

SGI Europe

Sporting Goods Intelligence

News and analysis of the international market

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NPD sees the European market down by 8% in 2020

Because of the Covid-19 pandemic, the market for sports clothing and footwear fell by 8 percent to €28.3 billion in the five major European countries in 2020, according to revised estimates made available to us by the **NPD Group**. A previous, preliminary estimate by the market research company had set the rate of decrease at 10 percent, with a 3 percent drop in the running segment.

Overall, the market for sports shoes, including sneakers, fell by 9 percent to €13.8 billion, while the market for sports and leisure apparel, with accessories excluded, declined at a lower rate of 7 percent, down to €14.5 billion, no doubt because consumers spent less time outside their homes. NPD's

statistics for 2019 had shown increases of 4.3 percent for footwear, thanks to the sneaker boom, and 0.5 percent for apparel, for total market growth of 2.3 percent for softgoods.

The biggest drops occurred last year in Italy and Spain. Sales of footwear fell by 19 percent in Italy and by 12 percent in Spain. Sales of apparel were down by 17 percent in Italy and by 12 percent in Spain. Consumption trends in France were close to the European average. Lower decreases were recorded in the U.K., as shown in the accompanying chart.

One of the most interesting findings of this continuously running study by NPD was the 26 percent rise in the ratio of purchases made over the internet for these products across the five countries last year. This built up to 41 percent of the total turnover, with one-third of the orders made through mobile devices. Meanwhile, sales in physical stores fell by 23 percent.

In Germany and the U.K., where the overall market declined less than elsewhere, online penetration was higher than 50 percent. Evidently catching up with the rest of Europe, Italy and Spain saw faster growth in e-commerce, which neared the 30 percent penetration registered in France.

Of the major sports categories, the running market performed best, remaining almost flat. Sports leisure, training and outdoor (skiwear included) were

European Market 2020

	Country	2020 (€ billions)	% Trend
Total	Big 5	28.3	-8
Footwear	Big 5	13.8	-9
Apparel (no accessories)	Big 5	14.5	-7
Footwear	France	3.7	-8
	Germany	3.7	-4
	Italy	2.0	-19
	Spain	1.7	-12
	U.K.	2.8	-5
Apparel	France	3.7	-5
	Germany	4.0	-4
	Italy	2.1	-17
	Spain	1.5	-12
	U.K.	3.2	-4

Source: NPD

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more or less in line with general market trends for shoes and clothing.

The performance of fitness equipment, which is not measured by NPD, was probably better, especially in terms of digital sales. In general, while participation in certain sports went up last year, this didn't necessarily translate into higher consumption of footwear or apparel, an NPD official said, noting that many customers preferred to make use of what they already had in their closets.

JD reports flattish annual results, despite Brexit and the pandemic

JD Sports Fashion Plc managed to report generally good results for the year ended Jan. 30, 2021 despite the impact from the coronavirus pandemic and Brexit, "which have severely tested all aspects of the business," the management said. The company's profit before exceptional items and taxes of 421.3 million pounds (£486.0m-\$578.0m) was only slightly down from the previous year's level of \$438.8 million. Even after accounting for exceptional charges, it showed a decline of only 7.0 percent. The gross margin improved by one percentage point to 48.0 percent across the group.

Revenues for the U.K.-based retail group, which runs sports and outdoor store banners like **JD Sports**, **Size?**, **Blacks Leisure**, **Millets**, **Go Outdoors** and the U.S.-based **Finish Line**, rose

by 0.9 percent to \$6,167.3 million pounds (£7.11bn-\$8.46bn). The company attributed this relatively good performance to a "significant" retention of sales and profitability through this period thanks to "the strength and premium position of the JD brand," which is appreciated by the sports brands, the flexibility of the group's infrastructure and an "agile" multi-channel ecosystem built up over a number of years.

The retention rates were highest in Northern Europe, where the online retail channel is more mature. In the Iberian Peninsula, only 20 percent of the combined physical and digital revenues of the prior year were retained online during last spring's lockdowns, but in the second half of the year, prior to the second national closure in Portugal in January 2021, overall sales in the region were up by around 10 percent.

Looking ahead, the group is providing a positive outlook for the coming year, despite temporary store closures that are coming to an end at least in the U.K. It forecasts a pre-tax profit for the full year to Jan. 29, 2022 in a range of \$475 million to \$500 million (£576.7m-\$686.0m).

Overall, the company ended the past year in a strong position, with net cash of \$795.4 million (£917.6m-\$1.1bn) after paying about \$380 million (£438m-\$524m) on new acquisitions, plus investments in logistics. The gross margin improved by 1.0 percentage points to 48.0 percent. Ebitda before exceptional items rose to \$955.1 million (£1.11bn-\$1.31), from \$952.4 million.

The group said its revenues advanced by 1.9 percent to \$5,808.0 million (£6.70bn-\$7.96bn) in the key Sports Fashion segment, where the gross margin rose by 1.0 percentage points to 48.4 percent. After recognizing exceptional items in the period, mostly related to the im-

JD Sports Fashion - Revenues by Region (£ million, Year ended Jan. 30)

	2021	2020	% Change
U.K.	2,527.0	2,599.2	-2.8
Europe	1,579.4	1,619.2	-2.5
U.S.	1,780.5	1,611.0	10.5
Rest of World	280.4	281.4	-0.4
REVENUES	6,167.3	6,110.8	0.9

Source: JD Sports Fashion

pairment of intangible assets arising from the acquisition of the **Footasylum** business in the U.K., the pre-tax profit in Sports Fashion amounted to \$356.6 million (£411.4m-\$489.2m), down from \$427.9 million for the previous year.

Sales of apparel represented more than 50 percent of revenues in the U.K., due to increased levels of working and exercising at home, and the company expressed confidence that the growth in casualwear and sportswear will not remain a temporary phenomenon.

In the Outdoor segment, sales went down by 13.2 percent to \$359.3 million (£414.5m-\$493.0m). The group said the reorganization of Go Outdoors in the first half of the year was a difficult process, but it has given the banner a positive platform from which to develop. It intends to invest in all aspects of the business and will now present product offers in key categories. This includes fishing, where it has now started to integrate the **Fishing Republic** business into larger Go Outdoors stores by creating specialist areas for fishing products. The Go Outdoors, Blacks, Millets and **Ultimate Outdoors** businesses now operate on common merchandising systems with shared commercial resources.

The Outdoor segment had a difficult first half of the year due to lockdowns, but rebounded in the second half of the year. In the third quarter, a period that was largely free from trading restrictions, it saw sales growth across the combined physical and digital channels of more than 10 percent. Many of its stores had to be closed again at various times through the fourth quarter, with total sales retention through the closure periods of about 80 percent.

The management said that the positive consequences of the restruc-

JD Sports Fashion - Consolidated Income Statement (£ million, Year ended Jan. 30)

	2021	2020	% Change
Sport Fashion	5,808.0	5,696.8	2.0
Outdoor	359.3	414.0	-13.2
REVENUES	6,167.3	6,110.8	0.9
Cost of Sales	3,205.7	3,236.0	-0.9
Selling & Distribution	2,126.4	2,020.2	5.3
Administrative (Normal)	381.2	348.6	9.4
Administrative (Exceptional)	97.3	90.3	7.8
Other Operating Income	28.3	10.9	159.6
Operating Profit before Exceptional Items	482.3	516.9	-6.7
Net Finance Expense	61.0	78.1	-21.9
Pre-Tax	324.0	348.5	-7.0
NET PROFIT	229.2	250.7	-8.6
Pence/Share (Diluted)	23.05	25.29	-8.9

Source: JD Sports Fashion

turing of the Outdoor businesses is reflected in the fact that, even with the stores closed for a number of months, the Outdoor segment reduced its losses before exceptional items for the full year to \$6.1 million (€7.0m-\$8.4m), compared with \$23.5 million for the previous year. The gross margin increased by 0.3 percentage points to 42.2 percent. After exceptional items, the pre-tax loss was reduced to \$26.5 million (€30.6m-\$36.4m), compared with \$73.2 million for the previous year.

The management pointed to the strong performance of the Finish Line and JD chains in the U.S., indicating that they were driven by the enhanced consumer demand triggered by the U.S. government's consumption stimulus. During the year, the first JD flagship store in the U.S. opened in Times Square, New York with a positive reaction from customers. A further 37 former Finish Line stores were converted to the JD format with 49 stores trading as JD at the end of the year.

The group made further strides in the U.S. market during the past year. It acquired the California-based company **Shoe Palace**, adding 167 stores. More than half of them are located in California, although the chain also has an established retail presence in Texas, Nevada, Arizona, Florida, Colorado, New Mexico and Hawaii, with the store network supported by a developing e-commerce platform. The group said the acquisition has enhanced its connection with the Spanish-speaking communities on the West Coast and in the southern border states

In February 2021, the company also acquired **DTLR**, a shoe retailer based in Maryland, which it said complements the strengths of the existing Finish Line and JD networks, significantly enhancing its exposure to key consumer demographics in the U.S.

Meanwhile, the international development of JD in other markets continued to progress, although the number of new stores slowed temporarily because of Covid-19 restrictions. JD noted its conditional acquisition last

month of a 60 percent stake in **Sizeer**, a Polish-based group with 410 stores trading as either Sizeer or **50 Style** across nine countries in Central and Eastern Europe.

According to the management, the Covid-19 pandemic is likely to be the catalyst that will drive further consolidation in global retailing among the international sports brands, and the group "is in a strong position to play a full part in this process."

In the U.K. and the Republic of Ireland, the company continued to roll out last year its program of upsizes in key locations with bigger JD & Size? stores opened during in Exeter, Plymouth and Brighton. New larger format stores are scheduled to open in a number of locations in 2021, including Belfast, Edinburgh and Stratford in East London.

In the past year, the group increased its national presence in the U.K. with the acquisition of 50 gyms that were previously operating as **Xercise4Less**. It plans to retain at least 36 of them, converting them to the JD banner. A total of 19 clubs have already been converted, taking advantage of the recent lockdowns.

Across Europe, the number of new store openings for JD and Size? was reduced last year. The openings included a flagship-style store on the key shopping street of Rue de Rivoli in the center of Paris. It expects to raise the number of new stores in the new financial year to the tune of one per week on average.

Overall, during the past financial year, there was a net increase of 31 JD stores across Mainland Europe, as well as a net increase of five JD stores in the Asia-Pacific region. Meanwhile, JD managed to reach agreements on rent reductions with its landlords in most markets.

Worldwide, the total number of stores in the sports fashion segment rose from 2,203 to 2,396 in the course of the year. The number of JD and Size? stores rose from 818 to 886, declining

from 402 to 400 in the U.K. and Ireland. The addition of Shoe Palace in the U.S. led to an increase from 803 to 925 for the other banners.

The exit of the U.K. from the European Union has led to some extra duties and disruption from Customs checks for the transfer of products to EU countries including the Republic of Ireland. An 80,000-square-foot warehouse opened in Belgium in the autumn of 2020 is working very well to fulfill the requirements of physical stores in Mainland Europe, but it doesn't provide a solution for the fulfillment of online orders or for replenishing the group's stores in Ireland. Thus, JD is setting up a 65,000-square-foot warehouse near Dublin that should become operational in the second half of this year. At the same time, it is looking for a larger and permanent facility that should be able to service all its channels in Mainland Europe by the autumn of 2022.

Meanwhile, the Competition Appeal Tribunal of the U.K. has been asked by JD Sports Fashion to review the recent decision by the Competition and Markets Authority (CMA) to stop the group from acquiring the **Footasylum** chain. It decided to quash the decision, and the merger with Footasylum will now be re-examined by the CMA; a process expected to take several months.

Good performance for Stadium in Sweden

Stadium, the leading Swedish sporting goods retailer, performed relatively well in the financial year ended on Aug. 31, 2020, partly because of higher sales over the internet and looser anti-Covid restrictions in Sweden than in other countries. On the negative side, there was hardly any winter season between 2019 and 2020.

The chain's total sales in Sweden declined by only one percent to 4,659 million Swedish kronor (€457.3m-\$544.5m) during the 12-month period, with the share taken by online retailing rising to 14 percent from 11 percent in the prior year.

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In Finland, where the measures taken to combat the pandemic were somewhat stricter, Stadium's sales declined by 5 percent to SEK 1,359 million (€133.4m-\$158.8m).

The company's operating profit declined to SEK 118 million (€11.6m-\$13.8m) from SEK 133 million in 2018/19, due essentially to extraordinary charges of SEK 33 million (€3.2m-\$3.9m) related to the company's pull-out from the German market.

As previously reported, Stadium was anticipating positive results for the last year following arrangement with its landlords on store rental fees, combined with a major jump in sales since May. A previous sales decline had led the company to place some 600 employees on temporary layoffs in April.

<https://www.sgieurope.com/retail-and-distribution/intersport-and-stadium-close-stores-in-sweden/83953.article>

Hervis will focus on four sports

Hervis Sports, the largest integrated sporting goods retail chain in Austria, wants to concentrate more on bikes, outdoor, running and snow sports in the future, without ignoring fitness, football or other categories, said **Werner Weber**, who became CEO of the company in November 2019, in a virtual press conference held on April 8.

He mentioned the recent opening of two flagship stores of about 2,000 square meters in Vienna and Innsbruck where most of the surface is devoted to bikes and outdoor products, respectively (details in our Outdoor Industry Compass). Similar flagships are planned for running and snow sports, but Weber would not comment on dates or locations.

Hervis' smaller stores will also specialize more and more on any of the four major sports, but their personnel will be able to order specific items in other categories from a vast in-house catalog online for delivery within two days to the store or to the customer's address.

About 25 more stores will be based on this concept, which was first tested at a new location in Bad Ischl near Salzburg in November, focusing on outdoor and winter sports.

Weber also said that Hervis will seek to reinforce its claim as "the leading omni-channel sports retailer" in Austria over the next five years, offering a broad range of services both online and offline, including expert advice and click & collect.

The **Sport 2000** and **Intersport** cooperatives of independent retailers have higher market shares than Hervis in Austria, but the latter's integrated structure has allowed it develop its omni-channel operations more easily. They helped Hervis to post a decline of only 3 percent in Austria last year, according to its parent company, **Spar Österreich**, more than doubling its digital sales to counter-balance the closure of its physical stores in the country for 20 percent of the time due to the coronavirus pandemic.

A 25 percent increase in sales of all kinds of bikes, which was partly induced by the pandemic, also contributed to limit the sales decline in Austria at 3 percent last year. Its sales of e-bikes rose by 50 percent. Hervis has been cultivating this segment for about ten years. It maintains a special relationship with a leading Austrian bike producer, **KTM**.

Adding its numerous stores in six other countries, Hervis' total sales fell by 7.3 percent to €470 million in 2020. The chain also has a presence in Germany, Hungary, the Czech Republic, Slovenia, Croatia and Romania with a larger number of stores.

It currently operates a total of 235 stores, compared with 237 a year ago, and it is aiming for 250 units by the end of this year. It just opened its 104th Austrian store in the Styrian city of Weiz, and one or two more will follow later this year. Most of the expansion will take place outside Austria, notably with the addition of two more stores opened earlier this month near Budapest, one due

to open in Slovenia shortly and one planned for Croatia in June.

