

CSN Week in Review



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Ten Questions with retailer George Achilleos, co-founder and co-owner of Out There, Inc., Calgary, and www.liveoutthere.com

1. When and why did you establish your business?

We started the business in 2003, and we chose sporting goods because my partner, Jamie Clarke, has been in the industry for many years. Jamie and I have been buddies since grade six. He's a professional adventurer and climber who has been to Everest three times, summiting in 1997. He's also one of only about 500 people to have climbed all the seven summits in the world. My background is completely different: I have a business degree, and had worked at IBM. I got tired of the corporate racket, and Jamie and I wondered about what kind of things we could do together.... One thing we were adamant about from the beginning was that this would be a business, not a hobby.



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2. What was your first step in creating the business?

Our approach was to come up with a brand strategy first, before we did anything else. We wanted to create a brand that worked through the entire consumer decision making process. At the beginning of the process, consumers come up with an idea or are inspired to do something. There are many businesses operating on that one part of the consumer decision making model. Jamie himself was one of those businesses. He travels all over the world on speaking engagements, and talks to about 100,000 people a year. So, the first part was to inspire. We wanted to make sure we had businesses that operated in that area. Once consumers are inspired, they want to go and research. So we wanted to be involved with businesses at that stage, too. Then, once they do their research, they make a “go” or “no-go” decision, and that’s where they venture out and purchase apparel, footwear, etc.

3. How would you define the Out There brand?

Our brand is about “inspiring and enabling people to get out there.” Inspire is the web, and it’s also Jamie’s speaking engagements. He finishes his presentations by saying, “Continue to follow our journeys and be inspired by going to liveoutthere.com.” This also plays into that part of the consumer decision making model by helping you find things to do. The “enable” part is the retail store and the e-commerce. We have a social network business and an e-commerce business. We’ve been tinkering around with the website for over a year and it’s now where we want it to be.

4. How did you build the brand?

We began with the retail side of the business. In 2003, it was much easier to write a business plan for bricks and mortar than it would have been for an e-commerce site. We decided to go with a high traffic, 8,000-square-foot location to establish the brand.

We also decided that we could build our brand by leaning on established brands. We wanted to have this premium brand called Out There, and thought, what better way to do it than to associate ourselves with other premium brands.

5. What was your biggest challenge as you brought your concept to consumers?

The biggest challenge was the product mix. When we started, we had a lot of brands in the store. Apparel makes up 70–80% of our business, and we just had so many different brands in the beginning. We made the decision to only have a few premium brands, but offer a broader breadth, to help position ourselves as the authority for those brands. Over the years, we have continued to decrease the number of brands we carry, which is the opposite of what some of our competitors are doing. We only carry six apparel brands in the store now: Mountain Hardwear, Arc’teryx, North Face, Ice Breaker, Lole, and Marmot. For every one of those brands, we’re pretty much the largest supplier, for a single store, in the province. We don’t have 85 brands. These are the ones we’re carrying, and we picked them because we think they’re the best brands. This approach has worked really well for us. We’ve had tremendous growth with this model.

6. What was the reaction from suppliers?

Obviously the ones we stopped working with weren't happy, but we're in deeper with the ones we do carry. We have marketing reviews and account planning sessions so we can understand their brand strategy and they can understand our brand strategy. We can see where our brands cross, and where we can jointly market because it makes sense. It's a real partnership.

7. How are the brands merchandised?

We have converted to "shop-in-shops" over the last two years. When we first started, we had the men's apparel in one location in the store, and the women's in another. We reasoned, for example, that if we brought all the Mountain Hardware apparel together as a brand it would help us communicate to the consumer that we were more of an authority for that brand.

8 How did you position the ecommerce and social shopping side of the business?

It's similar to what we did in the store. We knew we had to be different... we always want to differentiate ourselves. Anyone can go and buy ecommerce software off the shelf, but not everyone can put up a site with one of the world's foremost adventurers from a branding perspective. We wanted to create an internet experience that would hopefully create some barriers to entry over time for potential competitors. We tinkered with the web structure and the concept without spending much money to see what we could do that would be consistent with our brand strategy. We came to the conclusion that we're on to something.

9 What's ahead for your business for 2010?

Our bread and butter is the bricks and mortar, so the store is the number one focus item. We usually do one or two big initiatives a year, so for this year, it was to complete the shop-in-shop strategy. The second strategy was the integrated account planning concept with our brands. We're looking for a more sophisticated level of interaction with our suppliers. That's the strategy for the store. Jamie is about to climb Everest for the fourth time, so the strategy for the website is to raise awareness about liveoutthere.com through his expedition, drive traffic to the site, and continue the web development slate.

