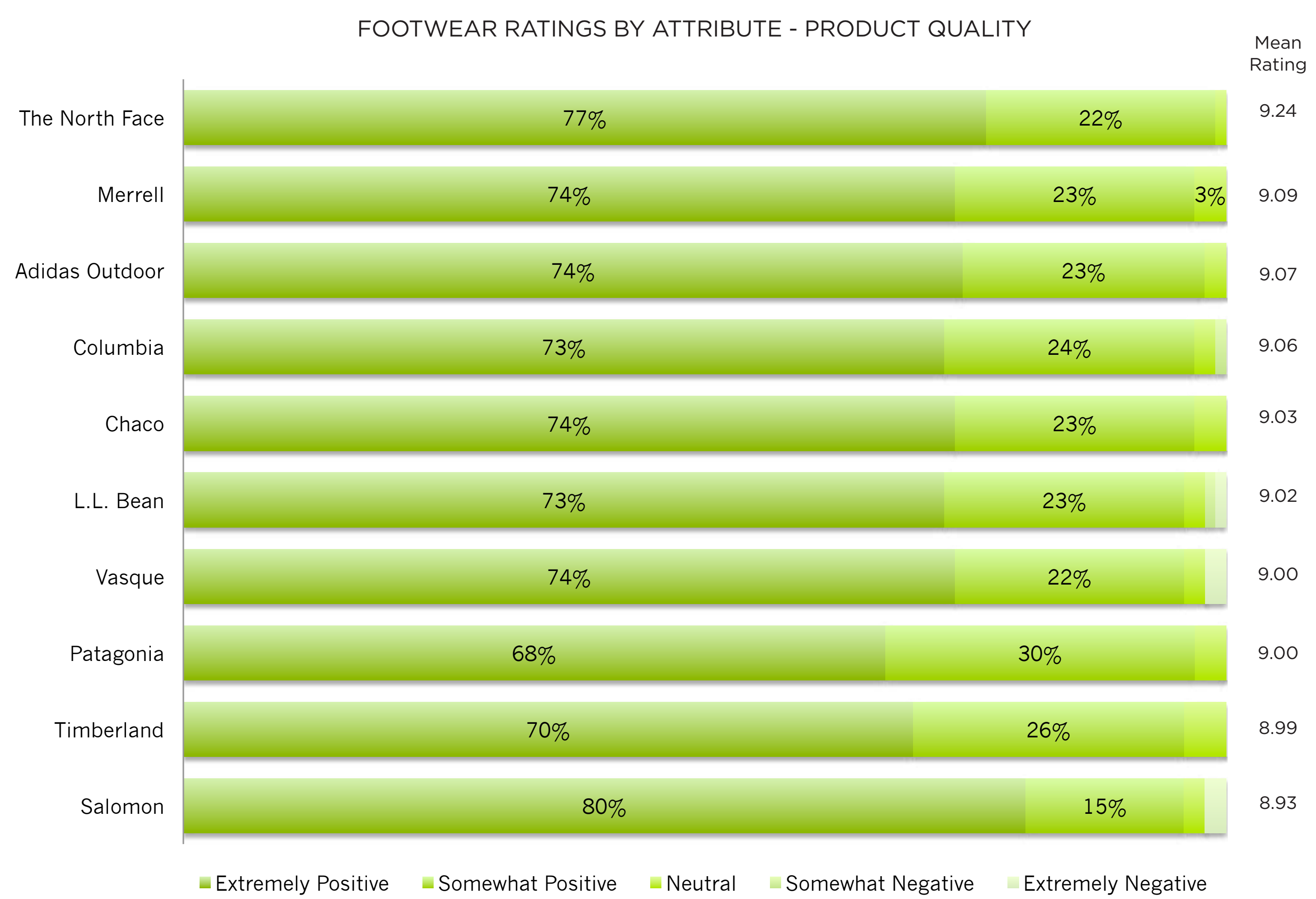
The Footwear Ratings By Attribute - Product Quality graph shows the Top 10-rated brands for *"Product Quality"* which was the most influential factor for Specialty Outdoor Consumers when purchasing outdoor footwear. The Outdoor Brand Strength Report includes the Top 20 brands for each attribute.