For Hervis, one of the new challenges is the emerging competition from **Decathlon** and **XXL**, which have both entered the Austrian market in the last few years, covering many categories at generally low prices. According to various reports, they booked sales of €20 million and €12 million last year in the country.

Weber indicated that Hervis intends to keep a premium positioning in the market, while offering entry-price options and occasional promotions at affordable prices.

Centauro's parent returned to a profit at the end of 2020

The fourth quarter of 2020 saw a return into the black for **Grupo SBF**, the parent company of Brazil's leading sporting goods retail chain, **Centauro**, and the new Brazilian distributor of **Nike** since December. After six difficult months, due to the Covid pandemic, the public company posted a net profit of 14,593,000 Brazilian reais (€2.2m-\$2.6m) for the last three months of last year, 91 percent below the profit of the year-ago period.

Centauro's physical stores, which remained more or less stable at a total of 211 unit for the year, were allowed to re-open in October after a six-month retail lockdown.

The group's quarterly revenues, which also include the accelerating **NWB** sport media business, rose by 31.2 percent to BRL 1,398,503,000 (€210.5m-\$249.5m) for this and other reasons. Centauro's sales were up by 10.9 percent to BRL 1,182.3 million (€177.9m-\$210.9m), with a drop of one percent in its brick-and-mortar retail stores compensated by a 67 percent jump in online sales to BRL 305.5 million (€46.0m-\$54.5m).

The **Nike Fisia** distribution business contributed for the first time revenues

of BRL 240.3 million (€36.2m-\$42.9m) in December, including wholesale revenues of BRL 116.8 million (€17.6m-\$20.8m) and digital revenues of BRL 45.9 million (€6.9m-\$8.2m).

The quarterly gross margin slipped by five full percentage points to 43.2 percent, as increased promotional activity drove Centauro's margin down by 3.5 percentage points to 44.7 percent. Furthermore, Nike Fisia generated a gross margin of only 34.5 percent.

On an adjusted basis, the group's Ebitda margin fell by 3.5 percentage points to 10.7 percent as compared to the same quarter of 2019. Centauro's margin was down by 4.1 percentage points to 10.1 percent.

For the full financial year, the revenues of Grupo SBF fell by 6.8 percent to BRL 3,075 billion (€462.7m-\$548.5m), leading to a net loss of BRL 112,805,000 (€17.0m-\$20.1m) versus a net profit of BRL 309,272,000 (€46.6m-\$55.2m) in 2019. Centauro contributed the bulk of the revenues, with its online sales rising by 79 percent to represent 36 percent of the total turnover.

At just 1.7 percent, the group's adjusted Ebitda margin was 10.6 percentage points below the 2019 level.

On a pro forma basis, Nike Fisia generated total revenues of BRL 2.4 billion (€361.3m-\$428.2m) in 2020, and 70 percent of them came from its wholesale business, 10 percent from digital sales and 20 percent from Nike's physical stores in Brazil.

Reportedly planning to go public, Signa Sports United boosts management

Signa Sports United (SSU), the online sporting goods retailing group controlled by Signa Retail, is in talks to go public through a merger with a blank-check SPAC company, *Reuters* reported. Quoting "two people familiar with the matter," the news

agency says the company is in preliminary talks with **Yucaipa Acquisition Corp.** and is working with several banks, including **Citigroup**, on a potential transaction.

The deal could value SSU at up to \$4 billion, said *Reuters*. It sounds like a lot of money for a company whose sales were last reported at €420 million for the financial year ended in September 2018. We have been unable to obtain more recent figures from a spokesperson for the group, but SSU's website mentions an annual turnover of more than €1 billion, with a compound annual growth rate of 30 percent, boasting that it has become "the global #1 sports commerce & tech platform with market leading positions in Bike, Tennis, Outdoor, Teamsports & Athleisure."

A SPAC is a company that is formed strictly to raise capital through an initial public offering (IPO) for the purpose of acquiring an existing private firm. SPACs are also known as "blank check companies."

The same sources told *Reuters* that Signa is also nearing a deal to buy **Wiggle**, the British online retailer specializing in cycling, running and swimming products, from **Bridgepoint**. There is no guarantee at this stage that the deals will materialize, they added. Wiggle has made several acquisitions in the last years, including the German **Bike 24** online retail operation.

Based in Berlin, SUU operates more than 80 web shops in the cycling, outdoor and racquet sports segments in 17 countries. It runs bicycle online shops like **Fahrrad.de**, **Bikester** and **Probikeshop**, and is the owner of product brands in the bike sector like **Ortler**, **Serious**, **Fixie** and **Votec**. It also owns the outdoor retailers **Campz** and **Addnature**, the growing online tennis platform **Tennis-Point**, and the team sports and athleisure shops **Outfitter** and **Stylefile**.

SSU says its web stores are currently connecting more than 1,000 brand partners and more than 500 independent offline retailers with more

than 15 million members of the digital sports community.

Three years ago, Signa Retail was said to be considering a possible IPO for its sports retail operations, which at the time consisted of Signa Sports United and **Karstadt Sports**, targeting a valuation of €1.2 billion for the business, which has expanded considerably since then.

New executive appointments at SSU

Meanwhile, SSU announced five new appointments to its leadership team, which is run by **Stephan Zoll**, indicating that the move is intended to provide "unmatched customer and client service" in order to accelerate the company's growth strategy and its international expansion.

Alex Johnstone will be the company's new chief financial officer. He will be responsible for financial reporting, capital markets, treasury and investor relations, which indicates to us that SSU may well be preparing itself for a public offering. He has been a member of **Citi's** TMT investment banking group for more than ten years, and he relocated last year from New York to London.

Another new hire, **Simone Kreyer**, will serve as chief of staff, responsible for the strategic direction and coordination of the company's platform businesses. After spending some time at **McKinsey & Co.**, she headed up most recently **Amazon's** retail hardlines operations and initiatives in Germany, driving top- and bottom-line programs across the European Union.

Dorit Schindler, who most recently served as director of people & organization at **Zalando**, will be the new "chief people officer" at SUU, handling human resources across the group. SSU mentioned her experience in many areas including strategy, organizational change, communication, and talent identification and development.

After spending five years as managing director of Tennis-Point, **Sascha Beyer**

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will relocate from Europe to the U.S. to serve as chairman and president of a new subsidiary, **Tennis-Point North America**, following the company's recent acquisition of **Midwest Sports**. Taking over some of his responsibilities, **Bernhard Kloth** will join the group from **Alix Partners** to jointly run the European operations of Tennis-Point alongside its founder, **Christian Miele**.

SSU said it will continue to evaluate attractive entry points in new geographies across its vertical operations. It entered the Japanese market a few years ago in partnership with **AEON**. At the end 2018, **AEON** and **Central Group** of Thailand acquired stakes of 7.5 percent and 4 percent in SSU, respectively.

StockX's value surges to \$3.8 billion

StockX, the American online market for sneakers, raised \$195 million in a secondary tender offering by some of its employees' shares and an additional \$60 million in Series E-1 primary shares at a \$3.8 billion valuation. **Altimeter Capital** led the all-cash offer, with the participation of existing investors and of a new institutional investor, the **Dragoneer Investment Group**, which has also invested in **Peloton**, **Tonal** and other start-ups.

The new valuation represents a 35 percent increase over the \$2.8 billion appraisal given to the company in a previous \$275 million Series E funding round closed in December 2020.

The result of the new fund-raising round "signals the broad recognition and excitement for the long-term value of StockX's business as well as a growing appreciation for marketplace experiences," said the company's CEO, **Scott Cutler**, adding that it is "just scratching the surface of what StockX can deliver for the millions of global buyers and sellers who count on the platform for a wide range of authentic current culture products."

As we already reported, the gross merchandise value (GMV) generated

on StockX' marketplace grew to \$1.8 billion in 2020 from about \$1.0 billion in 2019, after more than 200 million visits to its website from 200 countries and territories. They led to a growth of more than 90 percent in the number of buyers. The business resulted in reported revenues of over \$400 million last year, allowing the company to achieve break-even results in the second half.

Founded in 2016, the Detroit-based company employs more than 1,000 people in 13 offices and authentication centers around the world.

Asos posts record profits on lockdown shopping boom

In the first half of its financial year ended on Feb. 28, the British online retailer **Asos** more than tripled pre-tax profits to a record £106.4 million (£122.8m-\$145.8m). The company raised its expectations for the full year as it continues to benefit from the Covid-19 pandemic.

While the switch to online shopping during the retail lockdowns boosted trading, Asos was cautious over the uncertain economic outlook for its core 20-something customers and warned that shopping habits would change once clothing stores reopen in England and Wales on April 12. "In the coming months we expect a portion of consumer demand will move back to stores as restrictions are eased throughout our markets, but we expect online penetration to remain structurally higher than pre-Covid-19 levels," Asos said.

Pre-tax profits for the six months to Feb. 28 surged by 253 percent to \$48.5 million (£56.2m-\$66.7m) as group revenues rose by 24 percent to \$1.97 billion (£2.3bn-\$2.7bn). Full-year expectations were lifted in line with the first half-performance, while second-half guidance remained unchanged.

Strong growth was reported in "lockdown" clothing categories,

including a 68 percent rise in activewear sales. The number of active customers rose by 1.5 million to 24.9 million despite a fall in "event-led" sales for formalwear.

The company hailed an "exceptional" performance in the U.K., where sales rose by 39 percent. The EU saw sales grow by 18 percent, while the U.S. and rest of world each had growth of 16 percent.

The management said that it has "seamlessly" integrated the **Topshop** and **Miss Selfridge** brands as well as the activewear label **HIIT**, into its platform, achieving "great early customer momentum." They were all acquired from the bankrupt **Arcadia Group** for £330 million (€382.5m-\$454m) in February.

The latest statistics and forecasts for online retailing

In 2020, the outbreak of the coronavirus pandemic led revenues from e-commerce to exceed the €100 billion threshold for the first time in the German-speaking countries of Germany, Austria and Switzerland, according to **BEVH**, the German E-Commerce and Distance Selling Trade Association. Orders averaging €1,000 were placed by customers in the three countries – which was significantly more than in France, for example, but still considerably less than in the U.K., where around €1,223 per capita were spent online last year.

Inside the DACH region, online growth was strongest in Switzerland. Online revenues increased there by 27.2 percent to the equivalent of €11.84 billion. They were double as high as six years ago. However, a survey taken a few days ago in Switzerland indicated that customers were very happy to do their shopping at physical stores again after a six-week lockdown, using all their senses and engaging in a dialogue with the store personnel.

In England, store traffic was said to have been robust as non-essential brick-and-mortar retail stores were allowed to be open again on April 12. However, online sales of shoes and clothing were up dramatically during the lockdown period in December and January, as compared to a year earlier. In January alone, online sales went by 6 percent overall, but sales of fashion products rose by more than 100 percent.

In Austria, e-commerce generated sales of €8.5 billion last year, up by 17.4 percent. In Germany, it climbed by 14.6 percent to €83.3 billion. Together, the German-speaking markets accounted for one-quarter of the online spending in the U.S. In Italy, a national study by Milan's **Politecnico University** calculated that e-commerce grew by 31 percent to €23.4 billion in the country.

A separate study carried out in Spain by **Webloyalty** showed an increase of around 24 percent for e-commerce in the country since the pandemic struck, reaching an annualized level of €648 per capita. Fashion enjoyed one of the highest increases online. The strongest penetration was found among women in the 45-55 age group.

Sport is ahead of fashion online in Switzerland

The German association also presented some more specific figures for online sales in the fashion sector. They made good progress in Germany, after initial weaknesses: German consumers spent €21.2 billion on clothing and shoes, 13.2 percent more than in the previous year. The Austrian trade association did not provide such detailed information.

In Switzerland, on the other hand, while online sales of shoes and clothing went up by 15 percent, home electronics performed much better, due perhaps in part to remote working, with the digital channel representing 48 percent of all sales in this category, according to **GfK** and other sources. Sporting goods, furniture and home improvement items recorded

growth rates above-average rate of 27.2 percent, too.

The Swiss figures also showed that individual omni-channel retailers enjoyed sales increases of more than 100 percent, while the big online pure players grew by up to 50 percent. Swiss consumers ordered proportionately less merchandise online than before from Germany.

Online retail will remain high

The new consumption trends instigated by the pandemic are expected to have some long-term effects. A report recently conducted by **AlixPartners** in January indicates that 37 percent of consumers in nine countries around the world plan to buy shoes and clothing more online than in the past. The ratio is highest in China. Involving 70 percent of the respondents, followed by the U.K. with a ratio of 43 percent, Germany at 39 percent, Italy at 31 percent, and the U.S. and Japan, both with a ratio of 29 percent.

Consumers around the world spent \$900 billion more online than in the prior year in 2020, according to a report by **Mastercard** on "recovery insights" for retailers. With a share of 20 percent of total retail sales, e-commerce represented about one-fifth of the total consumption in the retail sector, compared with one-seventh in 2019, said the credit card company, predicting that between 20 and 30 percent of the shift from physical to digital shopping will be permanent. It also found that residents in countries like Italy or Saudi Arabia are making purchases from 33 percent more web stores or marketplaces than before, followed by consumers in Russia and the U.K.

BEVH predicted a few weeks ago that e-commerce will grow by a further 12.5 percent in Germany in 2021, but the growth will likely be higher because of the current extended retail lockdown.

As we see it, physical retail will remain dominant for product categories where the fitting, the visual ex-

perience and the sense of touch and others are important. In the sporting goods sector, this means that consumers will probably order more equipment and softgoods over the internet, unless they want to test the products and get the advice of an expert. In general, sporting goods shops offer a mix of softgoods and hardgoods, so consumers will likely prefer to buy both kinds of products at the same physical location.

Selfridges re-opens with a buzz, Bavaria enforces lockdown

While Bavarian shoe stores were forced to close down again as of April 12, all types of non-essential retailers, including shoe and sporting goods stores, were allowed to re-open in England and Wales, and some of them have come up with clever ideas to lure back customers who could only shop online in the past weeks and months.

Selfridges, one of the few department store chains that have weathered the coronavirus crisis relatively well, launched some interesting and captivating "experiential" offerings at its stores in London, Birmingham and Manchester this Monday.

Its Oxford Street flagship opened its first "Outside Studio" behind the store, offering spinning classes in partnership with **SoulCycle**. The store is also featuring children's parties in its toy department. In three stores, DJs entertained the public throughout the day, giving customers the opportunity to request their favorite songs with a text message.

The **British Retail Consortium** has estimated that non-food stores have lost some \$27 billion (€31bn-\$37bn) in sales from 16 weeks of lockdowns in the U.K., leading to more than 11,000 permanent store closures and some clamorous bankruptcies. On the other hand, some retailers have reacted by selling more online, directly or through internet marketplaces, and by

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refurbishing their stores with the new omni-channel consumer in mind.

