

# NEWS ALERT



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ON THE WORLD SPORTING GOODS INDUSTRY!

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#25/2009-09-03

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**NEW**—Job Market available in News Alert and on WFSGI website!!!

## A new service for WFSGI members

The WFSGI has created a new section called « Job Market » where you will find all vacant job positions advertised by WFSGI Members. This section will be available in the News Alert (from next edition) and on the WFSGI website, updated as often as

possible. Don't miss a good opportunity and check the offers in the next News Alert or soon on [www.wfsgi.org / Job Market](http://www.wfsgi.org / Job Market)!

Posting their job offers also represent a new service for the WFSGI

members as they will be able to do so **FREE OF CHARGE**. If you are a WFSGI member and you wish to advertise your vacant job positions or if you wish more info, please send an e-mail to [srouillon@wfsgi.org](mailto:srouillon@wfsgi.org).

## WFSGI Handbook Reader Survey—Winners

We have proceeded to the random draw of the prize winners of the WFSGI Handbook Reader Survey on July 31st. We are proud to announce that the winners are:

**2 nights in the WESTIN Grand München Arabellapark during the ISPO Show 2010 incl. breakfasts and a free entry to the Arabella Spa :**

- Wolfgang Schnellbügel, MD, SPORT 2000 Int'l GmbH

**\* 5 x ISPO cards**

- Myriam Chytil, Operation Manger, SpringBoost

- Jens Jacobsen Jensen, Head of Legal Promotions, adidas

- Levent Gungor Yarcan, General Manager, Intersport Turkey  
- Kojiro Takiyama, Section chief, Asics Corporation  
- Cyndi Wending, Licensed Operations Manager, Nike, Inc.

**\* 10 x sports shoes supported by the WFSGI Gold Sustaining Members**

- Dr. Dieter Lass, Board Member, United Nations Correspondents Association

- Daniel Lowinger, Division Manager Inflated Team Sports, Franklin Sports Inc.

- Thomas Junod, Universities Coordi-

nator, UEFA

- Khusro Amin, Head of QA, Vision Technologies Corp.

- Klaus Seiringer, Consultant, Ski Club Dachstein

- Christophe Cayot, Industrial Operations Director, Petzl

- Leslie Buchanan, Anti-doping Director, International Triathlon Union  
- Lily Cao, sales manager, quanzhou jiefeng

- Sohail Yaqoob, Mehr, Partner, Max ma industries

- Abid Khawaja, Partner, Anwar Sons

Winners have been informed via separate e-mail.

### Sustaining Members



## Are we fit? Life expectancy at all-time high

In a report significant to the fitness industry, the Centers for Disease Control and Prevention (CDC) said U.S. life expectancy reached nearly 78 years (77.9), and the age-adjusted death rate dropped to 760.3 deaths per 100,000 population, both records. The data are based on nearly 90% of death certificates in the USA. The 2007 increase in life expectancy - up from 77.7 in 2006 - represents a continuation of a trend. Over a decade, life expectancy has increased 1.4 years from 76.5 years in 1997 to 77.9 in 2007.

Among other findings:

- Record high life expectancy was recorded for both males and females (75.3 years and 80.4 years, respectively). While the gap between male and female life expectancy has narrowed since the peak gap of 7.8 years in 1979, the 5.1 year difference in 2007 is the same as in 2006.
- For the first time, life expectancy for African-American males reached 70 years.
- Heart disease and cancer, the two leading causes of death, accounted for nearly half (48.5%) of all deaths in 2007.
- Between 2006 and 2007, mortality

rates declined significantly for eight of the 15 leading causes of death. Declines were observed for influenza and pneumonia (8.4%), homicide (6.5%), accidents (5%), heart disease (4.7%), stroke (4.6%), diabetes (3.9%), hypertension (2.7%), and cancer (1.8%).

