

NEWS ALERT



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ON THE WORLD SPORTING GOODS INDUSTRY!

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FINA bans use of record-breaking swimsuit technology

The Fédération Internationale de Natation (FINA) has agreed to ban the record-breaking swimsuit technology that led to 108 world records last year and almost 30 already this year, according to reports from several sources including the Associated Press. The new rule will not take effect until 2010, as the 13th FINA World Championship is currently underway in Rome. According to swimnews.com the rule, SW10.7

reads: "No swimmer shall be permitted to use or wear any device or swimsuit that may aid his/her speed, buoyancy or endurance during a competition (such as webbed gloves, flippers, fins, etc.). Goggles may be worn. Any kind of tape on the body is not permitted." The ruling means that all use of non-textile fabrics will be barred by Jan. 1, 2010. The argument for the ruling is that the non-textile suits,

made from polyurethane, provide more speed and buoyancy to the swimmers, according to several published reports. Yet swimsuit makers may argue that advances in sport technology can only benefit the sport and to deny access to these technologies would be putting the sport back decades to before it existed.

Source : SportsOneSource

Converse nears Billion Dollar mark under Nike, Inc. umbrella

Converse widened its gap over the other brands in the Nike, Inc. subsidiary portfolio for the fiscal year ended May 31 and looks to be poised to reach the billion dollar mark in the current year. Converse posted a 12.6% increase in revenues for the fiscal 2009 year, reaching \$915.3 million for the year. The details were outlined in the Nike, Inc. form 10-K filed with the SEC. Converse fiscal 2008 revenues amounted to \$729.0 million. Nike, Inc. acquired Converse in 2003 in a deal worth

\$305 million. Converse reported full year revenues of \$205 million in the year ended December 31, 2002. Nike Golf lost ground in the market in the last fiscal year, posting a 10.6% decrease in revenues for the year to \$648.3 million from \$725.2 million in the prior-year period. Cole Haan also posted a decline for the year, with revenues dipping 5.0% to \$471.6 million from \$496.2 million in fiscal 2008. Hurley revenues jumped 18.6% to \$202.9 million for the year from \$171.1

million in the prior year and Umbro posted \$174.0 million in revenues under the NKE umbrella for the year versus just \$53.9 million for the brand for the three months ended May 31, 2008. Nike, Inc. acquired Umbro in March 2008 for approximately \$576.4 million. The overall NKE subsidiary business dipped under one percent for the year, due primarily to the divestiture of Nike Bauer Hockey and Starter.

Source : SportsOneSource

Sustaining Members



adidas AG reassigns Board responsibilities

The adidas Group announces its latest decision in its drive for more organisational effectiveness and efficiency. Following the already announced structural changes on a brand, regional and market level, the Group will now separate the responsibility between global brand and global sales management on the Board level. Herbert Hainer, adidas Group CEO and Chairman, will additionally assume direct responsibility for Global Sales. Roland Auschel, Chief Sales Officer, and Michael Stanier, Chief Retail Officer, will report directly into Herbert Hainer. At the same time, Erich Stamminger, Member of the Executive Board of the adidas Group, will take on the responsibility for Global Brands, comprising the brands adi-

das and Reebok. Bernd Wahler, Chief Marketing Officer adidas Sport Performance, Hermann Deininger, Chief Marketing Officer adidas Sport Style, and Uli Becker, President of Reebok, will report into Erich Stamminger.

As a result, the roles and responsibilities of the members of the Executive Board of the adidas Group will in the future look as follows:

- Herbert Hainer, CEO and Chairman, Global Sales
- Glenn Bennett, Global Operations
- Robin Stalker, Chief Financial Officer
- Erich Stamminger, Global Brands

Due to the different business model of TaylorMade-adidas Golf and Rockport, Mark King, President of TaylorMade-adidas Golf, and Mi-

chael Rupp, President of Rockport, will continue to report directly into Herbert Hainer. This new structure follows two important principles: to foster further alignment and strengthen brand management supporting long-term sustainable growth, while at the same time ensuring coordinated and best practice execution in the marketplace. This change at Executive Board level will mirror the already announced changes in the global organisation and in the local markets. The new structure clearly leverages the strength of the adidas Group management team and will ensure the Group delivers best in class service to its consumers and customers.