Other retailers have waited until this week to open new stores. **Gym+Coffee**, an Irish brand of sustainable athleisure, will inaugurate its 7th store and the second one in the U.K. in Manchester's **Trafford Centre** on April 17. The 140-square-meter location will feature an interactive football display on a community wall for user-generated content from fans. Born four years ago, the Irish brand is involved in a number of social and environmental initiatives.

McArthur Glenn has waited until April 12 to open its seventh **Designer Outlet Centre** at Cheshire Oaks near Birmingham, offering discounts of up to 60 percent on the offerings by nearly 80 brands including **Lacoste**, **Lululemon**, **Adidas**, **Asics**, **Nike** and **Under Armour**.

Non-essential retailers in Scotland will be able to re-open on April 26. No precise dates have been given for retailers in Northern Ireland, but the Republic of Ireland has indicated that this should be possible sometime in May.

As previously reported, a Bavarian judge ruled on March 31 that shoe shops should be included among the exceptions to the lengthy German retail lockdowns because they are performing an "essential service." The plaintiff in the case, **ANWR**, expressed hope that the exception could be applied to shoe and sporting goods stores all over Germany, but the Bavarian government overruled the court on April 7, supporting the federal government's decree permitting the re-opening of non-essential retail stores only in areas where fewer than 50 out of 100,000 inhabitants are contaminated. Click-and-Meet would be permissible where the ratio lies below 100 for seven consecutive days. Only a few areas currently qualify for this kind of treatment.

The government decree is going to be discussed in both chambers of the federal government in the next days. Statistics indicate that even some stores where Click & Meet is allowed

have lost almost half of their turnover. According to a recent study, the situation may not improve much if only customers with a negative Covid test are admitted into a store.

Complaining that the government's package of subsidies intended to compensate the shops' closure has been too little and too late, **HDE**, the German retail industry association released a study showing that nearly 60 percent of the affected retailers are afraid that they will have to shut down for good this year. HDE is especially worried over the fate of independent family-owned retailers and of some large retail chains. For them, the monthly limits set by European authorities for these subsidies are too low, it argues.

According to the April 9 edition of FE-SI's weekly overview of national anti-Covid measures, non-essential shops were allowed to open again in Austria on April 11 after a brief new lockdown period, but with restrictions on the number of customers and with the stores located in Lower Austria and Burgenland remaining closed for one more week.

Almost all non-essential stores remain closed in the Czech Republic except for those selling children's shoes or clothing, which were allowed to re-open again on April 12 in connection with the re-start of some schools.

Restrictions on non-essential retail remain in place in Italy and Spain, varying from one region to the other.

Consumers are ready to spend more, despite the lockdowns

German consumers are known to be keen on saving money when there is an economic crisis. Faced with what they call the "Corona crisis," they have saved an estimated €230 billion since March 2020, when the crisis began, but they are said to be eager to spend more again once the current vaccination campaigns bring the crisis to an end. The recovery will most

likely start toward the end of the second quarter or during the third quarter of 2021.

As they did in June of last year, after the first set of Covid-related restrictions had been lifted, German consumers showed at the start of April a propensity to spend more for a second consecutive month, according to the **Consumption Barometer of the German Retail Federation (HDE)**. Although non-essential stores, restaurants, hotels, theaters and other public places are still locked down, the related index grew by 1.02 points at the beginning of April, reaching a level of 96.56 points, close to the level of one year ago.

Consumer sentiment in Germany

The trend augurs well for the second half of this year, although it's not clear whether consumers will want to buy more sporting goods or spend more on eating out and travel. Sporting goods in general were among the winners in the third quarter of 2020. Recent statistical studies have shown that consumers in certain countries may want to continue to do what they can to stay fit, but it remains uncertain whether they will want to invest in fashion and luxury products as much as or even more than in the past.

Economic experts have become more optimistic

As indicated in the last two quarterly stock market charts that we have produced for the sporting goods sector, financial analysts and investors are predicting a major rebound in our market. Statistics have shown that the sporting goods market has been growing more or less consistently a few percentage points more than the general economy.

The latest projections formulated by the **International Monetary Fund (IMF)** indicate that the global sporting goods market may go up by close to 10 percent this year, especially if the booming bike category is included.

According to the IMF, the world economy is expected to grow by 6 percent overall in 2021, instead of 5.5 percent as previously anticipated at the end of January, thanks largely to the generous aid packages announced by the U.S. and other governments, including those of the European Union. Growth in GDP could soften slightly next year, remaining at a relatively high rate of 4.4 percent.

In particular, the GDPs of advanced economies are predicted to grow this year by 5.1 percent, more than offsetting the 4.7 percent decline that they suffered in 2020 because of the pandemic. The U.S. should lead the charge, with an increase of 6.4 percent, rebounding from last year's drop of 3.5 percent.

In the Eurozone, a GDP growth of 4.4 percent will be insufficient to compensate for last year's decline of 6.6 percent, but the gap would be closed in 2022 with growth of 3.8 percent. In particular, the IMF is predicting improvements this year of 6.4 percent in Spain, 5.8 percent in France, 4.2 percent in Italy and 3.6 percent in Germany. The economy should grow by 5.3 percent in the U.K. and by 3.3 percent in Japan.

Comparatively, GDP was off last year by 11.0 percent in Spain, 8.2 percent in France, 8.9 percent in Italy and 4.9 percent in Germany. It declined by 9.9 percent in the U.K. and 4.8 percent in Japan.

In the emerging markets, GDP growth of 6.7 percent in 2021 and 5.0 percent in 2022 is expected to eliminate the effect of an overall decline of 2.2 percent that occurred in 2020, when only China had a semblance of growth, going up by 2.3 percent.

Among these emerging economies, India and China are expected to grow this year by 12.5 percent and 8.4 percent, respectively, outperforming their 2020 scores. Russia, Brazil, Mexico and South Africa are seen as rising by 3.8 percent, 3.7 percent, 5.0 percent and 3.1 percent.

Alpine skiing fell by 15% globally in 2019/20

The 2018/19 ski season turned out to be the best one in the new millennium, according to the annual **Snow Report** by **Laurent Vanat**. The 2019/20 season was the worst one since the year 2000 because it was brutally interrupted by the onset of the novel coronavirus pandemic, according to the latest edition of the report, which has just come out. The 2020/21 season was certainly even worse because of the virus, particularly in France where all ski facilities have been forced to stay closed since November, but no figures are yet available except in Switzerland, where attendance was down by the end of March.

The 13th edition of Vanat's authoritative report was unveiled earlier this week at a press conference organized in partnership with **Mountain Planet**, an international trade show on mountain tourism organized by **Alpexpo** that is due to take place in the French city of Grenoble on April 26-28.

Overall, the number of ski days per person declined by 18 percent during the 2019/20 season, with a drop of 31 percent in the Asia-Pacific region and about 15 percent in the rest of the world. In particular, attendance levels were off by 15 percent in the U.S. and in the Alps, by 14 percent in Eastern Europe and by 18 percent in other parts of Europe. The lowest declines in Europe were registered in Iceland, Russia and Norway.

In spite of relatively high temperatures, the season had started out very well, particularly in the Alps and in some other parts of the world such as the province of Quebec in Canada, due to early bookings. With many important ski facilities being placed on a standstill in February and March, many new beginners continued to take ski lessons on the lower snow slopes in the subsequent weeks.

The virus made its first appearance in China early last year, leading to the

shutdown of all the ski facilities in the country at the beginning of February. Spreading rapidly to the rest of the world, it led to similar shutdowns in all the other countries by mid-March, with the partial exception of Japan, Iceland and Sweden. Some of the Chinese ski resorts were allowed to reopen under strict control measures a few weeks later at the end of March.

In the southern hemisphere, the ski season began in Lesotho at the beginning of June. It started a few weeks later in New Zealand and Australia, with some restrictions. In South America, only a few ski resorts were allowed to stay open, with limited access, from the middle of August to the middle of October.

Some 6,000 ski resorts exist in 68 countries, including many new ones in China and Eastern Europe, but only about 2,000 are well equipped and 52 of them – most of them in the Alps and led by Madonna di Campiglio in Italy – represent 22 percent of total attendance. There are also a few minor resorts now in countries like Cyprus, Greece, India, Iran, Israel, Lebanon, Lesotho, Morocco, New Zealand, Pakistan, South Africa and Turkey. Nepal is new and Turkmenistan is in the starting blocks.

There has been a certain tendency for the practice of alpine skiing to decline in the major destinations over the past five years, but it remained relatively high in the Alps at the end of February 2021 where the ski resorts were open. The U.S. has continued to enjoy the highest level of attendance in the past five years, but Austria has overtaken France as the second-largest ski country, thanks largely to more attractive hotel facilities and heavy investments in the renovation of the local ski facilities. In the U.S., some resorts have compensated for the decline in ski tourism by developing golf courses.

Noting that the ski industry has been very "resilient" over the last years, in spite of difficult snow conditions, Vanat expressed hope during the virtual press conference that the ski industry

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will soon recover after the Covid-19 epidemic is defeated, particularly in view of the 2022 **Winter Olympic Games** in Beijing. The Olympic site for the alpine ski races in Yanqing has already been completed.

With more than two million guests in the first year of operation, a new indoor skiing complex in Guandong has been a success, and according to Vanat, the development of "urban skiing" could help improve ski participation levels elsewhere. He noted that ski mountaineering is still a very minor activity, and that Nordic skiing doesn't really make any significant contribution to the local economy.

The full report is available for companies that have contributed their data and those that have participated in its financing through a crowdfunding campaign. The others may order it on www.vanat.ch for delivery in May.

Technogym's overall revenues drop by 24%, but home fitness jumps by 71%

Technogym reported revenues of €510 million for 2020, representing a decline of 23.8 percent from 2019. The home fitness segment, strongly driven by stay-at-home measures during the Covid-19 pandemic, saw revenues jump by 71 percent to €154 million. The strong performance of the home fitness segment, which accounted for 30 percent of total revenues, mitigated the temporary slowdown and the postponement of orders across the B2B segments, the company said. In Italy, the country in which Technogym is headquartered and has the most consolidated presence on consumer channels, the performance of home fitness even allowed for an increase in the overall turnover.

The adjusted net profit went down by 49 percent to €43.4 million. This drop was mainly due to a decrease in the operating income, which fell by 47.7 percent as compared to 2019. Adjusted Ebitda amounted to €96.9

million, down by 34.5 percent in 2019, mainly due to the significant decrease in turnover in the period, although it was partly mitigated, especially in the first part of the year, by a reduction in operating costs.

In Italy, revenues increased by 1.9 percent, strongly driven by home fitness. In the rest of Europe, which continues to represent the main geographic area for the company in terms of revenues, there was a 25.0 percent decline in sales because of particularly bold revenue contractions in some key countries such as the U.K.

In the Asia-Pacific (APAC) region, revenues dropped by 25.3 percent, but the fourth quarter marked an initial recovery, with revenues declining by only 13.7 percent in the quarter. North America was the area most impacted by the pandemic, with sales down by 34.7 percent. With the pandemic worsening in the last quarter of 2020, several key accounts in the club sector and operators of the hospitality segment across North America postponed some of their investments. Among emerging geographies, the Middle East, India and Africa (MEIA) region registered a 14.1 percent decline, combined with the excellent performance of home fitness in the United Arab Emirates (UAE). Revenues in the Latin America region declined by 43.7 percent.

By distribution channels, the best performance came from those that were most exposed to home fitness. Retail, represented by the company's ten flagship stores, recorded a 48.8 percent growth in turnover. Inside sales, which includes teleselling and e-commerce, registered a 77.1 percent increase. Both segments experienced an important acceleration during the fourth quarter, including triple-digit growth in inside sales. Field sales, the channel most impacted by the lockdown, suffered a 33.9 percent contraction. The wholesale channel recorded a 20.8 percent decrease, with a slight improvement in the fourth quarter thanks to better performances in countries that were no longer significantly affected by the pandemic.

For 2021, Technogym expects a sound recovery in the B2B segments, together with ongoing growth in the home fitness segment. The company projects home fitness to reach €300 million in revenues by 2022, nearly double the revenues of the segment in 2020, thanks to the expansion in the product range and new initiatives to better support sales. The company's overarching goal is to reach €1 billion in group revenues in 2024.

Umbro's parent narrows its losses

Lower trademark impairment charges allowed the **Iconix Brands Group** to reduce its net losses for the fourth quarter of 2020 as well as the full financial year, in spite of lower revenues from its licenses due to the Covid-19 pandemic. Another positive factor for the full year was a gain of \$74.1 million from Iconix' sale of its rights to the **Umbro** and **Starter** brands in China, which allowed the company to pay down more than half of its loans, although it still had a total net debt of \$613 million on its balance sheet as of Dec. 31.

More in detail, Iconix suffered a net loss of \$7,336,000 for the full 2020 financial year, way below the previous year's loss of \$109,522,000. Offsetting the extraordinary gains in China, the company booked trademark impairment charges of \$35.5 million and investment impairments of \$19.6 million last year, compared with impairments of \$92.2 million in 2019. While revenues declined by 27 percent to \$108.5 million, adjusted Ebitda fell by 32 percent to \$55.1 million, leading to a drop in the operating margin for the year to 51 percent from 54 percent.

For the fourth quarter, Iconix booked a net loss of \$14,144,000, against a loss of \$93,029,000 in the prior year, on 22 percent lower revenues of \$33.9 million. Impairment charges of \$11.3 million, taken in the quarter for the **Candies** and **Rampage** trademarks, were down sharply from the \$65.6 million impairment charges taken in the corresponding period a year earlier. Furthermore, Iconix managed to reduce

its operating expenses by 27 percent in the latest quarter, allowing the adjusted Ebitda margin to improve to 54 percent from 49 percent

International revenues fell by 30 percent to \$12.4 million in the quarter, with decreases in Latin America and Europe. Higher revenues for Umbro could not prevent a drop of 35 percent in the men's segment, due to lower revenues for **Buffalo** and **Ecko United**. In the women's segment, higher revenues from **Danskin** were offset by drops at **Mudd** and **London Fog**, leading to an overall decline of 21 percent. On the other hand, the group's home segment recorded an increase of 62 percent.

The management was upbeat about the prospects for 2021, boasting that it signed 190 licensing deals during 2020 for minimum royalties of about \$134 million over the life of those contracts.

Earlier this year, Iconix completed the sale of its **Lee Cooper** business in China. The proceeds of \$15.8 million were partially used to pay back \$11.8 million on its senior secured term loan, further reducing the projected interest charges for this year.

Vietnam becomes more self-sufficient in footwear design and components

Lefaso, Vietnam's Leather, Footwear and Handbags Association, expects its industry to achieve exports of more than \$20 billion this year after suffering from a decline last year due to the impact of the Covid-19 pandemic on supply chains, consumption and trade. They could double in three to four years' time thanks to efforts to become more self-sufficient in terms of R&D and the supply of raw materials and components.

In 2020, Vietnam's export turnover for footwear and handbags decreased by 9.6 percent as compared to 2019, down to \$16.6 billion. The U.S. market and the European Union accounted for 37.5 percent and 25.4

percent of its total footwear exports, which represented more than 90 percent of its output.