10. What's the most rewarding thing for you about running this business?

I'm fascinated with the whole concept of human creation. To have an idea, and see it move to creation is the most rewarding thing that I have done in my life. That's what this is: these were all just ideas that were running around in our heads.

www.outthere.com

www.liveoutthere.com

Bauer issues stop sale notice to North American retailers

Bauer Hockey has issued a stop sale notice to North American retailers, asking them to remove 13 junior and youth hockey sticks from their shelves due to concerns about lead content. In an interview with CSN, Steve Jones, Bauer's global marketing director, said that the company was alerted to the problem by Health Canada on February 18, 2010. Health Canada randomly tested one of Bauer's sticks, the "Nike Bauer Supreme One50" composite stick JR-52. The stick, which was manufactured in China, exceeded the lead levels set for children's products. "When Health Canada notified us of the results, we immediately issued a stop sale notice for the U.S. and Canada," says Jones. "At the same time, we proactively began testing every single stick made by us since 2004."

Bauer identified 12 additional sticks that did not meet the lead requirements in the U.S., where standards are lower. "As soon as we received the test results, we immediately sent out a stop sale notice late Tuesday night for all 13 models," says Jones. "We wanted to make sure they were off the shelves. That was our first concern." The global recall involves an estimated 100,000 hockey sticks, including 67,000 in Canada. Of the 13 models, 12 were manufactured prior to 2008, and only one model, the Bauer Supreme One75, was in Bauer's current line. "Every other stick in our current line has been tested and is completely fine, including the sticks that we are launching for October 2010, our next stick launch," says Jones.

The affected models include:

- Nike Bauer Supreme One90 Youth and Junior Stick (sticks, shafts, and replacement blades)
- Nike Bauer Supreme One50 Junior Stick (sticks, shafts and replacement blades)
- Nike Bauer Supreme One40 Junior Stick
- Nike Bauer Supreme One70 Junior Stick
- Nike Bauer/Bauer Supreme One75 Junior Stick (player and goalie sticks)
- Nike Bauer/Bauer Vapor XX Junior Stick (player and goalie sticks)
- Nike Bauer Supreme LTX Junior Stick
- Nike Bauer Apollo Junior Stick
- Nike Quest Apollo Junior Blade
- Nike Bauer Supreme Force Junior Stick
- Nike Bauer Vapor XVI Junior Stick
- Nike Bauer Vapor XXX Lite "Woody" Junior Stick
- Nike Bauer Supreme Accel Junior Stick

"We have always had very strict policies in place for testing all of our equipment," says Jones. "Once we were notified of this issue, we immediately began investigating, and that investigation is still ongoing. We have clearly identified every single raw material that triggered each of these 13 issues. We've isolated those materials, and taken the steps necessary to dispose of them." Bauer has also added a new third party testing facility outside of its factory. "We want to ensure that this never, ever, happens again," stresses Jones.

Retailers should contact their normal customer service or relevant sales management in Canada for all the details of the return process. "We're asking retailers to send back every single stick of the affected models," says Jones. **Info:** www.bauer.com

Reebok donates \$25K to charities after return of Crosby stick

Last week, Reebok Hockey announced that it was offering a \$10,000 reward for any information that directly led to return of Sidney Crosby's "golden" stick. After Hockey Canada's announcement that the stick had been recovered in a

shipment heading to the IIHF Hall of Fame, the company has instead decided to donate \$8,700 each to three worthy organizations: The Hockey Canada Foundation, USA Hockey's "Come Play Youth Hockey" pro-

gram and The Sidney Crosby Foundation.

"We are thrilled that Sidney's stick and glove have been recovered and are being returned to him," said Len Rhodes, Vice President and General Manager, Reebok-CCM Hockey. "The Canada-U.S. Gold Medal game was the most watched hockey game in history, and did a great deal to generate interest in the game of hockey. We think these donations are a great way to help grow the sport and get more kids to play. Who knows, maybe the next Sidney Crosby will have the chance to play with our support."

Crosby's stick, Reebok's 10K Sick-ick II, was last seen being thrown into the air after the Pittsburgh Penguins star scored the overtime goal vs. Team USA, to give Team Canada the gold medal at the Winter games in Vancouver. The stick and one glove were reported missing in the days following the game. Earlier this week, in addition to offering the reward, Reebok set up a website and email address to help locate the stick and glove.

"I am obviously very happy that the stick was found and want to thank Reebok for their efforts to help recover it," said Crosby. "I am also glad to hear that Reebok will be making a donation to my foundation as well as Hockey Canada and USA Hockey. The sport of hockey has been a major part of my life, and I hope more kids have the chance to experience all the joy the game has given me."

