

## # THE BUZZ

How many Outdoor Retailer shows will we all be going to in the next seven months? The upcoming **Outdoor Retailer Show** dates in Denver are July 23-26, followed by two more in the winter months—November 8-11, 2018 and January 30-February 1 (2019).

**Bearpaw Holdings**, the Citrus Heights, CA parent of the moderately priced, comfort casual fashion brand, **has acquired the 59-door Flip Flop Shops franchise** retail chain from Cherokee Global Brands. Financial terms of the transaction weren't immediately disclosed. From a strategy perspective, it's possible Bearpaw, owned and founded by **CEO Tom Romeo**, will use the acquisition to broaden its distribution and test new Spring/Summer styles with a new customer base. "It's a possibility, there's potential," John Pierce, president of Bearpaw, tells *Outdoor Insight*. "We've got some products that fit their model. We're not going to force the issue, but if we feel there's something that's a right fit, we will take advantage of it."

**Dave Snow** has joined **Tifosi Optics'** national sales management team as the west coast/Canada sales manager for Tifosi's bike, run and golf specialty sunglass business. Snow is no stranger to the sunglass industry, with more than 20 years of sales management experience, including recently serving as the North American sales manager for Ryders Eyewear.

**Action sports lifestyle retailer Zumiez** has experienced seven consecutive quarters of positive comparable store sales growth. How? One of its primary tactics is delivering a fresh assortment to customers wherever they shop. "Our model is about the diversity of the brand selection, and not just at a national level but one that relates to local store by store assortments," CEO Richard Brooks told analysts. "Our ability to micro assort small brands that are relevant in local markets is a very important part of our business, not necessarily for driving sales but for driving newness for our customer that cares about uniqueness ... so they are willing to wear those new brands first. That's really a hallmark of a big part of our business."

## GoLite Is Back With A Fresh Take



**A**pparel brand GoLite has relaunched under new ownership and brand execs say they will focus on making sustainable performance products that enable outdoor athletes to "do more in nature with less."

GoLite's new products will merge outdoor performance and athletic functionality into a category the brand calls "Outletics." Key outletics focus areas include: earth-friendly, lightweight, active function, outdoor/athletic and a systems approach.

Back in 2009, GoLite executives had big dreams. The firm hoped to use 100 percent environmentally preferred materials by 2015. Plans had been in place to become carbon neutral by 2010. Things didn't go as planned. Sustainable materials and DWR sparred at the compromise of performance. Recycled shell fabric (to be used in shorts) cost 80 percent more than virgin polyester, thus digging into margins. Retail faltered.

Now the brand has new investors and a new strategy. Humanitarian efforts are a key focus for the brand in its new iteration. "We're lucky in that the people who bought the brand (a Taiwanese-based holding company), it's a huge priority for them," says GoLite's new design director for apparel, Caroline MacMillan. As part of its business plan, GoLite has an extended window to achieve profitability.

The brand is also committed to using sustainable fibers, finishes and manufacturing processes. More than 80 percent of the new line was developed from environmentally preferred, recycled and low energy production materials and processes. ■

## How Deckers Plans to Continue Growing

**T**he current strategy for the parent company of Hoka, Teva, Sanuk, UGG and more is to focus on tightening international distribution for the Teva and Sanuk brands to help return both labels to top line growth. Coming off a strong fiscal year overall that was bolstered by a cold winter that had a positive impact on its brands, Deckers Corp. also intends to rationalize its brick-and-mortar and online wholesale accounts for its UGG brand this year as it continues to invest in its Hoka One One brand.

Hoka growth is expected in the mid-20 percent range, bolstered by U.S. and international expansion. In total, the company is forecasting two



percent top line growth in fiscal year 2019 following a year where annual revenues increased six percent to \$1.9 billion.

"We still think we can exceed the 2020 targets of \$2 billion in annual revenues and a 13 percent operating margin and we're tracking toward that," president and CEO Dave

Powers recently told analysts. "But we've taken this opportunity this year to be realistic and smart about the distribution of the inventory."

In the recently completed FY18, UGG sales, fueled by international wholesale and global ecommerce, rose four percent to surpass \$1.5 billion. Hoka, which recently launched collaborations with Outdoor Voices and Engineered Garments, generated a 47 percent revenue increase to \$153 million as U.S. wholesale improved nearly 40 percent. Koolaburra sales more than doubled over the 12 months to \$18 million, and Teva sales rose 13 percent to \$134 million on high-teens growth in U.S. e-commerce. ■