Source : NSGA

wherever i'm running  
my mind takes off

sound mind  
sound body

ASICS means Anima Sana In Corpore Sano.  
Implies wisdom reminding us that  
a healthy body is the cradle of a healthy mind.

**asics**

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#### Sustaining Members



## Asics Running Survey: Physical Benefits outweigh Mental Benefits

ASICS' 'Reasons to Run' research asked more than 3,500 runners in seven European countries to reveal the 'why?' behind their actions, making it the biggest study of its kind ever. 54% said they run for fitness while 40% claimed they ran to lose weight. On average, Europeans wish to lose 6.1kgs by running, but the Dutch go above and beyond this target with a goal of 9.5kgs. On the topic of running partners, the British hold the highest number of runners who run with their babies in strollers while the Italians hold the highest percentage of running-club memberships (13%) as they enjoy the company of a running partner the most. When asked what goes through their minds whilst running, the Spanish declared they scrutinize other runners they see, while the French focus on their breath, pace and rhythm, the British worry about their finances and the current credit crunch, and Belgians think about

nothing at all. The countries that participated are Great Britain, France, Italy, Spain, The Netherlands, Belgium, and Germany, and the results are a representation of the 80 million runners in these European countries. Asics said the findings range from a general consensus over certain aspects (such as why people start to run) to factors that differ hugely between nations (such as motivation to continue, injury prevention, and preferred locations). These differences are down to the fact that the runner's mindset profile greatly resembles their country's disposition. The hard-working Germans, for example, are diligent runners who don't like to give up, while the joie-de-vivre French run mainly for fun. The down-to-earth qualities of the Dutch mean they are not bothered by anything while running in contrast to the passionate Spanish who find they are easily irritated. Asics said

that not since the first running boom of the early seventies, when people realized that running was a reliable means of getting healthy, has the world of running seen such an immense escalation in runners. Progressively more runners appearing in parks, streets and gyms, a surge in numbers on marathon registration lists (with a total of 494 marathons taking place in Europe alone), and a huge increase in women taking up the sport (33% of European women started in the last 12 months) are just some of the signs highlighting what is now known as the 'second running wave'. This latest boom is emphasized by the fact that a third of today's runners started in the last year and the numbers just keep growing, with the current total of European runners exceeding 80 million.

*Source : SportsOneSource*

## The IOC Executive Board proposes 2 additional sports for the 2016

The International Olympic Committee (IOC) Executive Board (EB) proposed the list of 26 core sports and 2 additional sports, golf and rugby, to be included in the 2016 Olympic Programme. The proposal will be submitted to the full IOC for a final decision at its Session in Copenhagen in October, where golf and rug-

by will have the opportunity to present. Seven sports — baseball, golf, karate, roller sports, rugby, softball and squash — were seeking to enter the Olympic programme. The secret ballot vote by the EB followed an extensive evaluation by the Olympic Programme Commission of the potential added value to the Games

from each of the seven sports.

The key factors in determining a sport's suitability for the Olympic programme include youth appeal, universality, popularity, good governance, respect for athletes and respect for the Olympic values.

*Source : IOC*

## High Tech Swim Suits Banned from High School Competition

High-tech swimsuits that have been linked to record performances at all levels of competition the past couple of years have been banned for high school competition, effective immediately. The National Federation of State High School Associations (NFHS) Swimming and Diving Rules Committee approved changes to Rule 3-2-2 that will make the high-tech swimsuit no longer a legal suit

for swimmers at the high school level. The committee's recommendations were subsequently approved by the NFHS Board of Directors. Effective immediately, swimmers shall be limited to one swimsuit, which shall be constructed of a woven/knit textile material, permeable to water and air, constructed so as not to aid in buoyancy, and shall not contain zippers or other fastening

systems. In addition, the suit shall be constructed so that the style/shape for males shall not extend above the waist or below the top of the kneecap and for females shall not extend beyond the shoulders or below the top of the kneecap, and it shall not cover the neck.