Upon hearing that Reebok would be donating \$8,700 to USA Hockey's "Come Play Youth Hockey" program, USA Hockey's Executive Director Dave Ogrea said, "Reebok has been a terrific partner and we couldn't be more pleased they've chosen to help support our efforts to grow the game through this contribution. It's very evident when you look at initiatives Reebok has been involved with that they care deeply about the future of hockey."

The Sidney Crosby Foundation was launched in Nova Scotia last year. The Foundation provides financial support to local children's charities in Sidney's home province.

Children's Hospital Foundation official charity of CN Canadian Women's Open

CN has announced the selection of the Children's Hospital Foundation of Manitoba Inc. as the official charity and beneficiary of the CN Miracle Match program that will accompany the 2010 CN Canadian Women's Open. The golf championship – the only Canadian stop on the LPGA Tour – will be held at Winnipeg's St. Charles Country Club Aug. 23-29.

CN Miracle Match will rally the Winnipeg and Manitoba communities to make charitable donations to the Children's Hospital Foundation. Each year since 2006, CN and the Royal Canadian Golf Association (RCGA) have generated funds to support a children's hospital by matching donations made through initiatives associated with the CN Canadian Women's Open. In the past four years, this program has raised more than \$3.5 million for children's hospitals.

Michael Cory, CN senior vice-president, Western Region, said: "CN has a major presence in Winnipeg, and we want to help build a safer, stronger community here. One of the best ways we can do that is raising funds to assist the Foundation's mission to improve the health and safety of children. We'll be out there in the community drumming up donations for the Foundation during the tournament and run-up to it. We hope total donations to the 2010 CN Miracle Match in Winnipeg will exceed \$1 million, thus allowing our Miracle Match program to top that figure for the third straight year."

"Along with our partners at CN, we believe it is very important that the CN Canadian Women's Open leave a lasting legacy in our local host communities," said Scott Simmons, RCGA executive director and chief executive officer. "As a national charity program with a philanthropic mandate to raise money for children's hospitals, CN Miracle Match is a terrific initiative that helps to raise charitable proceeds in the name of Canada's National Women's Open Championship."

Stars of the LPGA Tour will be featured at the US\$2.25 million 2010 CN Canadian Women's Open Aug. 23-29, 2010, at the St. Charles Country Club in Winnipeg.

Tickets for the event can be purchased on-line at www.cncanadianwomensopen.com or by calling 1-866-571-LPGA (5742).

VANOC and IIFH donate winning puck to Hockey Hall of Fame

Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) CEO John Furlong jointly announced the donation of the gold medal winning puck to the Hockey Hall of Fame (HHOF). The puck has been delivered by the IIHF to the HHOF, where it will be put onto public display as soon as possible.

VANOC also confirmed that four pucks used in the overtime period and collected by on-ice officials have been added to the selection of sport memorabilia now available through public auction at vancouver2010.com/auction

The missing game winning puck was retrieved through joint efforts by the IIHF, VANOC and the HHOF following the game. VANOC says that in mayhem following the game, various officials who had possession of the puck could not immediately identify the appropriate person to hand it off to and so safeguarded it until it could be handed over directly to the IIHF last week. Photos of the gold medal game winning puck are available here http://www.vancouver2010.com/more-2010-information/media-centre/image-gallery/event-photos/event-photos_144050sl.html

"I am happy to see that the puck is going to the Hockey Hall of Fame," said Sidney Crosby. "I feel very lucky to have been part of that team and that game as well and I am glad hockey fans will get the chance to share the moment by seeing things like the overtime winning puck up close."

Gold medal game warm up, regulation time and overtime pucks are available for purchase at www.vancouver2010.com/auction

Cycle Sports fuel growth for Dorel Industries

Montreal-based Dorel Industries Inc. has announced results for the fourth quarter and year ended December 30, 2009. The manufacturer of Cannondale, GT, SUGOI, Schwinn, Mongoose, Iron Horse, and InSTEP brands reported record cash flow from its operations of US\$205 million.

Recreational/Leisure segment revenues increased by US\$17.8 million, or 11.3%. Approximately two-thirds of the increase was from new businesses acquired during the second half of the year with the balance from the segment's Independent Bicycle Dealers (IBD) business serviced by the Cycling Sports Group (CSG). Excluding acquisitions and driven by successful new products, CSG posted sales gains of over 25% versus last year. These increases were partially offset by lower sales by Pacific Cycle to the segment's mass merchant customers.