Lefaso noted that, from the end of the first quarter of 2020, the supply of raw materials for footwear manufacturing was interrupted due to a reduction in production capacities in China and South Korea. Many clients postponed or cancelled orders with Vietnamese manufacturers. The industry also faced harsher demands by clients, who required suppliers to shorten delivery times by 30 percent, reduce prices and increase the transparency of supply chains to facilitate quality inspection.

Lefaso claims that the local industry has managed to relaunch itself thanks to good health control, a deeper participation in the global supply chain and an increase in domestic consumption. According to Vietnam's General Statistics Office, in January 2021, the manufacturing index of the leather and footwear industry was up by 20.8 percent year-on-year and monthly exports of footwear were estimated at \$1.8 billion, up by 26.4 percent from the previous year.

Lefaso noted that, because of the pandemic, Vietnamese enterprises have proven their ability to do research and development and sample design in-house. In the past, footwear brands had to send their own experts to Vietnam to design their products. On the other hand, reports indicate that the local R&D employees were generally supported in their work by interacting with their counterparts in the Western World over the internet.

Lefaso also noted that the domestic supply of raw materials and components has increased and is currently estimated to satisfy 50-60 percent of the local demand. Lefaso claims that now "almost all shoe sole production, from sole molding, sole finishing, or packaging stages, can be wholly supplied in Vietnam." The association reported that **Gia Dinh Shoe**, a company in Ho Chi Minh, has established an industrial cluster to attract investments to produce raw materials for the lea-

ther and footwear industry, such as textiles and polyurethane.

Combined with efforts to take advantage of free trade agreements, improved manufacturing efficiency and increased digital transformation, these initiatives are expected to help Vietnam's leather and footwear industry to maintain high growth in the coming years," said Lefaso.

While Vietnam's population is limited, the trade association expects the leather and footwear industry to benefit from the ongoing transfer of production out of China to other countries. It noted that the country's leather and footwear exports could reach \$30-40 billion within three to four years if only 5-10 percent of Chinese trade moves to Vietnam.

New "Made" brand launches individually designed outerwear

Indiegogo, the international crowdfunding platform specializing in tech and innovative products, has announced the launch on its website of new brand of outerwear, called **Made**, that can be designed by the customer and tailored on each wearer. The project will start with a hard-shell ski and snowboard jacket. The Made jacket is said to be waterproof, windproof, breathable and extremely durable, thanks to welded seams, waterproof zippers and a three-layer waterproof fabric. It can be manufactured to measure and can include details that have been designed by the customer, thanks to Made's patent-pending system.

Customers usually have no choice but to buy a jacket that was sized based on the average dimensions of thousands of people. "By trying to fit everyone, they are effectively fitting no one," the company explains on Indiegogo. Made takes the customer's precise measurements – such as height, chest, waist, hip, shoulders – and put them into its special software, then adding other features picked by the customer like fit style, zip style, hood design, poc-

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kets, sleeves, colors and more. The resulting product is therefore designed to fully meet the customer's requirements. If it does not, Made promises that it will fix it. Customers can propose their own design or ask for help from one of Made's design consultants. Meanwhile, no attention is paid to the customer's gender, the company explains, contrary to the norm in the outdoor industry, as achieving the perfect fit is Made's only concern.

The material of the product can also be chosen by the customer, and with an eye on sustainability, between **Sympatex** and **PolartecNeoshell**, depending on their needs. In the future, the company expects to allow its customers to send the whole jacket back at the end of its life, and to be able to return it into a new jacket to the customer. Also, Made sources fabrics directly from Polartec partners to limit the amount of material that will end up in the landfill, as Polartec commits to 100 percent recycled materials and biodegradability across its entire product line. Sustainability is also taken into account as far as shipping is concerned. Every product will be shipped just once and directly to the customer, to cut down on the emissions associated with the product while also avoiding that the product sits on a shelf for months. Furthermore, shipping is free regardless of the destination.

Made was founded in Vancouver by **Capri Philip**, **Cheryl Lebarr**, both Canadian, and **Dustin Butcher** from the U.S. After featuring on Indiegogo in March and April, a campaign survey will be sent out in late April for jacket designs and measurements from each backer. Indiegogo orders will then be fulfilled in the period from May to August. The launch of the full brand is set for September. The company plans to have also developed pants and softshell by that time.

As indicated on Indiegogo's website, the Made project has raised total funding equivalent to €34,970 until now from 128 backers, or 64 percent more than what was originally planned for it to go ahead. It is apparently still possible to become a supporter.

The two jackets are called the **Minimalist** and the **Maximalist**. For those who are not supporting the project, they can be ordered with an early bird discount for \$400 and \$500, respectively, with shipments starting in August.

Unmade expands collaboration with New Balance to teamwear

A London-based software company, **Unmade**, is expanding its collaboration with **New Balance Team Sports** from footwear to team clothing in the U.S. A spokeswoman for New Balance says there are no plans to implement the project in Europe, but we find it interesting enough to report about it.

The project will allow customers and team sports sales reps in the U.S. to customize team uniforms across a range of sports on the New Balance Team Sports website, using the **UnmadeOS** configurator to visualize the product before placing the order. The data can be translated to any partner factory and sent directly to pre-determined machines, promoting efficiencies and removing manual processes.

Unmade had already teamed up with New Balance at the end of 2019 on a project for the customization of the knitted uppers of one of its shoe models, the **NB1 111** style, giving customers a choice of three patterns, six colors and some text. Here also, Unmade's visualization system provided the customer or sales rep with an image of the re-designed shoe on the New Balance Team Sports website before it was ordered, eventually after being curated. The patented **UnmadeOS** algorithms automatically generated the data for the production process at New Balance's own factories in the U.S.

Unmade has already worked for **Rapha**, the British brand of cycling apparel, to develop a customizable range of products for cycling teams. Founded in 2014 by **Hal Watts**, **Kirsty Emery-Laws** and **Ben Alun-Jones**, Unmade has worked with other companies

including **Open Ceremony**, **Farfetch**, **Christopher Raeburn** and **Selfridges**. It has raised at least £10 million (€11.6m-\$13.8m) in various funding rounds from institutional investors as well as leaders in fashion and retail industries including **José Neves**, founder and CEO of Farfetch.

Foot Locker releases its inaugural Impact Report

Following similar steps recently taken by key suppliers such as **Nike**, **Adidas**, **Puma** and **Under Armour**, **Foot Locker** has released its Impact Report, which describes the company's environmental, social and governance efforts. The report covers the company's global operations for the fiscal years 2019 and 2020, from Feb. 3, 2019 to Jan. 30, 2021, and covers the company's Corporate Social Responsibility (CSR) program through its four pillars: (1) leveraging the power of its people and communities, (2) managing and reducing its environmental impacts, (3) strengthening the sustainability of its supply chain, and (4) operating ethically and transparently.

Among the accomplishments in priority areas during the two-year period was the formation of a global cross-functional CSR team to manage risks, emerging trends and opportunities. Furthermore, the company participated in the **Carbon Disclosure Project (CDP)** platform, including a first response in 2019 and a second one in 2020, which included its global emissions profile for the first time.

In the 2020 fiscal year, the company conducted an internal assessment to identify the highest-priority issues for the company itself and its key stakeholders in the environmental, social and governance (ESG) areas, and developed an ESG issue prioritization matrix, which is presented in the report. The resulting "Top priority ESG issues" in the matrix include: operating ethically and transparently; human capital mana-

gement; worker dignity in the supply chain; empowering people and communities; supplier sustainability and engagement; energy conservation and climate stewardship; sustainable materials sourcing; and product packaging impact management.

Also in fiscal 2020, the company committed to invest \$200 million over five years to support its Black workforce and communities through its Leading in Education and Economic Development (LEED) initiative. Out of the total budget, \$175 million will be spent through 2025 on using Black-owned suppliers, brands, IT and digital marketing firms, venture capital funds and businesses involved in youth culture. The balance will go to finance Black student scholarships, educational creative activities, consumer outreach programs and internships.

According to Foot Locker, minorities represented 85 percent of its 40,639 employees in North America by the end of last year, 20 percent of executive positions and 30 percent of independent board directors.

An internal survey on diversity, inclusion and belonging showed that 88 percent of its staff responded favorably to the company's strategic commitment to these goals.

Foot Locker, Inc.'s *Fiscal Years 2019-20 Impact Report* is available for download.

New Balance announces commitments and partnerships to promote sustainability

New Balance has announced a range of initiatives and strategic alliances designed to help support climate goals and create a healthier planet, joining other sports companies in this kind of endeavours.

As part of its overarching Responsible Leadership strategy, which aims at a low-carbon future with a holistic set of goals between now and 2030, New Balance has laid out

the following objectives: it will use 100 percent renewable electricity across its global operations by 2025; it aims to reduce its greenhouse gas emissions by 30 percent by 2030 as a signatory of the **UN Fashion Industry Charter for Climate Action**; it aims to send zero waste to landfills from its footwear factories by 2025, and is launching an apparel repair pilot program this year to promote greater levels of circularity; it will source 50 percent recycled polyester and 100 percent preferred leather by 2025; it will donate 1 percent of the manufacturer's suggested retail price (MSRP) from all its **Fresh Foam Hierro v6** shoes – available starting April 15 – sold in the U.S. to **1% for the Planet** to benefit organizations working on climate change and public lands; and it will be working toward 100 percent of women in its footwear factories to benefit from education and skills courses by 2025.

Meanwhile, New Balance is continuing its collaboration with **Jaden Smith**, the American rapper and activist. On April 23, New Balance and Jaden will release the **Vision Racer ReWorked**, the latest Vision Racer shoe and the first in this line to be crafted with **Spinnex**, a partially recycled fiber that incorporates at least 30 percent factory textile waste. The material used in the upper and the tongue contains 74 percent Spinnex fiber, 16 percent polyester and 10 percent Spandex. Also in 2021, New Balance is working with the **GIZ Energy Support Program** to improve energy efficiency within its supply chain and to develop rooftop solar energy projects. The GIZ Energy Support Program is a partnership between Vietnam's Ministry of Industry and Trade and the German government, implemented by the **Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)**, which aims to contribute to Vietnam's emissions reduction strategy and green growth.

In addition, New Balance has begun a new collaboration with **The Renewal Workshop**, a provider of circular solutions for apparel and textile

brands. New Balance and The Renewal Workshop will pilot an apparel repair program this summer and conduct a training workshop to help educate designers on how to design future apparel for reparability and garment recycling.

Finally, the **New Balance Green Leaf** icon is going to identify apparel products that are made with 50 percent or more environmentally preferred materials, such as recycled or organic content. New Balance said that it plans to significantly expand the offering of products and product categories with environmentally preferred materials in the upcoming months and years.

Teva works to divert products from landfills with new sandal recycling initiative

Teva has partnered with an international recycling company, **TerraCycle**, to launch the **TevaForever** program to give worn-out Teva sandals a new life. The recycling program underscores Teva's commitment to reducing its environmental impact and keeping waste out of landfills. Participating in the program is simple: Customers log on to **Teva.com** and download a prepaid shipping label to send their sandals to TerraCycle. The recycler, which operates in 20 countries in the Americas, Europe and Asia-Pacific, cleans the sandals and separates the materials to prepare them for processing. The processed material is used by manufacturers to produce a range of new products, including playgrounds, sports fields and running track flooring.

The partnership with TerraCycle is the latest example of the action taken by the **Deckers Brands** subsidiary to reduce its environmental footprint. In addition to the brand's 2020 Sustainability Initiative, which has seen Teva switch 100 percent of its straps to recycled plastic using **Repreve®** yarn, the brand has also

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diverted more than 40.2 million plastic bottles, equivalent to 755 tons of post-consumer plastic, from landfills since 2020. The brand reports that it has also reduced its overall water consumption and worked with its supply chain partners to improve their water conservation efforts. Since 2017, Teva's packaging improvements have saved 1.3 billion liters of water and reduced the total weight of packaging used by 1.85 million kilograms. Besides, all of Teva's leather is sourced from tanneries certified by the **Leather Working Group**, and the company supports the **Better Cotton Initiative**, the largest cotton sustainability program in the world. Since 2020, Teva has reduced approximately 3 million kilograms of greenhouse gas emissions, 2.3 billion liters of water and 56 million megajoules of energy (equivalent to 1.7 million liters of gasoline).

Major brands hit with complaint in Paris over forced labor in Xinjiang

Last year's report by the **Austrian Strategic Policy Institute (ASPI)** on the plight of Uyghurs and other ethnic minorities in the Chinese province of Xinjiang is still making waves. Citing the report, two NGOs, the **European Uyghur Institute** and an individual Uyghur woman have engaged a French law firm, **Bourdon & Associés**, to file a legal complaint in Paris against **Inditex**, **Uniqlo**, **SMCP** and **Skechers**. To quote one of the NGOs – a French non-profit called **Sherpa** – these and “many other transnational companies” are continuing to “sub-contract part of their production or to market goods using cotton produced in the Chinese province, thus knowingly taking advantage in their value chain of the workforce in a region where crime against humanity are being perpetrated.”

The Chinese Communist Party has maintained that the “re-education camps” it operates in Xinjiang are meant to coun-

ter terrorism and integrate the minorities into Chinese society.

The suit itself declares that it is the “first in a series to be filed over the coming months in other European countries,” and that it enjoys the support of the **European Center for Constitutional and Human Rights** and the **World Uyghur Congress**. It has the support of several members of the European Parliament as well, among them **Raphaël Glucksmann**, who is both the founder of the **Place Publique** political party in France and one of the ten EU officials sanctioned by the Chinese government over recent boycotts of Xinjiang factories and products.

As we have recently reported, tensions have been running high between China, the EU and the U.S. over this issue as well as the status of Taiwan and of the South China Sea, which lies between China's great ports and the busy Strait of Malacca. In late March, the Chinese ambassador to France, **Lu Shaye**, was summoned to the French Ministry of Foreign Affairs over a **Twitter** spat with **Antoine Bondaz**, a researcher specialized in Taiwan and Korea at France's **Foundation for Strategic Research**. Bondaz had been defending the right of French officials to visit Taiwan. In reply, the ambassador called him a “small-time thug” and “mad hyena.”

Not long before that, on March 10, the European Parliament adopted a resolution with recommendations on corporate due diligence and corporate accountability. It recommends strengthening supply-chain traceability, considering, among many other things, that “voluntary due diligence standards have limitations and have not achieved significant progress in preventing human rights and environmental harm and in enabling access to justice” and that “it is the responsibility of states and governments to protect human rights and the environment, and this responsibility should not be transferred to private actors.”

Nike remains the world's most valuable apparel brand

Nike has been awarded the title of the world's most valuable apparel brand for the seventh consecutive year, despite a 12.5 percent drop in brand value to \$30.4 billion, according to the *Brand Finance Apparel 50 2021* report. Although Nike's sales took a hit last year due to the pandemic, the brand saw its online sales almost double in Europe, the Middle East and Africa, **Brand Finance** analysts explained.