Source : adidas

EU decision on Asia shoe duty

The European Commission is expected to decide in September whether to propose extending dumping duties on imports of leather shoes from China and Vietnam, but most EU states want them scrapped, EU sources said. Last October, the Commission -- which oversees trade policy for the 27-country European Union -- extended duties of up to 16.5 percent on Chinese leather shoes and 10 percent on those made in Vietnam, pending a review. A majority of EU countries had opposed that move. Industry and diplomatic sources with knowledge of the case told Reuters on Friday they expected Brussels to complete its review and submit its proposal for approval by member states by the end of September. "The Commission's proposal is expected to be submitted to member states in September. But as it stands the majority, or at least 15 member states, favour termination," one source said. Britain, Austria, Belgium, the Czech Republic, Cyprus, Denmark, Estonia, Finland, Germany, Ireland, Latvia,

Luxembourg, Malta, the Netherlands and Sweden want the duties scrapped immediately, before the lucrative Christmas retail period, an EU diplomat said. "Major shoe-producing countries Italy, Spain, France and Poland are all leading the charge to keep the duties," the diplomat added.

The EU regularly splits over dumping cases between its member countries supporting freer trade and those worried about Chinese competition against their own manufacturers. The shoe duties were introduced in 2006 only after a compromise deal to keep them in place for just two years, instead of the usual five. If extended again, Commission sources say the duties would last at least five years.

But the industry and diplomatic sources said a compromise being considered by EU Trade Commissioner Catherine Ashton -- a Briton -- would allow the duties to lapse once they expire on Jan. 3.

"This would give certainty either way to EU importers before the

busy Christmas period and at the same time allow EU producers the time to adapt and plan against cheaper imports from Asia," another source said.

European retailers and global shoemakers, led by sports shoe producers such as Adidas, Asics, Nike and Puma want the "shoe taxes" axed given the gloomy economic outlook and dwindling consumer spending in Europe caused by the worst financial crisis in about 80 years. But European manufacturers say they are unable to compete against low-cost producers in China and Vietnam and accuse those Asian governments of giving unfair subsidies that lower costs.

A review can take between 12 and 15 months, but the Commission had said it hoped to complete its work more quickly. It said it could reimburse the extra tariffs imposed during the review should it be proven that the duties were unnecessary.

Source : Reuters

Sustaining Members



Nike, Inc. commits to helping halt Amazon deforestation

Nike, Inc. reinforced its commitment to the environment by releasing new leather sourcing guidelines aimed at helping slow the rate of Amazon deforestation due to cattle grazing within the basin. Given Nike's proven track record on environmental and sustainability issues, Nike responded quickly when Greenpeace identified that cattle grazing for meat production, and leather as a by-product of meat production, are contributors to Amazon deforestation. Nike has had extensive conversations with its leather suppliers to gain the most accurate picture possible of our leather sourcing footprint. Nike can say with a high level of certainty that leather used in Nike products is not sourced within the Amazon ba-

sin. However, recognizing that there is no current leather traceability system to track the origins of leather with 100 percent confidence we have released a policy which requires our suppliers to establish a traceability system over the coming year. In addition, we have also signed Greenpeace's 'Commit or Cancel' principles which call for a moratorium on deforestation. Beyond traceability, Nike would also call for the establishment of an enforceable certification system for all industries involved in the Brazilian meat and leather supply chain. Nike values collaboration and continued dialogue on important issues in order to implement change for a more sustainable future. To this end Nike will continue to work with the in-

dustry's Leather Working Group, Greenpeace and other stakeholders to address this issue across the supply chain. Moving forward, we will also require all suppliers of leather for Nike product to join the Leather Working Group by December 2009. Nike and Greenpeace share a common interest in addressing the causes of climate change. Nike has demonstrated its commitment by calling for US legislative action through its initiation of the Business for Innovative Climate and Energy Policy (BICEP) coalition, eliminating the global warming gas SF6 used in Air-Sole cushioning units, and in 2007 reducing our annual CO2 emissions to 18 percent below 1998 levels.

Source : Nike

VF. Corp. reports Q2 sales fall 11%

VF Corporation announced second quarter revenues were \$1.49 billion, a decline of 11% compared with \$1.68 billion in the second quarter of 2008, with foreign currency translation accounting for 3 percentage points of the decline. Net income in the current quarter was \$75.5 million compared with \$104.0 million in the prior year's quarter. Earnings per share declined to 68 cents from 94 cents, with over half or 14 cents per share of the decline due to higher pension expense and foreign currency translation impacts of 11 cents and 3 cents per share, respec-

tively. For the first half of 2009, revenues were \$3.21 billion, down 9% from the \$3.52 billion in the first half of 2008. Foreign currency translation accounted for 4 percentage points of the decline. Net income and earnings per share each declined 30%, to \$176.5 million and \$1.59 respectively. Over half or 36 cents per share of the earnings per share decline was due to higher pension expense and foreign currency translation impacts of 23 cents and 13 cents per share, respectively. "Business remains undeniably tough across most categories,

channels and geographies, but I am pleased that our largest brands - Wrangler, Lee, The North Face and Vans - continue to gain share in most markets," said Eric C. Wiseman, Chairman, President and CEO. "While we see some signs of stabilization occurring, we remain very cautious about the outlook for consumer spending for the balance of the year. We will continue to plan our business conservatively while investing in our brands and maximizing every effort to gain market share."