The North Face ranks highest in 2014 for *"Product Quality"* among outdoor footwear brands with an average ranking of 9.24. Almost eight-in-ten Specialty Outdoor Consumers who purchased footwear from The North Face rate their "Product Quality" as "Extremely Positive."

Merrell and Adidas Outdoor round out the Top 3 highest-rated outdoor footwear brands for *"Product Quality"*. Both brands' footwear is rated "Extremely Positive" by 74 percent of Specialty Outdoor Consumers who purchased the brands' footwear.

Almost 100 percent of Specialty Outdoor Consumers who purchased footwear from Columbia rate the brand positively on "Product Quality". With average ratings of 9.06 and 9.03, Columbia and Chaco are in the Top 5 outdoor footwear brands.

Timberland, 8.99, and Salomon, 8.93, round out the Top 10 outdoor footwear brands rated highest for *"Product Quality"*.



# Influences On Apparel Purchases

Because purchase decisions vary when deciding on outdoor footwear, apparel or equipment, the questions about purchasing were asked separately for each category. Specialty outdoor respondents were asked to rate the same list of factors using a scale of 1-to-10 on the influence of each factor when purchasing outdoor apparel.

*"Product Quality"* ranks as the highest influence on apparel purchases. Quality outdoor clothing allows outdoor enthusiasts to face the elements comfortably. Ninety-five percent of Specialty Outdoor Consumers report that this attribute is an important factor in their purchase decision.

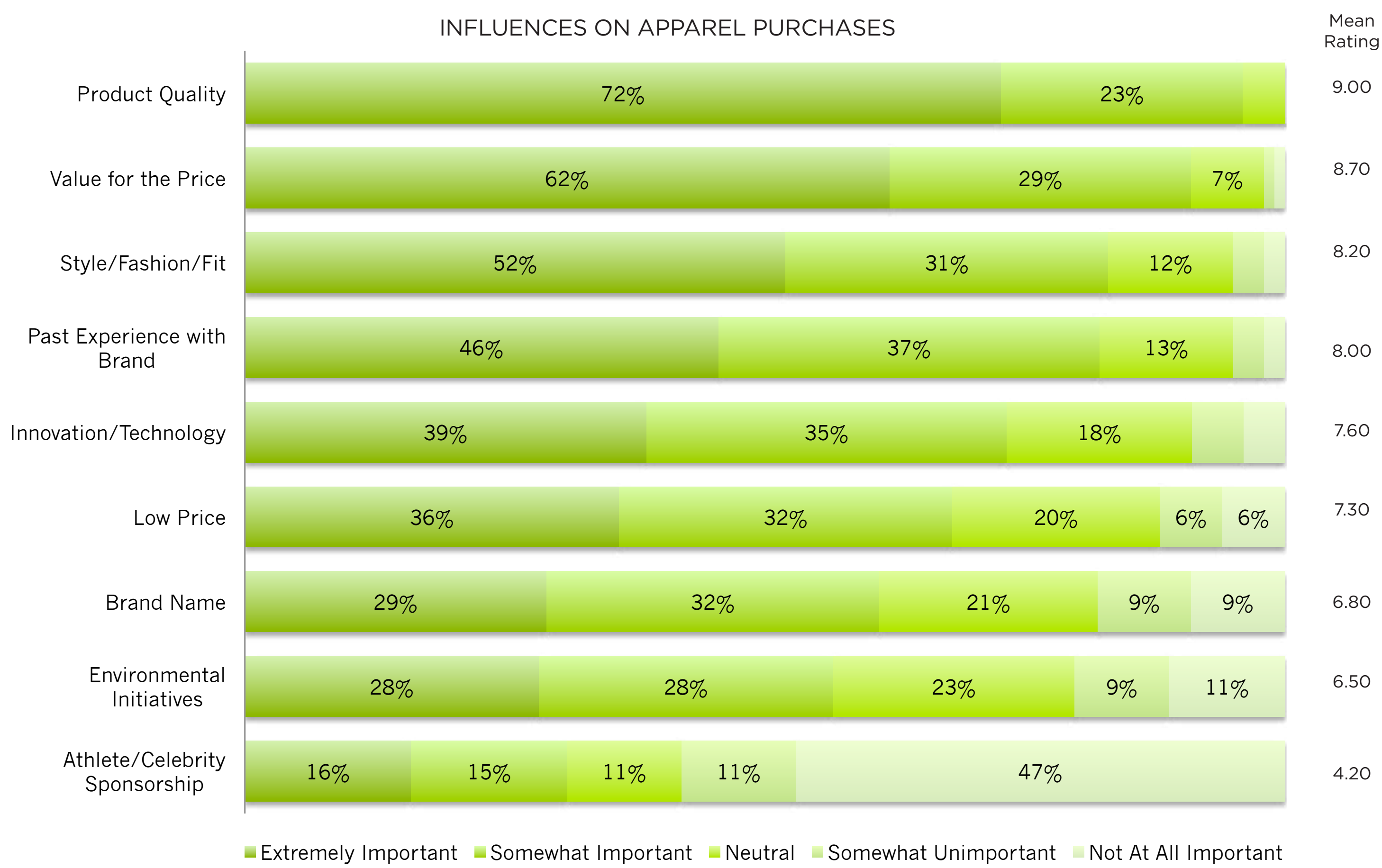
Similar to outdoor footwear, *"Value for the Price"* ranks as the second most influential in the apparel category. With over 90 percent of Specialty Outdoor Consumers rating it somewhat or extremely important, it receives an average rating of 8.7. While quality is the primary concern for the outdoor consumer, apparel that fits within their budget is also very important.