Nike has a considerable lead over the second-ranked brand, **Gucci**, whose value of \$15.6 billion was down by 11.5 percent from its 2020 score. **Louis Vuitton** is third in the ranking with \$14.9 billion, down by 9.8 percent. **Adidas** takes the fourth spot with \$14.3 billion, declining by 13 percent, at about the same rate as Nike. The other names in the 2021 Top 10 Most Valuable Apparel Brands list are **Chanel** in the fifth spot, followed by **Zara**, **Uniqlo**, **H&M**, **Cartier** and **Hermès**. Outside the Top 10, **Fila** emerged as the fastest-growing brand with an impressive 68 percent increase in value to \$2.7 billion.

The apparel ranking is divided into sub-sectors: luxury; sportswear; fast fashion; watches, accessories & jewelry; high street designer; underwear; and footwear. Among these sub-sectors, footwear was the only one to record an increase in brand value as compared to the previous report, posting a 9 percent increase in brand value on average. Sportswear recorded a drop in average total brand value of 7 percent.

Brand Finance, headquartered in London and with offices in more than 20 countries, is a brand valuation consultancy and accountancy firm that quantifies the financial value of brands to help organizations of all kinds make strategic decisions. It conducts more than 5,000 brand valuations, supported by original market research, every year. All the brand values in the latest report have a valuation date of Jan. 1st, 2021.

News Briefs & Short Stops

Corporate

After its publication of excellent results for the first half ended Feb. 28, **Asos** announced an offer to sell \$500 million (€577.5m-\$686.6m) in senior unsecured guaranteed convertible bonds due in 2026. The bonds are being offered by the company's wholly-owned subsidiary **Cornwall**. The proceeds will be used by the U.K.-based online fashion retailer to fund the company's global growth, as well as the acquisition of **Topshop** brands completed in February. The bonds will be issued at par and will carry an annual coupon of 0.75 percent payable twice a year in equal instalments on April 16 and Oct. 16. They will be convertible into preference shares of Cornwall which will be exchanged for ordinary shares in Asos. The conversion price is set at a premium of 47.5 percent above the reference share price of \$54.00 (€62.4-\$74.2). The underlying shares the bonds represent 6.3 percent of the total number of Asos' issued and outstanding shares. Settlement and delivery of the bonds are expected to take place on or about Apr. 16. Cornwall will have the option to redeem all outstanding bonds on or after May 7, 2024.

HandsFree Labs, the Utah-based company that partnered with **Nike** to create the **Go FlyEase** laceless clog due to become available on **nike.com** on Apr. 30 for \$120 per pair, has raised \$3 million in a new round of funding led by the **Frazier Group**. The hands-free footwear technology company had already secured an investment from Nike in November 2019. In addition to licensing its technology to Nike, HandsFree has placed it at the disposal of **Kizik**, an accessible casual footwear brand. **Monte Deere** is the CEO of HandsFree as well as Kizik. The company has hired a new chief product officer for HandsFree and Kizik, **Skip Lei**, who worked at Nike for more than 30 years. He ran its global tennis operations and developed its **Quick Strike** program. He also served as a product liaison with other brands owned by Nike such as **Converse**, **Hurley**, **Bauer Hockey**, **Starter**, **Cole Haan** and **Umbro**. Claiming more than six patents, HandsFree Labs uses among others a titanium midsole tensioner band combined with a retractable heel that comes up when the foot moves into the shoe. The chairman and founder of the company is **Mike Pratt**, who also founded **Ogio International**.

Four out of the eight members of **Sequential Brands Group's** board of directors have resigned as required by the extension until Apr. 19, 2021 of a credit agreement with **Wilmington Trust** and other lenders. The remaining members on the board represent mostly lenders such as **KKR** and **Blackstone Group**. The struggling New York-based company, which has been evaluating strategic alternatives, plans to file its 2020 results by Apr. 15 at the latest. Sequential's roster of brands includes **Avia**, **And1** and **Heelys**, among others.

Li & Fung, the sourcing giant headquartered in Hong Kong, is launching **LFX**, a new and separate company designed to capitalize on new digital opportunities that can trans-

form the retail industry and enable sustainability along the supply chain. Described as "an incubation, investment and operating platform," LFX will launch and operate digital ventures delivering solutions directly to brands, manufacturers, retailers, e-commerce companies and C2M (consumer-to-manufacturer) players. LFX' ventures will initially focus on 3D digital product development and supply chain fintech. In addition, a venture capital arm has been created to identify and invest in technologies that transform retailing, supply chain and logistics, the company said. **Ed Lam**, Li & Fung's chief financial officer and an executive committee member, has been appointed as the chief executive of LFX. Li & Fung is currently in the process of appointing its chief financial officer.

Completing a periodic review of **Adidas**, the rating agency **Moody's** confirms its A2 credit rating; which it assigned one year ago when the group obtained a €3 billion loan to prop up its liquidity during the coronavirus pandemic. Moody's mentioned among the positive factors Adidas' long track record, its leading position in the market and the brand's strong recognition, supported by product innovation, marketing and sponsorships. On the other hand, it cites among the risks the negative impact of the pandemic, the fickle nature of apparel and footwear demand, its (future) reliance on a single brand and sizable fixed commitments for the payment of certain sponsorship fees.

Five shareholders have bought half of the shares held in **We aRe SpinDye (WRSD)** by its chairman, **Christian Rasmussen**, reducing his stake to 13.29 percent. The shareholders are **ella Batljan**, **Patrik Tillman**, **Rutger Arnhult**, **Stefan Hansson** and **Erik Björklund**. They paid a total of for 20,016,285 Swedish kronor (€1.94m-\$22.9m) in the transaction. Based in Sweden, WRSD is a seven-year-old Swedish company that has developed a clean, sustainable and traceable system to color synthetic fabrics in a simple and user-friendly manner. It has just announced a deal with **Superdry**, the British brand of sportswear, which had previously stated that it wants to "become the most sustainable listed global fashion brand on the planet in 2030." The SpinDye system has already been adopted by many companies including **H&M** and **Adidas**, which has used it for its latest **Stella McCartney** collection.

Peloton Interactive has completed its acquisition of **Precor**, the American producer of fitness equipment that was part of **Amer Sports** until the Anta-led consortium agreed to divest it last December for a price of \$420 million in cash, with adjustments for working capital, transaction expenses, cash and debt. In announcing its plans for the acquisition of Precor, Peloton said it will allow it to expand its manufacturing and R&D capacity, with a base in the U.S. that should help it to curtail its late deliveries. The first Peloton products should roll off Precor's American assembly lines before the year is out. The company has maintained a head office and campus in the Texas town of Plano since 2018. **Anta Sports Products**

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has reported a sales decline of 21 percent for Precor in 2020, down to the equivalent of \$293 million, largely due to the closure of gyms and hotels because of Covid. However, besides its much-needed extra manufacturing capacity, Precor's takeover will give Peloton a turn-key operation specializing in commercial fitness that will provide a useful hedge against its fast-growing home fitness business when consumers will return to the gyms. Precor's president, **Rob Barker**, is to become the CEO of Precor and general manager of its new **Peloton Commercial** unit, reporting to Peloton's president, **William Lynch**.

After more than two years of construction, **Puma's** new distribution center in Geiselwind, Germany, started to operate on Apr. 6. It will help the company to better fulfill its online orders, which have remained until now relatively low as compared to those of **Adidas** or **Nike**. With 480 shuttles navigating through more than 20 km of conveyors, the fully automated DC will gradually be able to process up to 74 million items per year, servicing consumers as well as wholesale partners all over Central Europe. A candidate for LEED-Gold certification, the logistics facility will be powered by green energy through a rain water utilization system. Its 14,000-square-meter green roof will be used by local beekeepers to make honey.

The pro forma debt/Ebitda ratio of about 8 times given for the company formed by the merger of **Callaway Golf** with **Topgolf** has led **Standard & Poor's** to downgrade the credit rating of Callaway to B from B+, and the agency indicated that it could lower it further. As Callaway plans to use much of its own cash flow to expand Topgolf's network of golf venues, Moody's sees the group's higher financial risk offsetting benefits such as increased scale, greater breadth of products and services, and potential profit growth. The leverage could improve to 6x when all Topgolf venues are open again, but S&P is worried that it is unlikely to start generating cash before 2024. At the same time, S&P has upgraded Topgolf's post-merger rating to B- from CCC+, although Callaway is not guaranteeing Topgolf's debt of \$500 million or its \$1 billion lease obligations.

G-Form has been acquired by a Greenwich, Connecticut-based investment company, **Eldridge Industries**. Details of the purchase price were not disclosed. G-Form is known for its patented **SmartFlex** impact protection technology used for a variety of team sports including baseball, soccer, field hockey and basketball as well as action sports such as mountain biking, skiing, snowboarding and skateboarding. Using advanced polymer formulas, all SmartFlex paddings are manufactured at the company's Rhode Island factory. G-Form's 2020 sales reached \$550,000. The company also designs solutions "for active fields requiring innovative protection, such as industrial, military and law enforcement." According to **Glen "Gava" Giovanucci**, CEO of G-Form, the ownership and support of Eldridge will provide "new opportunities to expand our product line, scale international sales, enter new sports and non-sports industries, and increase production of our breakthrough SmartFlex technology."

Frasers Group, the parent company of **Sports Direct**, has warned that it could take a hit of more than £200 million (€230m-\$275m) due to Covid-related restrictions. This would be double the previous estimate it had made in February, when the company said it expected that the pandemic crisis would determine a £100 million non-cash writedown in the value of its properties and other assets. In an announcement to the London Stock Exchange on April 9, the group said it feared a new wave of the pandemic, which would almost inevitably lead to more restrictions on retailers. This is why the company now anticipates that material accounting non-cash impairments totaling more than £200 million will be required. Despite the announcement, the company's stock price increased slightly after an initial dip. Controlled by **Mike Ashley**, Frasers Group is the parent company of Sports Direct and many other operations including **House of Fraser**, **Evan Cycles** and **Flannels**.

Nerio Alessandri, the founder and CEO of **Technogym**, has entered for the first time *Forbes' World's Billionaires List* with an estimated real net worth of \$1.3 billion as of April 12, 2021. *Forbes' annual World's Billionaires List* has reached its 35th edition this year. At the national level, Alessandri is rated as the 40th richest Italian, on a par with **Antonio Percassi**, president of the **Atalanta** football club and a retail magnate whose assets include a network of franchised **Nike** stores. Alessandri, 60, founded one of the world's largest fitness equipment manufacturers in Cesena, Italy in 1983 at the age of 22. He took the company public in 2016. Despite the Covid-19 pandemic, the list of the wealthiest people in the world has recorded 493 newcomers, an unprecedented number of new billionaires in the ranking's history, including 210 from China and Hong Kong and 98 from the U.S. For the fourth consecutive year, **Jeff Bezos** has emerged as the world's richest person, worth \$177 billion.

Three former **Nike** executives – **David Creech**, president of brand creative for global men's; **Nicole Graham**, vice president of global brand marketing; and **Josh Moore**, vice president and global head of design for digital, stores and content – have joined the sports agent **Rich Paul** to found **Adopt**, a minority-owned marketing agency operating in the fields of sports and wellness. According to *CNBC*, Creech will be taking charge of the design, brand, and product division, while Graham will handle strategy and brand, and Josh Moore digital and design. Paul is the CEO of **Klutch Sports Group**, a division of **United Talent Agency**, and has handled such clients as **Lebron James** and **Kobe Bryant**.

Working through a local subsidiary, **VF Northern Europe**, **VF Corporation** has begun operations at its new fulfillment center in Bardon, Leicestershire, which will employ about 250 people at peak times. The new 55,800-square-meter center will have "state-of-the-art automation capabilities putting it at the forefront of the footwear and apparel industry," says VF, stating that it will enable the group to provide more efficient distribution services to the wholesale, e-commerce and retail customers in the U.K. of three of its brands, **The North Face**, **Timberland** and **Vans**, serving nearly 90 percent of the

market within one day. Core features of the center include direct flow of parcel shipments with a capacity of 200,000 units per day, using 18 stations with a capacity of 170,000 units per day. The building also has several environmentally friendly features such as low-water-use fixtures and electric solar panels. The building design achieved a BREEAM "Outstanding Rating." In 2019, VF had already strengthened its presence in the U.K. with the opening of a new business hub in London, followed by the opening of new Timberland and Vans flagship stores in the city. The U.K. is the most important market for the group in EMEA.

+++ **Philippe Joffard**, a former CEO and controlling shareholder of the **Lafuma Group**, has sold **Toptex Cube**, a French manufacturer of seamless clothing and luggage, to the French **Chamatex Group** +++ **11teamsports**, which is affiliated with **Intersport Germany**, announced the takeover of **Cawila**, a German brand of football equipment, from the **Wiegmann** family along with its online shop and a brick-and-mortar **Absolute Teampoint** store in **Niederlangen** that was franchised by **Sport 2000** +++ **Hummel** has started construction of an automated, 24,000-square-meter logistic center in the northern German town of **Pattburg**, which should be ready to operate sometime in 2022 +++ **Alistair Brownlee**, a British triathlon champion who won two Olympic gold medals, is partnering with a start-up accelerator, **Nova**, to support sports technology start-ups in the U.K., pledging to invest £1 million on their businesses in 2021 +++ **Woolpower** is building a new factory of 10,000 square meters in **Östersund**, Sweden, that will be double the size of the present one +++ **GarmontInternational** confirms the closing of **Riello Investment Partners'** acquisition of a 65% stake in the Italian company +++

Executive Changes

New Balance has announced the appointment of **Teddy Santis**, the founder of **Aimé Leon Dore**, as creative director for its **Made in USA** line of sneakers. The first Santis-designed products from his new multi-year deal with New Balance are expected to drop in 2022. Aimé Leon Dore is a fashion and lifestyle brand based in New York City. New Balance has been collaborating with Santis since 2019, releasing limited-edition sneakers in cooperation with his brand. Made in USA is a lifestyle-oriented line of popular New Balance styles such as the **992**, **993** and **990v5**. Made at one of New Balance's five assembly facilities in Maine and Massachusetts, they have at least 70 percent U.S. content to deserve this label.

Patagonia has announced the appointment of a new general manager for **Patagonia EMEA**, effective this May. **Matthijs W. Visch** will lead Patagonia's growing business in the Europe, Middle East and Africa region, which today counts more than 230 employees and 11 brand stores. He takes over from the previous general manager, **Ryan Gellert**, who is moving as planned into the role of global CEO of the holding company **Patagonia Works** after six years at the helm of the EMEA team. As noted by Patagonia, Visch brings 24 years of experience

building and leading large and diverse teams through a people-centric leadership approach. Prior to Patagonia, he spent nearly 20 years at **Nike**, most recently as vice president and general manager for EMEA East since, covering Eastern Europe, the Middle East and Africa. Before he assumed that role in July 2017, he introduced the football category for Nike in Japan, ran its operations in Turkey, served as global sales manager for basketball and took care of sales for Central Europe, Eastern Europe and the Middle East. Prior to his work at Nike, he spent four years with **Procter & Gamble Benelux**. Visch will be based in the company's EMEA headquarters in Amsterdam. In his new role, he will report to **John Collins**, vice president of global sales at Patagonia in California.