Source : SportsOneSource

Asics settles suit against Dolce & Gabbana

Dolce & Gabbana SpA of Italy settled a lawsuit by Asics Corp., which accused it of copying stripe designs on its footwear. U.S. District Judge Howard Matz in Los Angeles, according to Bloomberg News, dismissed the trademark-infringement action

last Friday, citing a confidential settlement agreement between the fashion house and Asics. Dolce & Gabbana was sued in September over claims it used a confusingly similar design on at least five footwear models to mislead consumers and trade on Asics' popularity. D&G

allegedly copied an interlocking stripe motif used for 42 years on most Asics shoes.

Source : SportsOneSource

Sustaining Members



FSPA supports UK Conservative's recommendation to cut VAT on sports goods

Ever keen to support initiatives that aim to increase physical activity in the UK, national trade body the Federation of Sports and Play Associations (FSPA) has recently written to David Lewis, chairman of the Public Health Commission, and Andrew Lansley MP, Shadow Secretary of State for Health, in support of the UK Conservative Party's Public Health Commission's recommendation to cut VAT on sports goods to encourage the public to take up more exercise and thereby improve

their health. The FSPA is in support of the Public Health Commission's report, 'We're All In This Together - Improving the Long-Term Health of the Nation', as with over 80,000 avoidable deaths occurring each year in the UK due to poor lifestyles and lack of exercise the FSPA welcomes any initiative that encourages people to become more physically active. The commission's recommendation to cut VAT on sports goods is particularly welcomed by the national trade body as it has the

twin appeal of not only improving public health, but also boosting the UK's sports and leisure industry. The FSPA is now awaiting confirmation of a meeting to discuss how increasing sports participation in the UK can greatly assist in improving the health of the nation and how the FSPA might be able to work with the Conservative Party in this area of policy.

Source : FSPA

US May Sporting Goods store sales drop

For the fourth consecutive month, the Monthly Retail Trade Survey, prepared by the U.S. Census Bureau, reported a drop in sales in sporting goods stores. For the most recent reporting month (May), sales fell 3.9% after dropping 1.0% in April, 2.2% in March and 1.8% in February. April sales were \$3.16 billion (preliminary) versus \$3.29 billion in May 2008. The May decline was the sharpest since June 2002 when sales declined 3.3%. Following four consecutive months of declines, year-to-date sales in sporting goods stores finally moved negative. Sales had been so strong in January (up 7.0%) that it took the sales declines of the next four months to bring year-to-

date sales into negative territory. Year-to-date sales in sporting goods stores are down 0.8%. Sales growth for the full year 2008, the slowest since 2002, is only a third of the previous year. Sales for 2008 were \$37.1 billion, up 2.3% from 2007. Sales for 2007 reached \$36.3 billion, up 6.3% from 2006 sales of \$34.1 billion. Sales in 2006, up 10.6% over the previous year, represented the strongest increase in the past 10 years. Total sales for calendar year 2005 were \$30.9 billion, up 7.0% from 2004. In 2004 sales were \$28.85 billion, up 6.2% versus 2003. Sporting goods store sales for all of 2003 were \$27.17 billion, a 3.1% increase versus 2002 when sales

were up a meager 0.2%. The estimated annual sales for sporting goods stores in the U.S. Census Bureau Monthly Retail Trade is consistent with sporting goods sales reported in the NSGA study "The Sporting Goods Market." The U.S. Census Bureau estimates are based on data from the Monthly Retail Trade Survey, Annual Retail Trade Survey, and administrative records and have been adjusted using results of the most recent economic census. The NSGA study is based on a sampling of 80,000 U.S. households.

Source : NSGA

Increase in turnover for Brunotti collection Fall/Winter '09/10

Brunotti, the Dutch boardsports brand, completed the sales of the collection Summer 2009 successfully with a growth of 16% compared to Summer 2008. This growth continued for the season of Winter '09/10, with an overall increase of 34%. These positive results are caused by the structural growth in direct distribution countries with own Sales

offices like The Netherlands, Germany and Austria. The export countries are responsible for 66,5% of the total turnover. The turnover decreased with 18% in some countries. The East European countries suffered difficulties, like Poland, Russia, Bulgaria and Ukraine. For these countries it is hard to deal with lower currencies of neighbour-

ing countries, compared to the relatively expensive Euro. For coming season Brunotti expects more difficult times. The company is reinforcing by investing in, for example, buying, styling, marketing and shop-in-shop systems.