*Source : SportsOneSource*

### Sustaining Members



## Intersport launches first store in Kuwait

INTERSPORT, the world's leading multi-branded sporting goods retailer and member of Dubai-based Al-Futtaim group launched its maiden entry into Kuwait following the opening of its first store at 360 MALL, Kuwait. In line with the international concept of the popular brand, the 13'500 sqft store - the first outside the Arabic Emirates - has been segregated by sports categories providing expert gear for football, tennis, squash, fitness, water sports, with a special focus on women's and kids products. As a celebratory offer, INTERSPORT will provide customers

free delivery and instalment of fitness equipment within Kuwait City. This offer will be sustained throughout the first year of operation. Worldwide, INTERSPORT works closely with brands such as adidas, ASICS, Nike, in addition to an entire range of its own exclusive international brands - Energetics, McKINLEY and ProTouch. Being the world's leading sporting goods retailer, sports aficionados can expect several exclusive products to be launched and housed at the store. Additionally, customers visiting the store are guaranteed world class service and expert advice on sports gear. All

staff has been trained by professional sports trainers enabling them to advise customers to choose the equipment that best suits their needs. INTERSPORT at 360 MALL, Kuwait will also offer customers the extremely popular foot-scan technology that determines foot type and movement with precision and enables store staff to recommend the optimal footwear option for customers. 360 MALL, Kuwait is located on 6th Ring Road, South Surra in Al-Zahra Area.

*Source : Intersport*

## New Balance opens World's First Ever Experience Store in Beijing

New Balance has announced the opening of its first ever Experience Store on Beijing's Qianmen Avenue. Celebrating the brand's past, present and future, New Balance proudly showcases its century-long heritage to bring a completely new brand retail experience to life.

The two-floor 2000+ square foot New Balance Experience Store is located in Beijing's famous Qianmen Avenue. Qianmen Avenue is one of the most historical commercial streets in Beijing, with more than 500 years of history. That New Balance has chosen Qianmen Avenue as the location for its first ever Experience Store is no coincidence. In this new endeavor, New Balance continues to lead in innovation while remaining firmly rooted in the heritage of its past.

The grand opening of the world's first ever New Balance experience store in Beijing is a landmark event in the company's history. On August 15th, its opening day, New Balance will be host to a 1960s-style American carnival along Beijing's Qianmen Avenue. With the trappings of a real

carnival, it will take up Qianmen Avenue with its games, gifts, balloons and carnival-style décor. Fun for the entire family, it will also have games related to New Balance's running DNA, and include foot width measuring activities and treadmill challenges all communicating the idea of health and sport. In addition to different prizes, New Balance has also prepared 123 limited-edition T-shirts for guests. Also on display during the carnival will be classic New Balance shoes, each providing a window into the unique product created throughout the company's history.

The grand opening of New Balance's first Experience Store will be attended by the senior executives of the company, including Global CEO Rob T. DeMartini, Global Executive Vice President of International Alan Hed, Regional General Manager of Asia Pacific Darren Tucker, and China General Manager Michael Wellman. The New Balance Experience Store's display of the brand's past, present and future not only showcases the company's authentic heritage and

spirit but also demonstrates its determination towards reaching its goal of turning China into the brand's second largest market, following the United States. New Balance has plans to open as many as 1,000 stores in China before 2012.

During the period of the opening of the Qianmen Avenue experience store, New Balance will also be hosting their national "Total Fit Campaign". The campaign is geared towards the Chinese market. In addition to helping highlight healthy running ideas and foot care concepts, the campaign will share inspiring stories of runners from around China. The company will also select 88 of the most inspiring runners – each with a story of their own – to take part in an international marathon in Hong Kong. They will also be holding a "6km Run" open for public participation in Nanjing and Hangzhou following its initial success in Shanghai.