Saucony has announced the appointment of **Fábio Tambosi** as its new chief marketing officer, effective immediately. Tambosi has more than 18 years of experience in global brand-building, most recently serving as **Adidas'** global head of brand, planning and activation for its Sports Performance categories. Prior to Adidas, he served as **Nike's** brand director for Nike Football. While at Nike, he also helped lead the global launch of the **Nike Women** campaign. Before that, he held various marketing positions at **Nokia**. In his new role at Saucony, the running and lifestyle footwear brand of **Wolverine Worldwide**, he will be responsible for providing strategic development and execution of the brand's global branding initiatives, including advertising, brand positioning, direct-to-consumer, digital strategies, international growth initiatives and the expansion of **Saucony Originals**, the brand's heritage lifestyle business. He will report to Saucony's global brand president, **Anne Cavassa**.

Wolverine Worldwide appointed **Kathleen Wilson-Thompson** to its board of directors. A graduated lawyer and experienced top executive, she is currently also a member of **Tesla's** board of directors and brings global retail experience in senior management positions and a total of 14 years as a director with Tesla and two other public companies, **Vulcan Materials** and **Ashland**. Earlier this year, the Black American manager left as executive VP and global chief HR officer at **Walgreens Boots Alliance**, a global retail pharmacy, health and wellness company. Prior to joining Walgreens, Wilson-Thompson worked at **Kellogg Company** for 14 years in its legal department and as SVP of global HR.

+++ **The Lycra Company** has appointed **Yafu Qiu**, to date chairman of the company, and **Julien Born**, chief commercial officer of the company, as co-CEOs, effective April 1, 2021, following the retirement of **David Trerotola** +++ **Pentland Brands** has enrolled on the U.K. Government Kickstart scheme to help recruit candidates between the ages of 16 and 24 for the positions of junior motion graphics designer and junior social content designer +++ **Galvin Green** has promoted **Tom Romano** to the post of general manager for North America and hired a 28-year Nike veteran, **Lou Delfino**, to work as director of sales for the region +++ **Isbjörn of Sweden** has appointed **Sandra Nielsen** as e-commerce manager +++ **Crocs** has promoted **Heidi Cooley**, who has been in charge of marketing since

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2016, by giving her the new title of chief marketing officer +++ **Eric Sprunk**, who recently resigned as chief operating officer of **Nike**, has joined the board of directors of **Olvin**, a predictive insight and analytics start-up that uses AI to analyze retail traffic and other metrics +++

DTC & E-Commerce

Signa Sports United has announced an exclusive global partnership until 2025 between **TennisPoint**, its growing tennis e-commerce platform, and the **ATP Tour**. As the "official racket sports products retailer" of the ATP Tour, TennisPoint will connect ATP to Signa Sports United's platform technologies to launch an ATP Tour shop that will be made accessible to fans via a "Shop" icon on the **ATPTour.com** website. With this move, TennisPoint says it wants to broaden its global reach and awareness through a dedicated brand exposure on the ATP's website and official social channels, which currently reach over 8 million followers. The e-tailer, which recently acquired **Midwest Sports**, a major player in the U.S., said it wants "to leverage our global digital capabilities for the entire tennis ecosystem."

+++ The **Uvex Group** is opening an online B2C store, while continuing to work with **Amazon** +++ The Spanish **Sevilla** football club is opening a web store on the marketplace of **Aliexpress**, a subsidiary of the **Alibaba Group** that is very active in Spain, in exchange for signage on the payers' shirts +++ With **Ebay Deine Stadt** ("eBay Your City"), **eBay Germany** has launched a new project in cooperation with the German Retail Association (HDE) and ten cities that aims to strengthen local retail by allowing municipalities to set up local online marketplaces with their retailers +++ **Castore**, the young and ambitious British brand of premium performance clothing, has expanded its store in the Liverpool One shopping center to 2,600 square feet +++

Distribution

Toorx Fitness in Motion, an Italian brand of fitness equipment, is entering the Spanish market. According to *Palco23*, a Barcelona-based sport business periodical, after opening offices in Portugal and launching a webpage in Portuguese, the brand is now expanding its distribution network in Spain and will soon launch a webpage in Spanish as well. Toorx is a brand of **Garlando**, an Italian company founded in 1954 and headquartered in Pozzolo Formigaro, near Alessandria, which manufactures and distributes various types of sporting equipment. It is best known for its home football tables.

+++ **Slinger Bag** is entering the Czech and Slovak markets through an agreement with **RaketSport**, a distributor based in Prague which also represents **Technifibre**, **Pro Kennex** and **Victor** +++ Reporting on the logistics situation in Calgary, Canada, *Bloomberg* suggested that warehouse space across the entire country could run out by the end of 2021 due to the boom in e-commerce sparked by the pandemic +++

Retail

+++ **Sportler**, the Italian sporting goods retail chain owned by the **Oberrauch** family, has opened a 1,500-square-meter store completely dedicated to bicycles at Peschiera, on the southern edge of Lake Garda +++

Trade & Sourcing

+++ **Adidas** denies a report coming from Moscow that it is going to get shoes products in Uzbekistan +++

Results & Statistics

In an operational update on the first quarter ended March 31, which relates to the performance of **Anta**, **Fila**, **Descente**, **Kolon Sport**, **Sprandi** and **Kingkow**, but does not include the businesses of **Amer Sports**, **Anta SportsProducts Limited** said retail sales of Anta branded products advanced by 40 to 45 percent from the year-ago quarter, when the coronavirus pandemic led to strict lockdown measures in China. Retail sales of Fila branded products jumped by 75 to 80 percent in the period, while retail sales of other branded products grew even faster by 115 to 120 percent.

Yue Yuen Industrial Corp. reported a 30 percent jump in total revenues to \$870.9 million for the month of March as compared to a year ago, when the novel coronavirus pandemic shut down its manufacturing and retail operations in China. Revenues from manufacturing and retailing were up by 12 percent and 67 percent, respectively. In the first three months of 2021, the group's manufacturing revenues of \$2,493 million were 27 percent higher than in the same period of 2020.

According to a study conducted by cardiologists at the **San Carlos Clinical Hospital** in the Spanish capital of Madrid, patients who exercise regularly are eight times more likely to survive Covid-19 than sedentary patients. Published in the American medical journal *Infectious Diseases and Therapy*, the study examined 520 Covid-19 patients, aged 18 to 70, from February to April of last year, during the first wave of the pandemic. They were surveyed by telephone with a questionnaire based on the **University of Washington's** Rapid Assessment of Physical Activity Scale (RAPA). Sedentary patients made up 57.1 percent of the group and regular exercisers (minimum of 30 minutes twice a week) the remaining 42.9 percent. Of the patients surveyed, 13.8 percent were sedentary and died, while only 1.8 percent were active and died. There was also more smoking (6.7% vs. 3.6%), obesity (23.6% vs. 16.1%), respiratory insufficiency (53.9% vs. 35.9%) and renal insufficiency (14.5% vs. 6.3%) among the sedentary.

According to figures from **Union Sport & Cycle**, the French sporting goods industry association, the broader bicycle market (bicycles, parts and accessories) in France reached for the first time the milestone of €3 billion in value in 2020, representing an increase of 25 percent from the previous year. In terms of volume, bicycle sales, including all types of bicycles, progressed by 1.7 percent to 2,684,800 units. It

was rather the sharp increase in e-bike sales, which are on average more expensive, that drove the general rise in value. Sales of e-bikes jumped by 29 percent to 514,672 units. E-bike sales accounted for 19 percent of the sales in volume and 56 percent of their value. French consumers opted for expensive models when buying an e-bike, as the average price increased by 21 percent to more than €2,000. Meanwhile, sales of folding bikes rose by 95 percent to 23,000 units, while mountain bike sales jumped by 46 percent to 136,000 units. Furthermore, sales of cargo bikes exploded last year, registering a 354 percent increase.

Legal & Institutional

The **Alibaba Group** has agreed to make it easier for merchants to do business with it, without preventing them from using other platforms, as part of a series of "comprehensive rectifications" demanded by Chinese anti-trust regulators, which charged it of abusing its dominant market position. It will nevertheless have to pay a big fine of 18 billion yuan (€2.31bn-\$2.75bn), equivalent to about 4 percent of its annual sales in China. Noting that it has been only requesting exclusivity since 2015 for a small number of flagship stores on **Tmall**, Alibaba's management said the fine and the rectifications should not have any material impact on the company. Its statements triggered an 8 percent increase in its stock market capitalization.

FESI has launched a third survey to assess the impact of the Covid-19 pandemic on the sporting goods industry. It is open to any sporting goods company operating in Europe, with a tentative deadline of April 28 for the replies. A specific section is devoted to winter sports. FESI's previous survey, conducted in autumn 2020 before a second series of lockdowns in Europe, indicated that 55 percent of the respondents were predicting a sales decline of between 10 and 30 percent in 2020. Particularly strong concerns were raised by companies involved in the ski sector.

The U.S. **International Trade Commission (ITC)** has confirmed that **Garmin** and **Fitbit** are not infringing on two patents registered by **Philips**, concluding that they are invalid, but it did not overturn two other patents over which the Dutch electronics company is still in litigation with the two suppliers of wearables. The suit, which was filed by **Philips North America** and its Dutch parent company, is seeking an import ban in the U.S. on the health monitors used by Garmin and Fitbit. The patents that have been ruled invalid cover monitoring and alarm reporting functionalities.

A former marketing executive of **Nike** in charge of temporary retail venues until 2018, **Errol Andam**, admitted at a U.S. Attorney General office that he had made false statements and committed wire fraud and money laundering through various schemes that defrauded the company of \$1.49 million, according to *The Oregonian*. Andam, who was arrested at the beginning of February, faces 24 to 37 months in prison, in addition to the restitution of this amount, plus another \$173,172 owed to another company.

Icon Health & Fitness has filed its fourth suit against **Peloton Interactive** in the U.S. federal court in Delaware, where two other suits filed last year are still pending. This time, Icon is attacking the **Auto Follow** feature of Peloton's new **Bike+** model, which automatically adjusts its resistance to match an instructor's call-out. Claiming that it infringes its patent N° 10,864,407, Icon says it had developed its own basic interactive connected technology, called **iFit**, twelve years before Peloton was founded, displaying it in the late 1990s at the **Atlanta Super Show**. Among other things, Icon is also challenging the swiveling screen on Peloton's **Bike+**, stating that it infringes on a pending patent. Icon is seeking a finding of infringement, an injunction, damages and fees.

Supporting **Nike's** position in the case, a federal district judge in Brooklyn moved quickly to issue a temporary restraining order against the **MSCHF Design Studio**, forbidding it from fulfilling any orders for the modified "**Satan Shoes**" version of its **Air Max 97**. The defendants in the case said they had already sold all but one of the 666 pairs produced for the March 29 release, withholding the last one for a later raffle. They said they had already shipped the majority of the sneakers, but Nike's lawyer questioned whether so many orders might have been fulfilled so fast. The black and red Satan Shoes bore the Swoosh as well as a "Luke 10:18" mark, referring to a passage of the Bible on Satan's fall from heaven. MSCHF argued that they were "not typical sneakers, but rather individually numbered works of art" like the company's previous "**Jesus Shoes**," which were based on the same model and released in 2019. They wanted to make the point that everybody – even Satan – can do a collab now. Nike claimed that it suffered irreparable damage from the latest release, adding to the already significant confusion in the marketplace.

Nike said that the **MSCHF Product Studio** has agreed to voluntarily recall the "**Satan Shoes**" it has developed with a rapper as well as the **Jesus Shoes** it had launched in 2019 as part of a legal settlement. Both shoe models were unauthorized alterations of Nike's **Air Max 97**. According to Nike, MSCHF will offer full refunds to the purchasers of those shoes "to remove them from circulation." Earlier this month, a Brooklyn court approved a request by Nike for a temporary restraining order to block the sale of the "Satan Shoes" shortly after their public release.

The U.S. Patent Office's Trademark Trial and Appeal Board denied a bid by **VF Corp.** to register the design of **Timberland's** iconic **Yellow Boot**, concluding that it lacks sufficient acquired distinctiveness. The board noted that there was no evidence that competitors were trying to intentionally copy the boot's trade dress, although their products shared common features with Timberland's design. The board also downplayed statements by retailers, noting that the strength of the brand and the recognition of its logo were distinct from the design features that VF wanted to protect. VF's trademark application pointed to key features of the Yellow Boot's design such as its bulbous toe box, its ankle collar, the shape and color of its outsole, the rear heel panel, the eye-

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lets and the vamp from back to front. The board discounted the long use of the design: Timberland started selling the boot in 1988, but its basic design actually dates back to 1774.

A U.S. court has awarded \$4,299,163 to **Peloton Interactive** to cover attorneys' fees and other expenses it incurred in a sordid patent infringement suit brought in 2016 by **VR Optics**. The whole thing started when Peloton hired the **Villency Design Group** (VDG) in 2012 to design its well-known interactive stationary bike for home use, which it launched two years later with funding via **Kickstarter**. However, when Villency's owners discovered a **Microsoft** patent that might be infringed upon by the bike, they formed a new company, called **VR Optics**, which acquired the patent and then sued Peloton for infringement. As its contract with VDG required the latter to defend it against any patent lawsuits, Peloton filed a counter-claim. The issue was eventually resolved last spring when the judge in the case ruled that the patent was invalid due to prior art.

Puma has reportedly settled a dispute with the **U.S. Olympic and Paralympic Committee (USOPC)**, which claims to own trademarks for the **Tokyo 2020**, **Beijing 2022** and **Paris 2024** labels, with the right to use them for licensing and sponsorship agreements. The committee and **Team USA** had filed a suit against Puma, attacking its application for the registration of the **Puma Tokyo 2021**, **Puma Beijing 2022** and **Puma Paris 2024** marks. According to *Law 360*, Puma has withdrawn four related cases at the U.S. Trademark and Trial Appeal Board. Reportedly, Puma has also seen the preliminary rejection of applications made for the registration of marks such as **Puma Euro 2021** and **Puma Euro 2022**, referring to two UEFA championships in men's and women's football, as well as **Puma Eugene 2021**, referring to the **World Athletic Championships** due to take place in Eugene, Oregon in July.

Seoul's metropolitan government has notified the **International Olympic Committee (IOC)** of its bid to co-host the **2032 Summer Olympics** with Pyongyang, the capital of North Korea. According to a report by *Yonhap*, South Korea's news agency, Seoul's metropolitan government said on April 1st that a written notification of the bid had been sent to the IOC's Future Host Commission. The Australian city of Brisbane appeared to be the frontrunner to host the 2032 Summer Olympics, as also reported by *SGI Europe*, but the South Korean government asked the IOC to continue to hold negotiations with other bidding cities, as Brisbane has not yet been finally selected as the venue for those Games. Seoul's proposal is said to place particular emphasis on the promotion of global peace through sports. The host of the 2018 Winter Olympic Games was the South Korean city of PyeongChang.