Source : Brunotti

Sustaining Members



adidas first half year 2009 results

During the second quarter of 2009, Group sales declined 8% on a currency-neutral basis due to sales declines in all segments with the exception of TaylorMade-adidas Golf. Currency-neutral adidas segment revenues decreased 9%. Growth in North America and in Latin America was offset by declines in most major European and Asian markets. Currency-neutral sales in the Reebok segment decreased 9% in the second quarter of 2009 versus the prior year due to negative sales development in most major markets. At TaylorMade-adidas Golf, currency-neutral revenues increased 3%, driven by growth in nearly all regions and supported by the consolidation of the Ashworth business. Currency movements positively impacted Group sales in euro terms. Group revenues decreased 3% in euro terms to € 2.457 billion in the second quarter of 2009 from € 2.521 billion in 2008.

"The impacts of the economic downturn and repercussions on consumer spending are well documented and certainly continued to influence our performance in the second quarter", commented Herbert Hainer, adidas Group CEO and Chairman. "However, the good news is that we did not see any fundamental deterioration in our business since publishing our first quarter results. Our financials for the first half of 2009 are exactly in line with the guidance we provided in May - if not a little better. As a result, I believe we have seen the bot-

tom in our financial performance this year."

In the first half of 2009, Group revenues decreased 7% on a currency-neutral basis, as a result of lower sales in all business segments. The adidas segment decreased 8%, the Reebok segment 6% and the TaylorMade-adidas Golf segment 1%. Currency translation effects positively impacted sales in euro terms. Group revenues in euro terms declined 2% to € 5.034 billion in the first half of 2009 from € 5.142 billion in 2008.

The gross margin of the adidas Group decreased 4.6 percentage points to 45.1% in the first half of 2009 (2008: 49.6%). This development was mainly due to higher input costs, currency devaluation effects, in particular related to the Russian rouble, as well as a highly promotional retail environment. As a result, gross profit for the adidas Group declined 11% in the first half of 2009 to € 2.269 billion versus € 2.552 billion in the prior year.

adidas Group sales are expected to decline at a low- to mid single-digit rate on a currency-neutral basis in 2009. The Group projects a low- to mid-single-digit sales decline on a currency-neutral basis for the adidas brand in 2009. Reebok segment sales are now expected to decline at a low- to mid-single-digit rate compared to the prior year on a currency-neutral basis in 2009. Currency-neutral sales at TaylorMade-adidas Golf are forecasted to increase at a low-single-digit rate, supported by the consolidation of Ashworth for

the full twelve-month period.

As a result of the expected Group gross margin decline and the projected increase in other operating expenses as a percentage of sales, the operating margin for the adidas Group is expected to decline. The adidas Group expects earnings per share to be significantly more positive in the second half of 2009 compared to the development in the first half year. Profitability will improve compared to the first half year as a result of a more moderate increase of input costs and positive impetus ahead of the 2010 FIFA World Cup(TM). However, earnings per share in the second half of the year will not reach the levels achieved in the second half of the prior year. Tight working capital management and disciplined investment activities are expected to help optimise the Group's free cash flow in 2009. Excess cash will largely be used to reduce net borrowings, which are forecasted to be below the prior year level at year-end. Herbert Hainer stated: "Although there are still challenges ahead, I am confident that our results will improve as we go through the remainder of the year. We expect to generate significantly positive earnings per share in the second half of the year, albeit below the record levels of the prior year. And we will make further progress on our inventories, setting our Group up for a fresh start to an event-filled 2010."

Source : adidas

Columbia Q2 sales fall on weaker EMEA, stronger Dollar

Columbia Sportswear Company reported net sales of \$179.2 million for the quarter ended June 30, 2009, a decrease of 16% compared to net sales of \$213.1 million for the same period of 2008, with 4 percent

age points of that decline resulting from changes in foreign currency exchange rates. Second quarter net loss totaled \$9.9 million, or 29 cents per diluted share, compared with a net loss of \$1.8 million, or 5

cents per diluted share, for the same period of 2008.