The company said Friday that revenue for the fourth quarter increased 13.6% to US\$545.3 million from US\$479.9 million a year ago with pre-tax earnings of US\$31.0 million compared to US\$19.6 million, an increase of 58.5%. Net income rose 26.3% to US\$24.2 million, or US\$0.73 per diluted share, from US\$19.2 million, or US\$0.57 per diluted share last year.

Revenue for the year was slightly lower at US\$2.1 billion as compared to US\$2.2 billion in 2008. 2009 pre-tax income was US\$128.3 million as compared to US\$132.0 million in the prior year. Net income decreased 5.0% to US\$107.2 million, or US\$3.21 per diluted share from US\$112.9 million or US\$3.38 per diluted share. Organic revenue growth was approximately 7% in the fourth quarter and for the year was a decline of less than 3%.

"As we entered 2009 we were cautious, yet

confident about Dorel's prospects. While we were prudent and focused on cost containment, we did not reduce in any way our commitment to new product development as we recognize that this remains a key driver for us. Despite the downturn, we have continued to allocate funds to business acquisitions and research and development, as we invest for the future. This resulted in the introduction of a number of excellent new products in 2009 which has further strengthened our competitive position in our core Juvenile and Recreational/Leisure segments," commented Dorel CEO and President, Martin Schwartz.

ANNOUNCEMENTS

New Canadian national sales manager for Canada Goose

Performance outerwear company Canada Goose has announced the appointment of Shannon Willard to the position of national sales manager. Willard will manage the Canadian sales force to support the brand's effort to nurture existing retail relationships and open additional doors in the outdoor and wintersports specialty category. Her appointment is effective immediately.

Willard has an extensive background in sales and merchandising having served as a brand manager/team leader and director of merchandising with Jones Apparel Group and was most recently the national sales manager at Quiksilver Canada.

"Shannon brings invaluable insight on the challenges and issues facing the apparel industry," said Paul Silvertown, vice president of global sales for Canada Goose. "We have

experienced tremendous growth in the past few years with sales increasing 35% year over year despite the tough economic landscape. As we continue to expand to new markets in Canada and across the world, Shannon's strategic thinking, sound management skills and creativity will be assets in helping us manage that growth. We look forward to having Shannon as part of the Canada Goose family."

KR3 Custom Bats announces national retail network

KR3 Custom Bats has introduced a Canadian national retail network for its premium line of wooden baseball bats. The bat lines include a wood composite Maple Magnum Professional model (with 90-day warranty). The company says that more than 30 percent of major league players once used the bat (produced under the Cooper name) that were manufactured at its Cambridge, Ont. Plant.

Company Sales Representatives:

Maritime Provinces
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Quebec and Major Accounts
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British Columbia
Rob Downie
(604) 332-2834
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Info: www.kr3bats.com

BIG STAR Denim and Apparel appoints PTX Exclusive Canadian Licensee

Ontario based PTX Performance Products Inc. has announced that PTX has been appointed to exclusively market and distribute Big Star fashion denim and apparel products to specialized denim retail and apparel stores across Canada through a license agreement with its partner company CMT Sourcing Group Ltd (Hong Kong) and Big Star Denim and Apparel.

PTX will be focusing on an extensive Big Star program of outerwear and tops in all fabrications in industry leading designs, fabrications, prints and finishes.

Product will be available in Bootlegger stores beginning late spring 2010 followed by other quality stores that will be selected for distribution.

Gary Hummell, VP sales for Big Star Canada, a division of PTX, predicts Big Star will be highly successful in Canada. "Based on early reaction, I believe Big Star will quickly become a leading brand in the Canadian market," he says. "I expect Big Star to reach proportionate per capita sales in Canada as it has in the US and Europe where its market share continues to grow."

Info:

Fred Nykamp
President & CEO

Gary Hummell
Vice President - Sales

PTX Performance Products Inc./Big Star Canada
(905) 648-3040
info@bigstarcanada.com

PTX appoints executives for new business units

Fred Nykamp, president and CEO of Ontario based PTX Performance Products Inc., has announced the appointments of Gary Hummell as vice president corporate sales and Mike Kosmyinka as director of product development.

Gary Hummell comes to PTX with extensive apparel industry experience in business management, manufacturing, product development and sales, most recently with Spring Knit manufacturing in Toronto. He previously served as president of Calvin Klein Jeans Canada, Wrangler Jeans Canada, and as COO of Western Glove Corp. As vice president, corporate sales for PTX Performance Products, Hummell will oversee two new business units. CMT Sourcing Canada, a complete sourcing/design and development company, will specialize in quality sourcing in Asia and Brazil. He will also head the development of a fashion apparel division that will initially develop the Big Star denim and apparel license in Canada, with other lines and brands to be added later.