It remains unclear whether the U.S. will boycott the **2022 Winter Olympics** in Beijing, either alone or in a coalition with other countries. Last month the U.S. Secretary of State, **Antony Blinken**, outlined the reasons, saying: "China uses coercion and aggression to systematically erode autonomy in Hong Kong, undercut democracy in Taiwan, abuse human rights in Xinjiang and Tibet, and assert maritime claims in

the South China Sea that violate international law." He delivered these remarks shortly before March 18, when he and the National Security Advisor, **Jake Sullivan**, met in the Alaskan city of Anchorage with China's top diplomat, **Yang Jiechi**, and foreign minister, **Wang Yi**. There, the Chinese dressed down the Americans, on camera, for impugning China's domestic policy while not having their own house in order. The State Department's spokesman, **Ned Price**, tweeted on April 6: "As I said, we don't have any announcement regarding the Beijing Olympics. 2022 remains a ways off, but we will continue to consult closely with allies and partners to define our common concerns and establish our shared approach to the PRC."

+++ **Intersport, Schuster, Rose Bikes** and other sporting goods and fashion retailers have formed a group on LinkedIn that is threatening to oppose the current national retail lockdown measures as anti-constitutional +++ Confirming its Brexit-related departure from London, the **European Fishing Tackle Trade Association (EFTTA)** said it will set up a new non-profit association in Brussels for itself and its subsidiary **EFTTEX** trade show +++ **North Korea** has announced that it will not participate in the **Tokyo 2020 Olympics** this summer, becoming the first country to drop out of the Games over Covid-19 fears +++

Product

The final installment of the **Adidas by Stella McCartney** spring/summer 2021 line is called **Beach Defender**. Developed under the creative direction of **Netti Hurley** and **Monika Mogi**, the accompanying campaign presents a "new line-up of activists connected by their passion for change, conserving our planet's waters and the invigoration that physical movement brings." These include the activist and mineral water researcher **Nagakura Nami**; the Sawanabori practitioner, mountain guide and hiker **Takigawa Ayaka**; the open-water swimmer and journalist **Seren Jones**; and the artist, musician and co-founder of **Shadow Sistxrs Fight Club**, **Ayesha Tan Jones**. In the collection's actual items the watery colors of white and storm blue predominate. The **Trisuit and Pull On** lightweight jacket has a built-in mesh bag in which to collect trash from the sea, while the **3-in-1 ClimaCool Vento** shoe has a removable inner sock for use on and in the water, and the **Bikini Top** and **Bikini Short** are made of recycled polyamide.

For the first time in the history of the brand, **Adidas** is bringing its iconic **Stan Smith** silhouette to golfers. The limited-edition **Stan Smith Golf** features a **Primegreen** upper made with high-performance recycled materials that use a minimum of 50 percent recycled content. The shoe's distinctive green colorway is meant as an environmental statement, part of the brand's journey to end plastic waste. The **Stan Smith Golf** also utilizes an adiwear rubber spikeless outsole with traction inspired by the shoe's original sole design. A die-cut PU sockliner and additional PU cushioning were added in the midsole to provide golf-specific support. The limited-edition **Stan Smith Golf** comes in the traditional **Adi-**

das Originals blue shoe box which also contains a commemorative dust bag. The footwear became available from Apr. 7 on [adidas.com](https://www.adidas.com), through the adidas app, and at select retail partners worldwide.

Adidas said that its newest tennis apparel collection was made using more sustainable dye technologies that allow color to be applied to garments earlier in the creation process. This method is said to save up to 60 percent of the water and energy traditionally used, thereby reducing the environmental impact of production. Furthermore, the new tennis apparel range has been entirely created with **Primeblue**, a recycled material made in part with **Parley Ocean Plastic**, as part of Adidas' commitment to completely phase out the use of virgin polyesters by 2024. The latest tennis collection, including both apparel and footwear silhouettes, is set to be worn by elite players at the **Roland Garros** in Paris. It is available via the Adidas app.

Asics has unveiled two high-performance running shoes, the **Metaspeed Sky** and **Metaspeed Edge**. The shoes were presented at **Asics' Innovation Summit 2021**, the brand's annual showcase of new performance sports products, which was hosted for the first time by taking guests on a personalized, interactive virtual reality journey. The two new models are based on what the brand describes as "human-centric design." The Metaspeed Sky and Metaspeed Edge have each been engineered by scientists at the **Asics Institute of Sport Science (ISS)** with a distinct type of running style in mind. The Metaspeed Sky is designed for "stride" runners, those with a long-lobing pace with large periods spent airborne to increase their speed by extending their stride length. The Metaspeed Edge is designed for those with a "cadence" style with smaller steps. Cadence runners typically increase their speed by both extending their stride length and increasing the number of steps they take per minute. The stride and cadence styles are the two most prevalent running styles among elite runners. The two shoe models have been optimized to improve the runner's performance for each of these two major running styles, Asics explained. Initial tests have shown that the new Metaspeed could help reduce the number of steps for a runner to finish a marathon by more than 1.2 percent, helping elite runners reach peak performance, the company claims. The Metaspeed Sky has been available globally via the Asics website and select specialty retail stores since March 31, while the Metaspeed Edge will be available from June 4. The company invites interested people to experience the new shoes in its virtual innovation lab, complete with a diagnostic tool to understand the type of runner they are, available as a web experience at www.asics.com/innovationsummit.

Cole Haan is stepping into the performance golf category with a spring 2021 collection of three shoe styles, designed for the specific requirements of the sport. The brand took three of its collections – the **ØriginalGrand**, **GrandPrø**, and **Generation Zerøgrand** – and optimized them for golf performance. The new golf offerings by Cole Haan, which was once a property of **Nike**, are said to offer key performance

features like steady traction, responsive cushioning and weather-proofing. All three styles embody Cole Haan's signature Grand 360 Design & Engineering system, for performance and comfort. The ØriginalGrand Golf Shoe and GrandPrø AM Golf Sneaker are available in both men's and women's sizing while the Generation Zerøgrand Golf Sneaker is exclusive to men's sizing. The Cole Haan Performance Golf collections, available in the U.S. and internationally since April 1, are priced in the \$140-\$170 range.

Arena has dedicated a retro-style capsule collection of swimsuits, T-shirts and sweatshirts to **Mark Spitz**, the American swimmer who in 1972 won more gold medals than any other single athlete ever had at any edition of the **Olympic Games** – setting world-record times in all of those events. His record of seven gold medals stood until 2008, when **Michael Phelps** won eight of them. According to the brand, the late **Horst Dassler** took his inspiration from Spitz when he founded Arena in 1973. The capsule's centerpiece is, naturally, the **Mr Allover Print** men's swimsuit, made of **MaxLife** fabric and coming in three styles. The women's version has a "super-fly" back drawn from the design of competition suits from the past. The **Mr Face** T-shirt, made of stretch cotton, displays Spitz's face, which is displayed in a larger size in the **Mr Big Face** shirt. The **Ms Hooded Sweat**, also made of cotton, rounds out the line. All items are available at arenasport.com.

Puma Golf has unveiled the **Ignite Proadapt Δ (Delta)**, a Proadapt golf shoe that features the brand's new **Adapt-Foam**. The shoe has been designed in collaboration with **Rickie Fowler**, the American professional golfer who plays on the **PGA Tour**. Puma's Adapt Foam is a new proprietary foam that utilizes a mixture of EVA cushioning and impact-resistant Styrene. The combination of the two materials is meant to deliver excellent ground-feel and high energy return. The Ignite Proadapt Δ also features a premium, full-grain leather upper design. Fowler started using the new Proadapt Δ on tour earlier this season, and will continue to wear it throughout 2021.

Puma is dropping a new collection of women's footwear, apparel and accessories inspired by the deepest seas, called **Ocean Queen**. The collection is worn by **Winnie Harlow**, the Canadian fashion model and a Puma ambassador. The designs are inspired by the sea, with colors like bright aquamarine, yellow and a soft pink. The footwear selection includes beachy takes on some of the brand's most popular women's styles, like the Oslo Femme, Cruise Rider, RS-Curve, RS-X and Hedra. Designed to inspire other women around the world, the Ocean Queen collection is part of Puma's **She Moves Us** platform, which celebrates the women who have moved culture and sports forward through some of its top female brand ambassadors. As part of the same campaign, **Puma** also launched a new **Mayze** sneaker on with a stacked midsole on April 7 through a campaign staging the singer **Dua Lipa**, who became an ambassador of the brand in November.

Reebok has introduced **Meet You There (MYT) x Memento**, the latest installation of Reebok's Meet You There franchise.

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The new apparel collection comprises a selection of lifestyle pieces in men's, women's and unisex sizes ranging from XXS to XXXL. The collection was brought to life through Reebok's partnership with **This Memento**, a strategy and insight agency based in Amsterdam. Over a period of six months, This Memento followed four consumers in Liverpool, U.K.: "a skater/techwear lover, a musician/hype beast, a vintage undefinable, and an on-trend streetwear lover." Insight from the four talents inspired and helped create Reebok's MYT x Memento line for spring/summer 2021. The collection comprises a MYT bralette, a MYT graphic tee with a large Reebok vector symbol, and a MYT Coaches Jacket. It is available globally on Reebok.com.

Saint Laurent has introduced **The Winter Game**, the fashion house's first capsule collection to include sports equipment. This new expansion of the **Saint Laurent Rive Droite** range has been designed by **Anthony Vaccarello**, the current creative director at Saint Laurent. The sport-inspired capsule collection comprises items in the ski, snowboard and basketball categories, and is the result of collaborations with renowned sporting brands. The iconic **Spalding** basketball, for example, was reimagined in a black snakeskin-effect texture, while the skis and snowboards are the result of a collaboration with **ZAI**. A classic **New Era 9Forty** style cap features a playful version of the YSL (Yves Saint Laurent) logo embroidered on the front. Also, a stylish black snow sledge was developed with **Sirch**. All the equipment in the capsule collection is black, the signature color of the French luxury fashion house. The launch of the chic sporting equipment is accompanied by black-and-white campaign photos. Saint Laurent Rive Droite's The Winter Game is available for purchase on the Saint Laurent website and at the fashion house's stores in Paris and Los Angeles. Saint Laurent alias YSL is one of the fashion brands of **Kering**, the luxury group that previously controlled **Puma** and **Volcom**.

Unrest is the name of a new French brand of fitness apparel made with 100 percent natural and biodegradable materials that is set for a launch in September, after nearly three years of development. Founded by **Lucile Trouette**, the brand is working with a Portuguese textile supplier while the manufacturing process takes place in Bordeaux, Trouette's hometown, as well as in a Portuguese workshop. The labels in organic cotton and **GOTS**-certified are made in Portugal. The start-up will accept pre-orders from April 19 to May 28, for an initial range comprising two models of unisex T-shirts and one especially designed for women. The initial price range is between €30 and €36 depending on the model and fabric, which will then evolve into €36 to €45. All the T-shirts are made with a blend of natural fibers on a Tencel base, the lyocell fiber produced by **Lenzing**. The signature Unrest T-shirt is made with 67 percent Tencel and 33 percent GOTS-certified organic cotton. One year before she set up her own company, with the aim of producing clothing for tennis and running, Trouette co-founded another apparel brand called **Civil Unrest**.

Kolon Sport, the South Korean brand of sports and outdoor apparel, has partnered with Italian nylon maker **Aquafil** to develop a new ecological material which they call **Kolon Nylon**. The 100 percent recycled nylon material has been used for ten garments in Kolon's spring/summer 2021 collection, including vests, jackets and pants. Kolon Sport is owned by **Kolon Industries**, a South Korean clothing firm. Kolon Sport says it plans to make at least 50 percent of its products using eco-friendly materials and methods by 2023.

+++ **Rossignol** is launching a brand new summer line of products and apparel for trail running, hiking and trekking +++ **CMP** has introduced the **Glow in the dark** jacket, ideally designed for the nighttime activity of cyclists and runners, as it is equipped with a phosphorescent compound – inside the fabric – that absorbs, stores and releases light when in the dark +++ **Sena Technologies**, a global **Bluetooth®** communications solutions company for the powersports and outdoor sports markets based in California, has introduced the **Rumba**, a new helmet for cyclists, skaters and casual street style whose communications technology is integrated directly into the helmet, providing 2-way Bluetooth intercom and smartphone pairing for music, GPS, phone calls and more +++ **Noble Biomaterials**, a U.S. developer of antimicrobial and conductivity solutions for soft surface applications, has released a new silver-based, self-cleaning, odor-eliminating fabric finish called **Ionic+ Durable** that it claims to be an effective, expedient way to deliver antimicrobial benefits +++

Marketing

Simon Gruber, a 33-year-old Italian snowboarder from the South Tyrol region, has signed a double partnership with **Northwave**. The experienced rider will endorse the company's brand of snowboard boots and equipment, **Drake**. He will also join the **Cinelli-Smith** gravel bike team, which is sponsored by Northwave.

Aquasphere, the Italian brand of swimming and triathlon equipment, has released an interactive guide to lenses for swimmers. Available in five languages on Aquasphere's website, *A Lens For Every Condition* pairs its 12 lens options with kinds of weather: sunshine brightness, cloudiness, precipitation, indoor conditions and so forth. The brand's sponsored athletes, among them **Tim O'Donnell** and **Mirinda "Rinny" Carfrae**, offer tips, as well. All the packaging is emblazoned with a QR code that will forward users to the website through their mobile devices.

Gill, the Nottingham-based marine apparel brand, has agreed an interesting multi-year partnership with **British Canoeing** that makes Gill the title partner for **Go Paddling** and all associated promotions, including the promotion of the brand's products and paddlesports in general. Go Paddling is an online paddling participation platform for British Canoeing. Under the terms of the deal, Gill and British Canoeing will collaborate on the development of new products and joint

marketing initiatives to promote paddlesports in the U.K. Go Paddling, launched in January 2019, provides information about places to paddle, waterways licenses and membership, other helpful hints and key advice on safety. Since its launch, the platform has attracted a large new audience and has significantly contributed to raise awareness of paddlesports in the U.K., British Canoeing said. In 2020, the Go Paddling website had more than 415,000 unique visitors and contributed to a record-breaking 30,000 new members joining British Canoeing during the year. Gill was created in 1975 by **Nick Gill** with a first clothing collection for sailing enthusiasts. The brand's apparel and accessories have since expanded across various outdoor water sports and lifestyle activities. For Gill, the new partnership with British Canoeing is meant to enable the further development of its range and increase brand awareness of its technical clothing range across the paddlesports community. The agreement is effective from April 2021.

U.S. Soccer has made **Hyperice** its "official recovery technology partner" for the next several years. Hyperice has been working with U.S. Soccer since 2013, but this is the federation's first sponsorship deal with the producer of a therapeutic device: in this case, for vibration, percussion and thermal treatments. Negotiated through **Soccer United Marketing (SUM)**, the deal will provide Hyperice products to all the players and coaches of the affiliated teams, whether they are members of a women's, men's, youth or "extended" (beach, futsal and para-7-a-side) national team. The deal takes effect this month and will cover the **2021 Tokyo Olympics** and the **2022 FIFA Men's World Cup** in Qatar. In other news, Hyperice has added the golfers **Tony Finau** (U.S.), **Sung-jae Im** (South Korea) and **Cameron Smith** (Australia) to its athlete roster. All three will be competing in the forthcoming **Masters** tournament, during which they will have recourse to the **Hyper-volt GO** percussion device. Hyperice became the **PGA Tour's** "official recovery device" in November.