Source : SportsOneSource

Sustaining Members



Puma second quarter sales rise 4.4%

Puma AG's sales rose 4.4% to €595 million (\$810 million) during the second quarter on a reported basis, according to the quarterly report of its parent, French-based luxury and retail conglomerate PPR SA. Operating income was flat for the period versus Q2 last year, but EBITDA surged 126% to €204 million (\$278 million). In the half, Puma's sales for PPR inched up 3.8% to €1.29 billion from €1,25 billion in H1 last year. On

a consolidated comparable basis, sales were up at the same rate. Puma Apparel sales were down 7.0% in the first half and represented 33% of total sales. Footwear revenues dipped 1.4% for the first half and represented 56% of net sales. Accessories sales fell 5.9% and represented 11% of sales for the period. In a statement, PPR said Puma's team sports business in the first half was affected by a lack of

major sporting events. EMEA sales were said to be down 10% on high comps for the period and Asia Pacific sales were off 3% for the half, impacted by "tough market conditions." PPR said Puma had "strong growth" in the Americas, growing 9% for the half, driven by footwear and apparel. They indicated a "continued good performance in the U.S."

Source : SportsOneSource

Team sports & fitness dominate, but the sports landscape is changing

While more than 170 million Americans are active in a fitness, team sports, recreational, or outdoor endeavor, nearly 45 million are only casually active and more than 60 million Americans are not active at all – according to the Sporting Goods Manufacturers Association's *Sports Participation in America* (2009 edition) report.

SGMA President Tom Cove said: "At least half of the U.S. population is very physically active, but far too many Americans are categorized as casually active or totally inactive – and that's where we find people who are overweight and obese. The 45 million Americans who are casually active represent potential health club members, possible candidates for buying some form of sports and fitness equipment, or somebody who could be more active. If those 45 million people can increase their commitment to getting fit, obesity levels would drop

and there would be less of a drain on our health care system. That's why SGMA remains vigilant in its support of more physical education in schools and legislation, such as the PHIT Bill, that impacts health care."

Another noteworthy trend is the increase in 'pick-up' play in team sports. In recent years, SGMA has noticed that participation in team sports has been driven by organized/sanctioned play. However, in 2008, there were seven team sports where 'casual/pick-up' play exceeded organized/sanctioned play. Those sports were basketball, ice hockey, field hockey, touch football, lacrosse, grass volleyball, and beach volleyball. SGMA believes this is the result of athletes and their families feeling the pinch of the economy. Many people are choosing less expensive ways to play sports and stay active.

"Without a doubt, the economy has

had a positive effect on casual play," said Rich Luker, president of The Luker Company, a veteran analyst of community trends in the U.S. "The big issue is 'time freedom.' Because of job uncertainty, many families have become reluctant to make a time and financial commitment to a sport. In a nutshell, people are seeking free alternatives in a down economy."

In all, roughly 90 activities are featured in this annual report on athletic recreational, and exercise trends in the United States. For each sport listed in this study, there are a series of statistics that showcase total and 'core' participation; participation based on gender; the average age of the participant; the average annual household income of the participant; the average number of days of play per participant; and the percentage of participants that are new to the sport.

Source : SGMA

JD Sports acquires Canterbury Rugby Brand

JD Sports Fashion Plc, the U.K. chain, said it acquired the rugby brand Canterbury for £6.5 million (\$11.01 million). JD said it purchased the key trading assets and trade of Canterbury Europe Limited along with the global rights to the Canterbury and Canterbury of New Zealand brands, which are over 100 years old, from

the firm's administrators. The deal to buy Canterbury, the current brand shirt sponsor of the international rugby union teams of South Africa and Australia, builds on JD's purchase of the Kooga Rugby brand last month. Canterbury was founded over a century ago in New Zealand and is a specialist in rugby ap-

parel including technical and lifestyle products. It fell into administration last month after being hit by the weak pound and expanding unsuccessfully into new sports categories.

Source : SportsOneSource

Sustaining Members



Nike and Adidas speak out about Honduran rights

Nike, adidas, The Gap Inc., and Knights Apparel, released a joint letter to U.S. Secretary of State Hillary Clinton calling for the restoration of democracy in Honduras. The group said that while they "do not and will not support or endorse the position of any party in this internal dispute," they feel that it is necessary

to join with President Barack Obama, the governments of countries in Americas, the Organization of American States, the UN General Assembly and the European Union in calling for the reinstatement of democracy in the country. Their letter states: "We urge for an immediate resolution to the crisis and that civil

liberties, including freedom of the press, freedom of speech, freedom of movement, freedom of assembly, and freedom of association be fully respected." The full letter is posted on Nike.com's website follows:

Source : SportsOneSource

Under Armour sees Q2 sales gain despite footwear decline

Under Armour, Inc. reported revenues in the second quarter increased 5.1% to \$164.6 million from \$156.7 million in the year-ago period. Net income increased 4.7% to \$1.44 million from \$1.38 million a year ago. Earnings per share was 3 cents in each period. Second quarter apparel net revenues increased 16.5% to \$112.0 million compared with \$96.2 million in the same period of the prior year, driven by double-digit rate of growth in the Men's, Women's, and Youth apparel businesses. Footwear revenues were \$37.5 million versus \$46.0 million, an 18.5% decline. The company had previously indicated that Training footwear revenues were expected to decline year-over-year following the May 2008 launch of Performance Training Footwear. Direct-to-consumer net revenues grew 36.6% for the quarter.