The other attribute to receive an average score above 8.0, *"Style/Fashion/Fit,"* indicates that, in addition to quality and value, the outdoor consumer's decision to buy is motivated by the look and feel of a piece of outdoor apparel. More than half of respondents rate *"Style/Fashion/Fit"* as extremely important.

A trusted piece of apparel can mean the difference between an enjoyable day or a miserable experience. The Specialty Outdoor Consumer relies on their *"Past Experience with Brand"* to help them decide on an apparel purchase. Eight-out-of-ten respondents rate it as important when buying apparel.

With an average score of 7.6, *"Innovation/Technology"* ranks above *"Low Price"*, 7.3, and *"Brand Name"*, 6.8. Like the cell phones in their pockets, outdoor enthusiasts are looking for apparel that incorporates new features or a new element of technology.

*"Athlete/Celebrity Endorsements"* receives an average score below 5.0. As with footwear, outdoor specialty consumers are less swayed by an athlete tapped to market a brand and are more interested in whether the product delivers on quality and price.



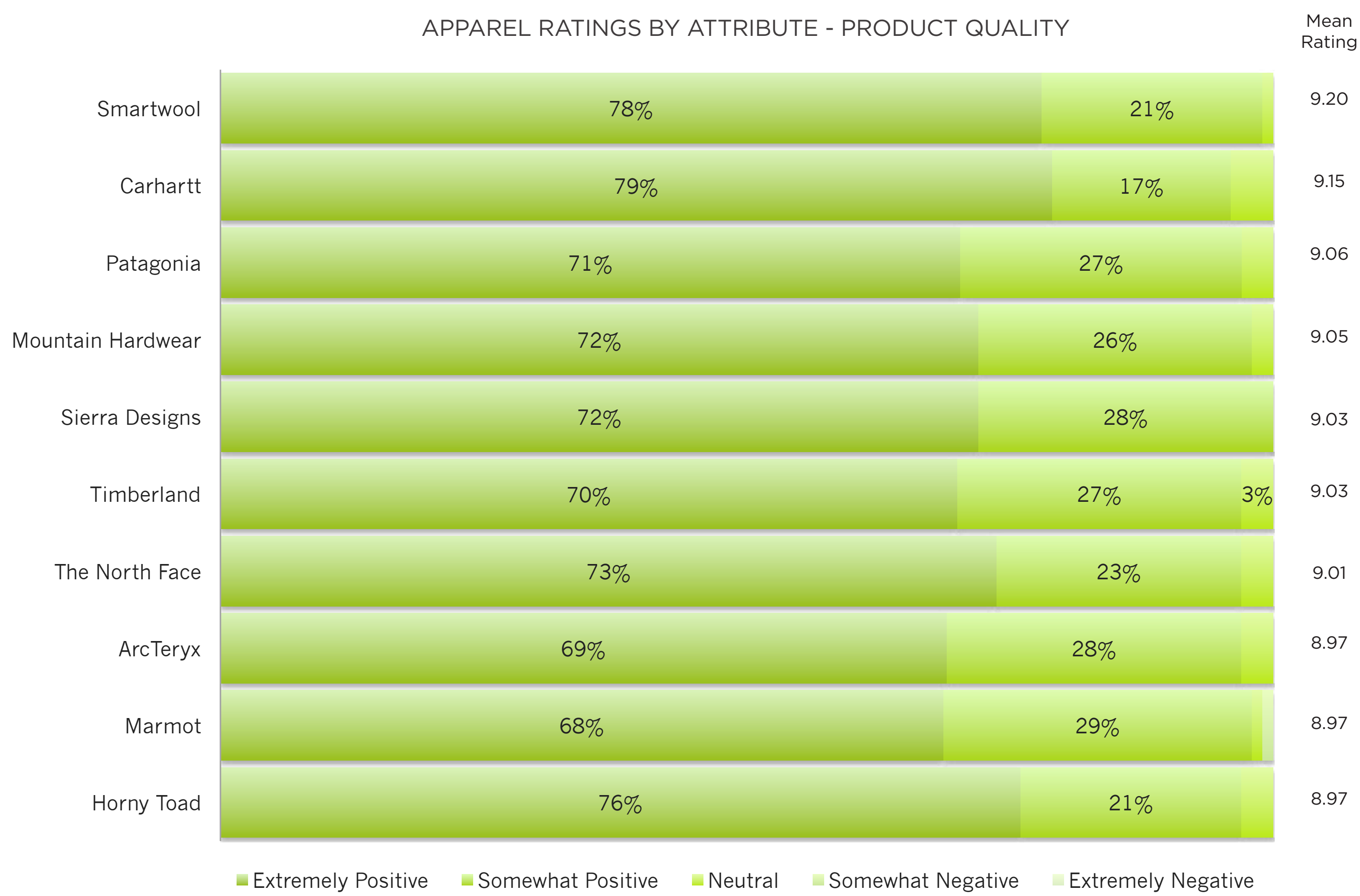
# Apparel Ratings By Attribute

For each brand of apparel that Specialty Outdoor Consumers said they purchased, they were asked to rate each brand on the same six attributes as footwear on a scale of 1-to-10. To qualify for each of these ratings, the brands had to receive a minimum number of responses.

The Apparel Ratings By Attribute - Product Quality graph shows the Top 10-rated brands for *"Product Quality"* which was the most influential factor for Specialty Outdoor Consumers when purchasing outdoor apparel. The Outdoor Brand Strength Report includes the Top 20 brands for each attribute.

Competition within the apparel category for *"Product Quality"* is tight. Less than a one-quarter point separates the Top 10 brands. Smartwool claims the top spot among outdoor apparel brands for *"Product Quality"* with an average score of 9.20. Nearly all, 99 percent, of the respondents who purchased apparel from the brand rated it positively. Carhartt comes in as a close second with an average rating of 9.15. Patagonia, 9.06; Mountain Hardwear, 9.05; and Sierra Designs, 9.03, round out the Top 5 highest- rated outdoor apparel brands for *"Product Quality."*

All, or 100 percent, of the Specialty Outdoor Consumers who purchased Sierra Designs, rate the brand positively for the quality of its apparel. Other brands earning positive ratings above 95 percent for *"Product Quality"* include Timberland, 9.03; The North Face, 9.01; ArcTeryx, 8.97; Marmot, 8.97; and Horny Toad, 8.97.