As part of its repositioning, **Kettler** is supporting the **Prowject X** project of two Swiss 30-year-old women, **Sonja Graf** and **Marina Hunziker**, the only female team competing in this year's **Talisker Whisky Atlantic Challenge**, a 5,000-kilometer rowing race from La Gomera to Antigua. The German sports equipment brand, which rights are held by Swiss-based **Trisport**, will supply the high-end rowing machines for their training before the race across the Atlantic, which is set to last up to 90 days, starting in December 2021.

Macron is the new technical sponsor of the Bavarian Basketball Federation (**BBV - Bayerischer Basketball Verband**). Starting with the 2021/22 season (from July 1st), the Italian sportswear brand will be the official and exclusive technical provider of the BBV, dressing referees, regional selections and federal staff. The BBV represents all the basketball clubs and sport clubs with basketball departments in Bavaria. As part of the agreement, Macron will also create a BBV line of merchandise available to the general public.

GRM Marketing, a marketing and sponsorship agency based in Glasgow and a member of the **European Sponsorship Association**, has launched **Sponsor Lead**, described as Scotland's first online platform for sport sponsorships. Sponsor Lead is a B2B website designed to help establish connections between individual athletes, teams and businesses. The platform, which went live on March 31, assists customers across the whole of the U.K. Sponsor Lead has already signed up two Scottish Volleyball stars **Lynne Beattie** and **Mel Coutts**, the triathlon star **Calum Young** and the **East Kilbride Football Club**.

Puma has unveiled "Only See Great," a new brand campaign that is meant to spread a vision of hope, optimism and self-belief during these challenging times, and ahead of major sporting events this summer like the Formula One World Championship series, the European Football Championships and the Olympic Games in Tokyo. As part of the campaign, Puma ambassadors including **Neymar Jr.**, **Antoine Griezmann**, **Pep Guardiola**, **Usain Bolt**, **Lewis Hamilton** and many others will be featured in a series of media interviews and content on Puma's digital channels, offering their personal perspectives on striving for greatness during extraordinary times. The "Only See Great" campaign will lay the foundation for multiple product launches over the course of the year, including performance collections worn by athletes and federations at major sporting events this summer. The campaign idea was inspired by **Shawn "JAY-Z" Carter**, who first said: "I only see great. I don't see good. I don't see compromise. We should always strive to make something great, something that will last." JAY originally shared these thoughts on greatness in one of his first discussions around product design with Puma, the sports brand explained.

A forthcoming sale by **Sotheby's** will include a pair of **Kanye West Nike Air Yeezy 1** sneakers. The model was unveiled publicly during West's performance at the 2008 **Grammy Awards** and was released in a limited series the next year. The **Air Yeezy 2** followed in 2012. Nike had never before produced a shoe model for a non-athlete. West would soon part ways with the brand, however, and in 2014 signed on with **Adidas**. As this is a private sale, Sotheby's will not be disclosing the amount generated by the sale, which it projects will exceed \$1 million. The seller is **Ryan Chang**, co-founder (with **Simone Duff**) of **Applied Arts**, a media company in New York City that, in Chang's words, "features sneakers as art objects." He has agreed to have the sneakers put on display in Hong Kong on April 16.

+++ **Perry Ellis International** and the **PGA Tour** have extended their apparel licensing deal, which started in 2004, for a further four years until 2025, with contingent renewal options to extend the partnership through the end of 2028 +++ **Superdry** has signed a global three-year partnership with **Neymar jr.** for sustainable fashion products, starting with a line of underwear and sleepwear made with 100% organic cotton +++ **New Balance** replaces **Under Armour** as the new sponsor of the Boston College for all varsity sports except football

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under a 10-year contract reportedly worth \$45 million +++ The **French Volleyball Federation (FFvolley)** has launched a tender to find its new technical partner - to replace **Erreà** - from 2022 until 2025, and will accept proposals until May 10 +++ **La Sportiva** is the main sponsor of the **Villacidro Skyrace**, a trail running event on the Italian island of Sardinia whose fourth edition will take place on April 25, to coincide with Italy's Liberation Day +++ **Rewoolution**, the Italian activewear brand, will be the technical sponsor of **Simone Perona** in his venture as the first Italian athlete with an intellectual disability to take part in the **BI-Ultra 6.24** 24-hour ultramarathon +++ **Le Coq Sportif** is a new official supplier of the **French Federation of Judo, Jujitsu, Kendo and Associated Disciplines (FFJDA)**, with a new contract to dress the athletes of the French team for official competitions +++ **New Balance** signs up **Harvey Elliott**, the 18-year-old **Liverpool FC** winger who is the youngest player in the **English Premier League** +++ **On Running** has signed a contract for performance shoes and apparel with **Anna Veith**, the 31-year-old former Austrian alpine ski champion sponsored by **Head**, who is about to get her first child + ++ **Francisco Lindor**, a baseball shortstop player with the **New York Mets** who is also known as Mr. Smile, is joining **Oakley's** team of pro athletes +++ **Acerbis Italia** has extended its technical sponsorship deal with **Spezia Calcio**, a football team that currently plays in Italy's Serie A, until the end of the 2022/23 season +++ **Arena** has extended its contract with the **Italian Swimming Federation (FIN)** as its exclusive partner through the 2024 Olympic Games in Paris +++ **Speedo** has signed up **Cody Miller**, an American swimming champion who has his own **YouTube** channel +++ **Huub** and **British Triathlon** have announced a new four-year agreement that makes the U.K.-based brand the official wetsuit and swimwear partner of British Triathlon until 2024 +++ **Ted Ligety**, the 36-year-old American alpine ski champion, has become an ambassador for **Kjus** under a contract that also calls for his collaboration in the design and development of future ski collections +++ **Wilson Italia** has announced a two-year sponsorship deal with **Chiara Pappacena**, No. 1 in Italy's padel tennis ranking and No. 68 in the world +++ **Paul Fireman**, who built up **Reebok** into a powerhouse before selling the brand to **Adidas**, has received the 2021 **Lifetime Achievement Award** from *Sport Business* +++

Trade Shows & Other Events

+++ According to a new poll by *Kyodo News*, 39.2% of Japanese citizens want the **Tokyo 2020** Games to be cancelled while 32.8% would like another delay +++ The **European Tour** will return to Belgium next season with the staging of the **Soudal Open** at the **Rinkven International Golf Club** in Schilde, near Antwerp in May or June 2022 +++ The **French Golf Open**, which was due to be held on May 6-9, has been cancelled because of new Covid-19 restrictions, and no new date has been set yet +++

CSR & Sustainability

After the winter is still not over in Germany with night temperatures around -3°C, many homeless people are continuing to struggle, especially in times of Covid-19. Under the hashtag **#Lässtmichnichtkalt**, **Intersport Germany** has joined forces with **Caritas** to call on its customers and partners to take part in a relief and donation campaign. The aim is to collect warm winter clothing and distribute it to those in need. The appeal has inspired many people to join in, including well-known winter sports and outdoor athletes such as **Anja Blacha** and **Felix Neureuther**, or companies such as **Maier Sports**, which has provided warm lined pants and jackets.

Adidas has launched the **Stan Smith Mylo**, its first shoe whose upper is made with the **Mylo** material, a soft, natural and renewable alternative to leather that uses mycelium, which comes from the roots of mushrooms. Developed by a biotechnology firm, Bolt Threads, Mylo is described by the company as a versatile material that can take on any color, finish or embossing, and its fibers are said to be very strong. The midsole of the Stan Smith Mylo uses natural rubber. As part of its commitment to end plastic waste, Adidas had launched earlier this year a version of its iconic Stan Smith shoe featuring a **Primegreen** upper made with 50 percent recycled material.

Champion Athleticwear has introduced two new environmentally conscious collections – a range of **Natural State Reverse Weave** clothing and **Rally Pro Earth** footwear. The Natural State Reverse Weave product line contains recycled polyester fibers and uses minimally processed and unbleached fabrics, along with all-natural dyes derived from flowers, roots and plants. The collection is characterized by natural, muted tones, and comprises T-shirts, hoodies, crew-neck sweatshirts, joggers and shorts. The Rally Pro Earth is Champion's first sneaker assembled with 25-45 percent upcycled and 50-65 percent recycled materials. The percentages vary by shoe color, the company said. The sneaker also contains an upcycled EVA rubber outsole and rubber logo sole for traction, and it is packaged in recycled boxes. The Rally Pro Earth sneaker is being launched through a footwear license for the brand, **BBC International**. The two new lines are being introduced as part of the "Champion Made" sustainability pledge to create athleticwear that "feels good, looks good and, most importantly, does good." By 2025, as part of the **HanesBrands** family, Champion plans to use 100 percent recycled polyester and 100 percent sustainable cotton in all of its apparel. It also wants to reduce the absolute weight of packaging materials used for products by 25 percent and achieve zero waste across its operations.

Kipsta, Decathlon's private label brand for team sports products, is releasing the replica of the official ball of the **Danone Nations Cup**, the world's biggest football tournament for boys and girls aged 10 to 12. Kipsta is the technical partner of the tournament, which Danone has been organizing since the year 2000. The ball will be available for purchase exclusively at Decathlon shops and via Decathlon websites at a price of

€10. For each ball sold, the company will make a donation of €3 to **Watering Minds** that will allow a child to access potable water for a year via his school. This new initiative follows a similar project that Kipsta and Watering Minds carried out in 2019, when proceeds from the sale of laces were donated for the same cause. Around 50 percent of schools around the world do not have access to safe drinking water. Since its creation in 2016, Watering Minds has sponsored 183 schools and nearly 40,000 students.

Michael Jordan and **Nike's Jordan Brand** have announced a first round of Community Grants to grassroots organizations focused on black Americans and the themes of "social justice, education and awareness and economic justice." The program, which will be drawing disbursements from a \$1 million fund through **Rockefeller Philanthropy Advisors**, will be accepting applications for 30 days, from March 31 to April 30, from American organizations with annual budgets of less than \$3 million. The jury will comprise members of the management of the Jordan Brand and the **Michael Jordan Family Office**. Last year Michael Jordan and the Jordan Brand donated to the **NAACP Legal Defense and Educational Fund (LDF)**, the **Formerly Incarcerated Convicted People & Families Movement (FICPFM)** and **Black Voters Matter**.

Nike has begun selling reconditioned sneakers at "up to" 15 stores in the U.S., with plans for more. The program is not going to be implemented in Europe until further notice. Inaugurated on April 12, the **Nike Refurbished** program operates with Nike sneakers returned within 60 days of purchase, which are inspected and "refurbished by hand." Nike then categorizes them as "like new" (worn briefly), "gently worn" (worn longer) or "cosmetically flawed" (presenting small manufacturing defects or imperfect colors) and sets their price by model and condition. Refurbished sneakers are covered by a 60-day "wear test" as a warranty. Refurbished sneakers that are returned a second time are donated, if they still qualify as "gently worn," or ground into a proprietary material called **Nike Grind**. For customers who don't return refurbished sneakers, Nike is encouraging donations to charities.

PrimaLoft has launched a new version of its best-selling down alternative, **PrimaLoft® Insulation ThermoPlume®**. The blowable synthetic insulation is now made from 100 percent post-consumer recycled materials. The company says this type of insulation technology has earned a strong reputation for its ingredient brand in outdoor apparel and fashion markets four years after its introduction. More than 40 brands have already used its loose-fill microfiber insulation, which looks and feels like down. The 100 percent synthetic and now 100 percent recycled ThermoPlume also offers comparable warmth performance to real down, even when wet, PrimaLoft claims. For the upcoming autumn/winter 2021/22 season and with the introduction of **PrimaLoft Insulation ThermoPlume 100% PCR**, PrimaLoft says the number of processing textile partners is increasing dramatically to more than 70, with more than half having already switched to the fully recycled version. In the outdoor sector, the list of its clients includes brands such as **CMP, La**

Sportiva, Millet, Montane, Picture Organic Clothing, Rossignol, Salomon, Timberland and Woolrich.

Reebok is introducing the **Nano X1 Vegan**, a new sneaker that builds off from the **Nano X1** launched earlier this year. The Nano X1 Vegan is an animal-free, **United States Department of Agriculture (USDA)** Certified Biobased Product featuring a minimum of 40 percent bio-based materials. The shoe is made up of 100 percent animal-free materials and products, including a cotton and wood spun yarn upper, castor bean oil and EVA foam midsole, and natural rubber outsole. The Nano X1 Vegan will be available for purchase starting May 1st for \$150 on in men's and women's sizes. **Reebok Unlocked** members will receive early access starting April 19.

Saucony and **GoodGym**, a British charity, have announced a new partnership that will make the brand the exclusive apparel and running footwear partner of GoodGym for the next two years. Headquartered in London, GoodGym combines regular exercise with helping communities. Its group of runners walk, run or cycle to help community projects. They also help older people with practical tasks. The official launch of its partnership with Saucony will take place in May. New T-shirts with the Saucony logo for GoodGym members will be launched in the summer. As part of the agreement, all members will get a 20 percent discount for purchases made on Saucony's website.

Under Armour has signed an endorsement deal with the England rugby star **Maro Itoje**. With his support, it will be donating £1 million (€1.2m-\$1.4m) in sports apparel to **Kit Us Out**, a charity operating out of the U.K. that provides sporting goods for poor children around the world. UA's donation will be going to Nigeria, where Itoje's family is from, as well as to children in the U.K. and other countries. It will include products from the **Rush** and **Recover** collections. Itoje has done other charitable work in the past, notably on educational inequality and the digital divide in the U.K.

Under Armour (UA) has announced three specific commitments to reduce the impacts of its operations on the environment. Firstly, the company has committed to reduce absolute scope 1, 2 and 3 greenhouse gas (GHG) emissions by 30 percent by 2030 from a 2018 base year - a science-based emissions target approved by the **Science Based Targets initiative (SBTi)**. The reduction of the scope 1 and 2 portion is also consistent with the levels required to keep global warming at 1.5°C, the goal set by the 2015 **Paris Climate Agreement**. Secondly, UA has committed to increase the portion of renewable electricity used for its own and directly operated facilities to 100 percent by 2030, with an interim goal of 80 percent by 2025. This objective comes as UA joins **RE100**, a global corporate energy initiative that brings together businesses committed to 100 percent renewable electricity. Finally, the company intends to achieve net zero GHG emissions by 2050 as a pledge to the **Business Ambition for 1.5°C Campaign**, a call-to-action led by SBTi in partnership with the **UN Global Compact** and the **We Mean Business** coalition. UA said that it will provide updates on its progress against these

climate goals while continuing to explore opportunities to partner with other stakeholders toward sustainable business approaches.

Other

+++ **Kempinski Hotels**, which claims to be Europe's oldest luxury hotel group, partners with **Technogym** to offer innovative in-room training solutions and on-demand fitness services for its guests, including indoor cycling classes with a new **Technogym Bike** +++ **Forbes** has added **Helen Johnson-Leipold**, chairperson and CEO of **Johnson Outdoors**, to its World Billionaires list for 2021, calculating her net worth at \$3.6 billion +++

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