Mike Kosmyinka comes to PTX with extensive experience in product development, sourcing/manufacturing and retail merchandising, most recently with SAAN stores. He previously served ten years as vice president at Grafton Fraser and five years in product development at HBC developing the 317 young men's line. Kosmyinka will be responsible for directing all new product development for PTX sports products as well as the two new company divisions.

Info:

PTX Performance Products Inc.

Fred Nykamp
President & CEO

Gary Hummell
Vice President - Sales
905-648-3040
info@protex-ptx.com

OneGoal announces election results for board of director seats

Geoff Sadowy, OneGoal president and executive vice president of Easton Sports, announced the reelection of executive director Bill Hattem for a two-year term. Sadowy was reelected as president and Len Rhodes, general manager of Reebok- CCM, was elected as vice president, secretary/treasurer.

The chairperson of OneGoal's Canadian Outreach Committee is Domenic Di Gironimo, president of the Canadian Ball Hockey Association, who is a new member of the board. Pat Kelleher, assistant executive director of membership development at USA Hockey, enters his second year as the chair of OneGoal's US Outreach Committee.

Former Team Canada Olympic Silver and Gold Medalist Manon Rhéaume will lead the Female Outreach Committee, while Graham Watson, who has been a part of the OneGoal Board of Directors since 2007, formalized his role by guiding the funding strategy of OneGoal. Watson will direct Fundraising Committee initiatives.

"OneGoal has an aggressive plan to grow participation levels into the future, and these plans require a significant increase in organization funding," says Sadowy. "Our focus in 2010 is to extend our reach

to audiences who aren't currently involved in hockey in hopes of increasing their awareness of the benefits of the sport, while continuing to reduce the financial barriers for first timers trying hockey."

Info: www.onegoal.com

Quagmire Golf adds three new staff players

Toronto-based golf apparel company Quagmire has announced the addition of Tour pros Matt Weibring, Branden Grace and Aron Price to its roster.

"These guys are some of the best up-and-coming talent on Tour, and have a fresh, fun approach to what they wear," says co-founder Geoff Tait. "They're a perfect fit with our comfortable, casual styling and we're looking forward to helping them get noticed on the course as much for their clothes as their games."

"Quagmire is a really fun brand and it's easy to have a good time while wearing it," says Weibring, who recorded six top-25 finishes on the PGA Tour in 2009. "The pieces are easy to wear and different than the other brands out there, while still offering all the standard technical features."

Info: www.quagmiregolf.com; 800-652-9839

NEW & NOTABLE

Golf: TaylorMade Golf's Penta TP ball

TMaG's new Penta TP golf ball offers five layers, each engineered to improve performance in five key shot categories where most players need help – driver, long irons, middle irons, short irons, and partial wedges. The ball, which was the result of three years of development, also incorporates TaylorMade's LDP technology. It uses improved aerodynamics to help keep the ball in the air longer for more distance on the most common types of driver mis-hits.

Info: www.tmag.com


Snowsports: DC Shoes redesigned Park Boot

The redesigned Park Boot series from DC Shoes have a Park Bravo liner that works as a system to give consumers better articulation. The half liner is integrated into the boot, which DC Shoes says helps enhance medial and lateral flex. The boots also offers Unilite outsoles, direct power lacing, and a new, golden last.

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• Sales Reps Required Canada-Wide



• Sales Reps Required for Prairies

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- Apparel Developer
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Confidential Ads

- Product/Purchasing Manager
- Sales rep, Ontario - Marine Products



• Sales Rep for Quebec

Marwin Bictache


- Reward \$1,000 A+ Rep **(NEW)**

Superfeet Canada Inc.

- Technical Rep in BC and Ontario **(NEW)**

Sports Fleets Ventures Inc.


- Sales Reps for Eastern & Western Quebec **(NEW)**



• Graphic Designer/Web Coordinator



- Sales Manager Sporting Goods Division
- Sales Representative, Sporting Goods Division - Maritime Provinces



• Sales Manager Required C4



• Employment Recruitment



• Retail Marketing Manager



• In-House Sales Rep, Western Quebec

Bailey Agencies

- Sunglass Rep wanted for Central Ontario



• Apparel Designer

Maurice Sporting Goods

- Central District Manager - Canada
- Territory Manager - Central Quebec **(NEW)**

Hi-Tec Sports (Canada) Ltd.

- Sales Rep for Quebec

Careers/Classifieds Cont'd Next Page

Careers/Classifieds Cont'd



• Field Merchandising Coordinator



• Sales Rep for Newfoundland (NEW)



• Director Customer Service - Canada



• Outdoor Clothing Buyer (NEW)