# Influences On Equipment Purchases

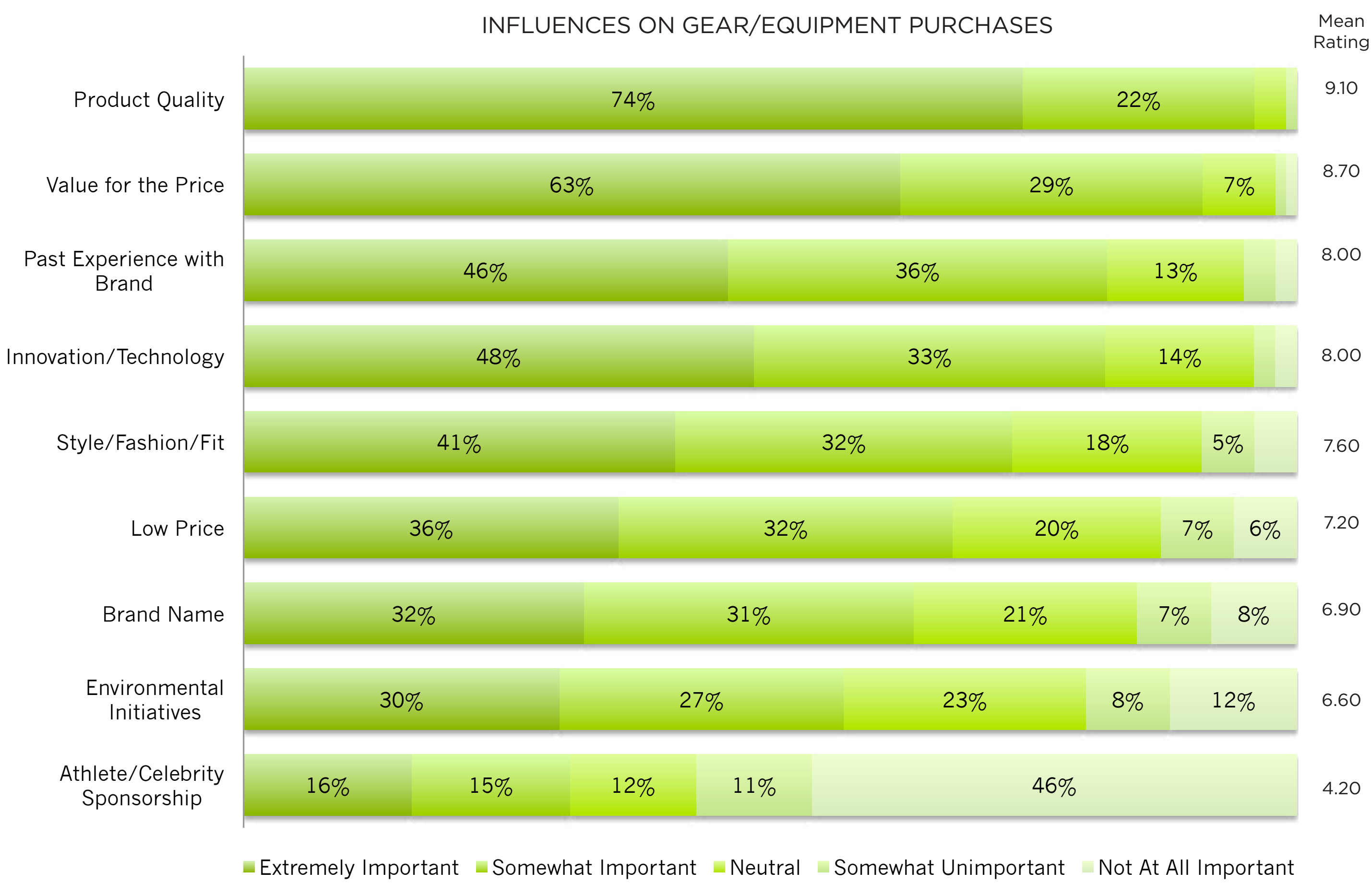
Specialty Outdoor Consumers were also asked to rank the same list of factors on a scale of 1-to-10 on the influence of each factor when purchasing outdoor gear and equipment.

*"Product Quality"* ranks as the most important factor influencing gear and equipment purchases. Outdoor enthusiasts rely on products featuring high quality materials and construction to get them out exploring and back home safely. Over 95 percent of all outdoor consumers rate *"Product Quality"* as at least somewhat important.