For the second quarter, operating income rose 3.3% to \$3.4 million compared with \$3.3 million in the prior year's period. Gross margin was 45.1%, slightly down from 45.3% in the prior year's quarter. Selling, general and administrative expenses as a percentage of net revenues decreased to 43.0% compared with 43.2% in the prior year's period. Marketing expense was 12.9% of revenues versus 14.4% in the prior year's period. Cash and cash equivalents increased \$66.2 million to \$79.5 million at June 30, 2009 compared with \$13.3 million at June 30, 2008. The company had no borrowings outstanding under its \$200 million revolving credit facility at June 30, 2009. Net accounts receivable decreased 16.8% to \$85.4 million at June 30 compared with \$102.7 million at the same time a year ago. Inventory at quarter-end

decreased 1.4% to \$181.4 million compared with \$183.9 million at June 30, 2008.

Based on improved visibility, the company is providing an initial outlook for 2009. The company remains cautious on the outlook for consumer spending for the balance of the year. Based on current projections, the company anticipates full year net revenues of approximately \$810 million. Diluted earnings per share for the year is anticipated to be 80 to 82 cents per share. Selling, general, and administrative expenses for 2009 are still expected to grow in the low-teens on a percentage basis year-over-year. In 2008, Under Armour earned 79 cents a share on sales of \$804.9 million.

Source : SportsOneSource

Intersport Finland becomes National Supporter and Official Sports Shop of the UEFA Women's Euro 2009™

UEFA is pleased to announce the appointment of Intersport Finland as National Supporter and at the same time as the Official Sports Shop of the UEFA WOMEN'S EURO 2009™ hosted in Finland. Intersport, the worldwide leader in the sporting goods retail market, is also the market leader in Finland. In its role as the Official Sports Shop, Intersport Finland will distribute UEFA Women's Euro 2009™ branded merchand-

ise through their retail outlets in the four Host Cities Helsinki, Lahti, Tampere and Turku. In addition, Intersport Finland will also act as the official on-site retailer, selling a broad range of products at all of the five stadia of the tournament. The line of merchandise will be available at selected Intersport shops in host cities in Finland as of August and in the stadiums at the tournament. Commenting on the agreement,

Franz Julen, CEO IIC Intersport International Corp. said: "With the UEFA Women's Euro 2009 in Finland we will continue our good cooperation with UEFA in football, one of our major sport categories. We are proud to be a National Supporter and our retail experience together with Intersport Finland's strong football market position will further contribute to a successful event."

Source : Intersport

Sustaining Members



CPSC issues guidance on new tracking label requirement

The Commissioners of the Consumer Product Safety Commission (CPSC) have unanimously approved a draft 'Statement of Policy' to clarify the new tracking label requirements included in Section 103 of the Consumer Product Safety Improvement Act ("CPSIA"). All three commissioners -- Chairman Tenenbaum and Commissioners Moore and Nord -- issued statements with their votes. The CPSC 'Statement of Policy' gives manufacturers guidance on the Commission's interpretation of Section 103, including information required on tracking labels and the CPSC implementation and enforcement plan. The Statement does not

modify or change the tracking label requirement in any way, but does offer limited flexibility on initial enforcement of the new laws.

"The Commission's flexibility on the application and reasonable enforcement of new product safety requirements will ease the transition for many manufacturers. As the CPSC continues to refine and clarify different aspects of the new law, manufacturers need to fully understand their obligations. SGMA is committed to providing the industry with timely information to help them comply with the new requirements." said Bill Sells, SGMA's vice president of government relations. The bottom line is the manufacturer

is responsible for making a reasonable judgment about the information that can be marked on their product and packaging, taking into consideration the character and type of product and business. It is important to understand that the 'Statement of Policy' is intended solely as guidance and does not provide a detailed analysis of compliance with Section 103. Manufacturers need to make reasonable interpretations of their labeling and reporting requirements based on the guidance and the product.

Source : SGMA

adidas and UEFA expand partnership for European club football

adidas and UEFA announced the extension of their long-term partnership for the UEFA Champions League and also an agreement for the newly created UEFA Europa League as well as UEFA Super Cup. adidas is thus further strengthening its position as Europe's leading football brand, supporting for the first time all official UEFA club football competitions. For the competitions in the 2009/10 season, adidas, together with UEFA, has designed three match balls that meet the very highest demands of modern football.