*Source : New Balance*

### Sustaining Members



## Nike Canada official high performance sporting goods manufacturer of Vancouver 2010

Nike Canada Corp. and the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) announced that Nike has been named the Official Supplier of high performance sporting goods for the upcoming Games and introduced the highly anticipated Team Canada 2010 hockey jerseys. Nike, Hockey Canada, VANOC, the Canadian Olympic Committee (COC), and the Canadian Paralympic Committee (CPC) showcased the new Team Canada 2010 hockey jerseys at a news conference in Vancouver.

Nike, in collaboration with Musqueam artist Debra Sparrow, designed a unique jersey that incorporates several icons and cultural symbols of Canada's rich history. The

jerseys also include the official Vancouver 2010 Olympic and Paralympic Winter Games' emblems — a first for a Team Canada hockey sweater — and the official logos of the COC and CPC.

With a suggested retail price of \$135 for a replica jersey, Team Canada 2010 jerseys come in red or white. The jerseys are available today in Nike stores across Canada and at Hudson's Bay Company Bay stores. Later this fall, they will be available at Olympic Stores in Vancouver, Whistler, at the Vancouver International Airport and online at [www.vancouver2010.com](http://www.vancouver2010.com). They will also be sold at the Olympic Superstore at the Bay Downtown Vancouver and hockey venue concession stands operated at Games time by

VANOC's merchandise concessionaire, XP Canada ULC.

Under the Official Supplier agreement, Nike will have exclusive rights to market and promote within the high performance sporting goods manufacturer product category for the 2010 Winter Games and rights to associate with the Canadian Olympic Teams competing at the Vancouver 2010 Olympic Winter Games and the London 2012 Olympic Games. In return, Nike will make a financial investment in the Games and provide a number of Team Canada replica 2010 ice hockey jerseys to the Organizing Committee as part of its merchandising program.

Source : VANOC

## Puma feels Benefit of Usain Bolt's World-Record Wins in Berlin

Usain Bolt's record-breaking wins at the track and field world championships in Berlin have boosted sales of his sponsor Puma AG's goods, the company said. "The products we have created for the world championships are sold out," Chief Executive Officer Jochen Zeitz said in an interview. They include a special Jamaica collection, his spikes worn in Berlin and a lifestyle-version of the shoes minus the spikes, Zeitz said. He declined to give a sales forecast. Europe's second-largest sporting goods maker, known for its leaping-cat logo, has sponsored the Jamaican athlete since the age of 16. Puma, controlled by French retailer PPR, also sponsors the Jamai-

can Olympic team and the country's Olympic bobsleigh and track and field teams. Bolt, 23, broke his own world record in the 200 meters in 19.19 seconds in Berlin. It was his second world mark of the meet, after he topped his own 100-meter standard in 9.58 seconds five days ago in the Olympic stadium. He set the previous 200 meter mark of 19.30 seconds at the 2008 Olympic Games in Beijing, where he won three gold medals. Zeitz said analysts had estimated Bolt's "media value" after the 2008 Olympics to be 250 million euros (\$358 million). The media value is the equivalent amount of money Puma would have had to spend for similar exposure

from regular advertising. Zeitz couldn't say if that amount had changed after the successes in Berlin. Puma, Europe's second-biggest sporting goods maker, earlier this month posted a 16 percent decline in second-quarter profit because of increased discounting and said sales may start to fall in the second half. Sporting-goods makers have cut prices as they held too much inventory after a decline in demand for branded shoes and jerseys amid the global economic downturn.

Source : Bloomberg

### Sustaining Members



## Li Ning's Sales run up 32.4% in First Half

Li Ning Group Ltd., the Hong-Kong based athletic sportswear firm, reported revenues grew by 32.4% to RMB4,051.9 million (\$593.5 mm) in the first six months of the year. Accounting for 92.2% of the total revenue, sales of the LI-NING brand grew by 24.5% to RMB3,736.9 million (\$546.9 mm). Profit attributable to equity holders rose by 41.6% to RMB473million (\$69.2 mm). During the six months under review, the Group intensified its sales channel support to facilitate expansion of sales channel coverage and improved its retail management at the retail level. It adjusted its product research and development and design to align better market segments and consumer preferences, with a special focus on the launch of the Group's new business, LI-NING brand badminton products. It continued its efforts in building a flexible and effective supply chain structure to enhance operational efficiency.