*"Value for the Price"* ranks second for gear and equipment purchases among Specialty Outdoor Consumers with an average score of 8.7. Nine-out-of-ten indicate that value is an important factor influencing their gear and equipment purchase decisions. In addition to the quality of the gear, getting a good deal on a new piece of equipment remains an important part of the outdoor product purchase decision.

Ranking third, with over 80 percent of all respondents reporting it as an important attribute, *"Past Experience with Brand"* receives an average score of 8.0. Specialty Outdoor Consumers place a great deal of trust in their own knowledge of a brand when buying gear and equipment.

As technology finds its way into more products, outdoor consumers are looking for gear with the latest features. More than 80 percent of respondents indicate that *"Innovation/Technology"* is an important factor. This influence on outdoor gear and apparel purchase earns its highest rating in any category with an average score of 8.0.



# Equipment Ratings By Attribute

For each brand of equipment that Specialty Outdoor Consumers said they purchased, they were asked to rate each brand on the same six attributes as footwear and apparel on a scale of 1-to-10. To qualify for each of these ratings, the brands had to receive a minimum number of responses.

The Equipment Ratings By Attribute - Product Quality graph shows the Top 10-rated brands for *"Product Quality"* which was the most influential factor for Specialty Outdoor Consumers when purchasing outdoor equipment. The Specialty Outdoor Brand Strength Report includes the Top 20 brands for each attribute.

Mountain Safety Research ranks highest among all outdoor gear and equipment brands in the *"Product Quality"* category with an average score of 9.21. Eighty percent or more of Specialty Outdoor Consumers rate the *"Product Quality"* of gear and equipment from the mountaineering brand 'Extremely Positive.' Equipment from Black Diamond rates high as well. All, or 100 percent, of the respondents who purchased gear from the climbing/mountaineering brand rate their products positively earning it a spot in the Top 3.

Buck Knives ranks second in *"Product Quality"* for outdoor equipment brands with an average score of 9.19. Knife brands Swiss Army, 9.16, and Gerber, 9.15, also rank in the Top 10 outdoor equipment brands for *"Product Quality"*.

Eddie Bauer, 9.13, and The North Face, 9.11, rounds out the Top 10 outdoor equipment brands rated highest for *"Product Quality"*.

# Methodology

The Outdoor Brand Strength Report, compiled and presented by The SportsOneSource Group market research team, was designed to gauge the strength of outdoor brands with core outdoor active lifestyle participants. Respondents were asked a variety of questions relating to brand perception and individual products pertaining to their outdoor purchases. The study was fielded in June and July 2014.

The 2014 Outdoor Brand Strength Report focuses primarily on footwear, apparel and equipment brands across the outdoor business.

To qualify for the Brand Strength Report, each respondent must have purchased outdoor-related footwear or apparel in the past year, or outdoor-related equipment in the past several years. A total of 2,499 responses were received providing detailed information on awareness levels, purchasing trends, and brand allegiance to more than 117 outdoor brands.

The Outdoor Brand Strength Report includes responses from consumer's age 18 and older, all of who were surveyed through a third-party Internet panel provider. The SportsOneSource Group made every effort to control the demographics to best represent the U.S. outdoor participant population; however, as is the case with all Internet-based surveys, the demographics and psychographics tend to skew toward older more affluent households.

The results of the survey can be projected to the U.S. outdoor participant population with a margin of error of +/- 1.83 percent.

## KEY DEMOGRAPHICS

| Gender | |
|---|---|
| Male | 51% |
| Female | 49% |
| Mean Age | 44.1 |

| Age | |
|---|---|
| 18-34 | 33% |
| 35-54 | 36% |
| 55 and Older | 30% |

| Race | |
|---|---|
| Non-Hispanic White | 78% |
| African-American | 8% |
| Hispanic | 7% |
| Other | 7% |

| Marital Status | |
|---|---|
| Married | 61% |
| Single | 26% |
| Separated/Divorced | 10% |
| Widowed/Widower | 2% |
| Prefer Not to Answer | 1% |

| Employment Status | |
|---|---|
| Full-time | 54% |
| Part-time | 10% |
| Self Employed | 8% |
| Unemployed | 5% |
| Retired | 13% |
| Student | 4% |
| Homemaker | 6% |
| Prefer Not to Answer | 1% |

| Household Income | |
|---|---|
| Less than $40K | 21% |
| $40 - $60K | 19% |
| $60 - $80K | 19% |
| $80 - $100K | 13% |
| $100 - $149K | 17% |
| $150K+ | 7% |
| Prefer Not to Answer | 4% |

| U.S. Region | |
|---|---|
| Northeast | 21% |
| Midwest | 24% |
| South | 30% |
| West | 25% |