The adidas Finale 9 and the UEFA Europa League ball are available at retail worldwide starting immediately.

adidas' experience in football production is unequalled. adidas has been making footballs since 1963 and is now the world's leading manufacturer, always at the cutting edge of technology.

adidas has supplied the official match balls to all major UEFA and FIFA tournaments since 1970, and since 2006 is also the Official Supplier of the match ball for all UEFA

Champions League games. The adidas Finale ball has been used for the UEFA Champions League Final since the 2000/2001 season. Since 2008, adidas is also the Official Supplier of the match ball for the Africa Cup of Nations organized by the Confederation Africaine de Football (CAF). Starting from the 2009/10 season, the UEFA Europa League will also be played with adidas balls.

Source : adidas

Canadian Sporting Goods sales flat in Q1

After a sharp drop in the fourth quarter 2008, retail store sales of sporting goods in Canada rebounded in the first quarter of 2009, according to Statistics Canada. Sales for Q1 2009 were basically unchanged from the previous year, \$763.4 million (Canadian) versus \$764.7 million. For 2008, retail store sales of sporting goods in Canada had

slipped 1.5%, \$4,264.4 million (Canadian) versus \$4,329.3 million in 2007. For 2007, Canadian retail store sales of sporting goods had risen 2.6%. For 2006, Statistics Canada reported retail store sales of sporting goods of \$4.2 billion (Canadian). This was a 6.5% increase from sales in 2005. Non-retail store sales of sporting goods in 2007 rose

to \$127.4 million (Canadian) from \$123.2 million the previous year, a 3.4% increase. Specialized clothing for specific sports is included in the total for sporting goods. Non-store retailers (infomercials, direct-response, catalog, etc) are not included in quarterly data.

Source : NSGA

Sustaining Members



US May outdoor sales show declines continuing

Retail sales for all core outdoor stores combined (chain, Internet, specialty) declined 7% compared to last May, declining from \$448 million to \$418 million, according to the most recent Outdoor Industry Association (OIA) Outdoor Topline Report. Sales for the first five months of the year totaled \$1.8 billion, down 5% from the same period in 2008. The Leisure Trends Group produces the report for OIA. Outdoor specialty store sales declined 8% in units and 9% in dollars in May. Year-to-date units have fallen 6%, average retail prices 4% and dollars 10%. Comparing this May to last, both equipment and apparel experienced double-digit

dollar declines. After a strong showing in April, outdoor chain store sales fell 11% in units and 10% in dollars in May. Recreation tent units grew 6% in May, while synthetic fill rectangular sleeping bags edged up 4%. Year-to-date, mid-sized packs remained up 4% in units and 10% in dollars. Hiking boots were ahead of the previous YTD period by 7% in units and 10% in dollars. Internet sales totaled \$95 million in May, sliding 6% in units, but growing 12% in average retail selling price leading to a 5% dollar gain. Internet sales in 2009 have been sporadic at best; up 35% in January on huge carryover sales, down 9% in February,

back up 14% in March, down 17% in April and now up 5% in May. Core paddlesport stores (specialty, chain, Internet) had \$54 million in retail sales in May and \$139 million year-to-date, dropping 11% and 6%, respectively, against the same period last year. Approximately 41,500 boats were sold for \$30 million at retail in May, an 11% unit and 16% dollar decline from May 2008. Year-to-date all boat sales slipped 8% and 10% in units and dollars, respectively.

Source : NSGA

Ski/Snowboard helmet usage rises

According to the 2009 NSAA National Demographic Study, overall skier and snowboarder helmet usage rose 12% over last season, with 48% of all skiers and riders wearing helmets, up from 43% during the 2007/08 season. In the seven years since NSAA began tracking helmet usage (the 2002/03 season), overall helmet usage among all age groups has doubled. In 2002/03, just 25% of skiers and boarders were helmeted. Helmet usage increased in every age

category. In particular, children nine years old and younger overwhelmingly wore helmets when skiing or boarding, with 77% of that age group wearing helmets. More than 67% of children 14 and younger wore helmets in the 2008/09 ski season. Even the age group least likely to wear helmets - those between 18 and 24 - saw an increase in helmet usage, with 32% donning helmets. Since the 2002/03 ski season, the Demographic Study shows

a 78% increase in helmet usage for the 18-to-24-year-old age group. Notably, helmet usage increases with the skier's ability level. According the study, 26% of beginners wear helmets, while 38% of intermediates and 55% of advanced skiers and riders wear helmets.