## FORMULATING THE BRAND STRENGTH INDEX

Survey respondents were asked a series of questions to determine the strength of each brand. The factors that were used to build the index are listed in order of importance:

1. **Non-Negotiable Brands**
2. **Likelihood To Repurchase (on a scale of 1-to-5 with 1 meaning would not and 5 meaning definitely would)**
3. **Unaided Awareness**
4. **Aided Awareness**

To qualify for the Brand Strength Index (BSI), a brand had to be purchased by a minimum number of respondents so that each answer did not over-represent the perceptions of the total population.

# CALENDAR

*For full year calendar go to sportsonesource.com/eventsa*

Photo courtesy Trek

## SEPTEMBER

| | |
|---|---|
| 3 | Surf Expo Board Demo Day<br>Orlando, FL |
| 3-8 | NBS Fall Semi-Annual Market<br>Fort Worth, TX |
| 4-6 | Surf Expo<br>Orlando, FL |
| 4-6 | Imprinted Sportswear Show (ISS)<br>Orlando, FL |
| 10-11 | Health & Fitness Business Expo<br>Las Vegas, NV |
| 10-12 | Interbike International Trade Expo<br>Las Vegas, NV |
| 16-17 | SFIA Industry Leaders Summit<br>Chicogo, IL |

## OCTOBER

| | |
|---|---|
| 7-9 | OIA Rendezvous<br>Asheville, NC |

## NOVEMBER

| | |
|---|---|
| 3-5 | NBS Fall Athletic Market<br>Ft Worth, TX |
| 14-16 | ADA Fall Show<br>Palm Springs, CA |
| 23-25 | Sports, Inc. Fall Team Dealer Show<br>Las Vegas, NV |

## TRADE ASSOCIATIONS | BUYING GROUPS

**Athletic Dealers of America**
**1395 Highland Avenue**
**Melbourne, FL 32935**
**t 321.254.0091**
**f 321.242.7419**
**athleticdealersofamerica.com**

**National Shooting Sports Foundation**
**Flintlock Ridge Office Center**
**11 Mile Hill Road**
**Newtown, CT 06470**
**t 203.426.1320**
**f. 203.426.1087**
**nssf.org**

**National Sporting Goods Association**
**1601 Feehanville Drive / Suite 300**
**Mount Prospect, IL 60056**
**t 847.296.6742**
**f 847.391.9827**
**nsga.org**

**Nation's Best Sports**
**4216 Hahn Blvd.**
**Ft. Worth, TX 76117**
**t 817.788.0034**
**f 817.788.8542**
**nbs.com**

**Outdoor Industry Association**
**4909 Pearl East Circle / Suite 300**
**Boulder, CO 80301**
**t 303.444.3353**
**f 303.444.3284**
**outdoorindustry.org**

**Sports & Fitness Industry Association**
**8505 Fenton St., Suite 211**
**Silver Spring, MD 20910**
**t 301.495.6321**
**f 301.495.6322**
**sfia.org**

**Snow Sports Industries America**
**8377-B Greensboro Drive**
**McLean, VA 22102**
**t 703.556.9020**
**f 703.821.8276**
**snowsports.org**

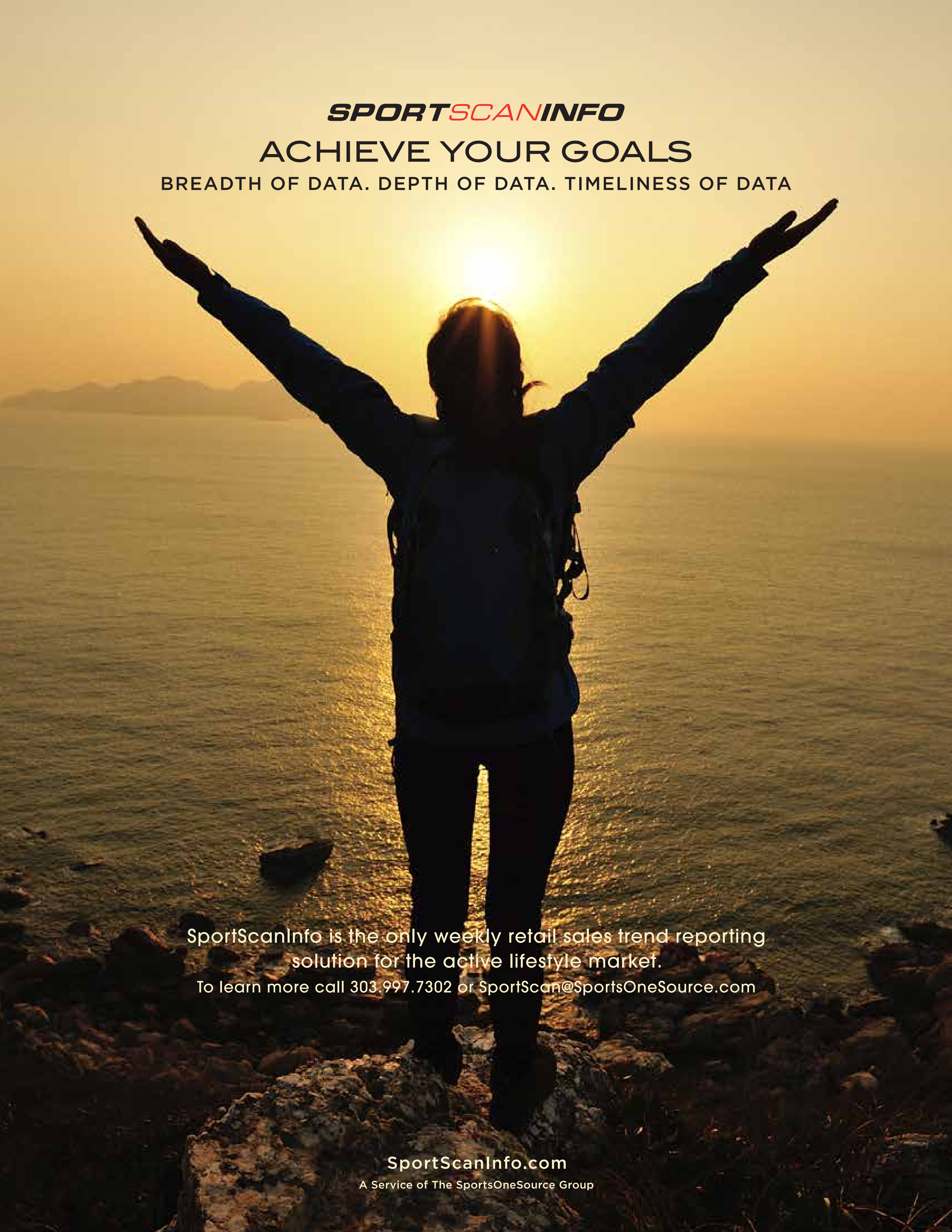
**Sports, Inc.**
**333 2nd Avenue North**
**Lewistown, MT 59457**
**t 406.538.3496**
**f 406.538.2801**
**sportsinc.com**

**Sports Specialists Ltd.**
**590 Fishers Station Drive / Suite 110**
**Victor, NY 14564**
**t 585.742.1010**
**f 585.742.2645**
**sportsspecialistsltd.com**

**Team Athletic Goods**
**629 Cepi Drive**
**Chesterfield, MO 63005**
**t 636.530.3710**
**f 636.530.3711**
**tag1.com**

**Tennis Industry Association**
**1 Corpus Christi Place, Suite 117**
**Hilton Head Island, SC 29928**
**t. 843.686.3036**
**f. 843.686.3078**
**tennisIndustry.org**

**Worldwide**
**8211 South 194th**
**Kent, WA 98032**
**t 253.872.8746**
**f 253.872.7603**
**wdi-wdi.com**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