Source : NSGA

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SPECIAL**WFSGI HANDBOOK 09 EXTRACT****Youth Olympic Games add a new dimension to the Olympic ideal**

By creating the Youth Olympic Games on 5 July 2007, the IOC played its role as a catalyst for the sports movement. It showed that its commitment to the youth of today and tomorrow is about action, not just words, by offering them an event of their own in the spirit of the Olympic Games.

The Youth Olympic Games (YOG) are a 12-day multi-sport, cultural and educational event, for young people and driven by young people. The YOG will add a new dimension to the Olympic ideal, complementing what is already being achieved through the Olympic Games and the numerous IOC projects to bring the Olympic values alive. The YOG will bring together talented athletes from around the world to participate in high-level competitions and lead them on their way to becoming true Olympians. This event will allow the Olympic Movement to extend its reach and stimulate worldwide sports activities.

The YOG are seeking to inspire young people around the world to take up sport. We all know that sport today plays an ever greater role in society. Never has it borne so many expectations as at the start of this new century. People expect sport to promote the integration of minorities; to reduce differences; to combat the rise of obesity; and to help conquer all forms of dependency.

The Youth Olympic Games must set an example in this regard. Alongside competition itself, the event can offer an excellent platform to create a true community between young

people around the world and the participants by learning and sharing experiences. A major role will thus be given to information and education linked to sensitive subjects like the dangers of doping in sport; violence in stadiums; the risks associated with extremes, whether a sedentary lifestyle or overtraining; the benefits of a balanced diet; and the advantages of striking a healthy balance between sport and other social and educational activities.

The YOG will be innovative Games made to measure for young people, with sports events carefully chosen to protect the health of the young athletes, but also Games made to inspire them with the incorporation of all the Olympic symbols (torch relay, anthem and flag).

The first Summer Youth Olympic Games will take place in Singapore in 2010. The first Winter Youth Olympic Games will take place in 2012 in either Harbin (China), Innsbruck (Austria), Kuopio (Finland) or Lillehammer (Norway). The choice of venue will be made by the end of the year and announced in December by the IOC President.

In Singapore, the young athletes will compete in all the Olympic sports that are on the programme of the London 2012 Olympic Games. However the disciplines will not be the same as at the Olympic Games, and will be limited to around 3,500 athletes. Some sports will innovate with formats that appeal particularly to the young. For example, basketball will be played three against three under a single basket, the so-called "33" format.

Guaranteeing the universality of the YOG, the IOC will make sure that approximately 3,500 athletes and 875 officials from all 205 National Olympic Committees are involved. In parallel, all NOCs will have representatives in the educational workshops and cultural programmes at the Games.

The age groups participating in a sport or discipline will vary between 14 and 18, as defined by the relevant International Federation (IF). As a principle, there will be one age group, e.g. 14/15, 15/16 or 17/18, participating in a sport or discipline.

The infrastructure and service level will have to fit the purpose of the Games, ensuring conditions adapted to young elite athletes. A look and feel similar to the Olympic Games with clean venues is required for the success of the event.

Singapore has already proved to be an efficient Games organiser. It is also presenting an attractive cultural and educational programme. The project foresees thematic festivals, an interactive website to build a YOG community and a school exchange programme. The YOG experience will enable the participants to learn, contribute, interact and celebrate, all under the umbrella of the Olympic values of excellence, friendship and respect. Special young ambassadors and young journalists will be in charge to promote the event and its ideals.

Communication is key to the YOG and will be fully adapted to young

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people. Active and user-generated content based on the latest trends in new media, particularly electronic digital platforms, will guarantee that the YOG will spread - before, during and after the Games - far beyond the host country and the sports community. Tailor-made promotional campaigns will draw attention to the YOG in the months before the event.

The role of IOC, IFs and NOCs will be the same as for the Olympic Games. The IOC runs the bid process and its members select the Host City. Once the Host City is elected, a similar tripartite Coordination Commission will guide the Youth Olympic Games

Organising Committee (YOGOC) in its preparations and during the event. The IFs will be in charge of the technical aspects of their sport. They will also define the age categories and the qualification criteria. National Olympic Committees will select and manage the delegation of their territory for the YOG. The YOGOC of the Host City and local, regional and national public authorities will be in charge of the infrastructure and the smooth running of the Games.

The rights of the 12 existing TOP sponsors will be protected for the YOG. The IOC will fund the production of daily TV highlights produced

by Olympic Broadcast Services (OBS).

The Olympic Movement is convinced that the Youth Olympic Games, together with other initiatives launched by the IOC to stimulate the youth of the world, will help to boost sports activities and have an important impact for the promotion of sport, also influencing the social and economic components attached to it.

By the International Olympic Committee (IOC)

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