The Group's core brand, LI-NING brand saw sales of footwear products grew by 23.9% year on year while apparel products and accessories grew by 25.1% and 23.1% respectively. Double Happiness and Lotto, new additions to the Group's brand portfolio in the second half of last year, respectively recorded sales revenues of RMB219 million (\$32.1 mm) and RMB15.4 million (\$2.6 mm), accounting for 5.4% and

0.4% of the Group's total. Total revenue generated by AIGLE, Z-DO and Kason brands aggregated RMB80.5 million (\$11.8 mm), representing for a relatively small proportion of the Group's total revenue. In the area of sports marketing, the Group signed up in March the Russian pole vault athlete Elena Isinbayeva, who is a two-time Olympics gold medalist, three-time winner of International Association of Athletics Federations' World Athlete of the Year. Recognizing the rapid development of badminton in China and Southeast Asia, the Group rolled out in full its strategy in the badminton sector. It signed in April the China National Badminton Team, the fifth gold medal team under the Li Ning sponsorship umbrella. The Group also secured during the period its sponsorship of the Singapore National Badminton Team and Singapore Open. During the six months under review, the Group continuously expanded its sales channel coverage, especially in second- and third-tier cities that have the strongest growth potential. As at 30 June 2009, the Group had 7,550 retail outlets in China (6,809 of which were Li-NING brand stores), representing a net addition of 633 stores as compared to the same period of last year. With respect to the LI-NING brand, the Group had approximately 130 distributors operating a total of 6,464 franchised retail sto-

res nationwide as well as a total of 345 directly-managed retail stores in Beijing, Shanghai and 15 other provinces in China. On supply chain management, construction of all facilities in Jingmen Industrial City progressed on schedule. The output plan for this Centre over the next three years has been completed and is now being implemented. Going forward, as part of the package of initiatives to kick off its new five-year plan, the Group will continue its preparatory work for revamping the LI-NING brand to better integrate product designs with consumption experience targeting different customer segments to enhance the core competencies of the brand; improve store performance through effective measures and ongoing expansion of the retail network to strengthen market position; establish a flexible and effective supply chain system to better support business growth and pursue development of strategic new businesses to create more growth drivers. Li Ning said, "The success in hosting the Beijing Olympics has strengthened the Central Government's determination in grooming the country into a sports superpower, a policy direction that virtually guarantees the development of sports brands. Challenges breed opportunities."

Source : SportsOneSource

## Foot Locker launches Internet Television Channel

Foot Locker plans to launch an exclusive, interactive, ad-supported Internet television channel that will be available for viewing on Foot Locker's web site at [www.FootLocker.com](http://www.FootLocker.com) later this fall. FootLockerOnlineTV will showcase custom video programming and digital advertising specially created to appeal to millions of visitors that collectively frequent Foot Locker's web properties each month. The

effort was enabled by Gen2Media Corp.'s proprietary, patent-pending video publishing platform and Smart Content Management System. According to comScore, online video consumption has reached critical mass in the U.S. and many other parts of the world. The market research company recently reported that nearly 150 million U.S. Internet users watch an average of 97 videos per month -- totaling nearly 15 bil-

lion videos per month. On the advertising and marketing front, Forrester Research states that 60% of marketers recently surveyed will increase their interactive marketing budgets by shifting funds from traditional media; and further noted that "social media starts at \$716 million in 2009, increasing to \$3.11 billion by 2014."

Source :SportsOneSource

### Sustaining Members



## Columbia Sportswear Sues Ex-Designer

Columbia Sportswear has sued a former footwear designer for using company time, equipment and information to do work for competitors, according to a report in the Oregonian. Brian O'Boyle designed for several business rivals, including Crocs, according to a complaint filed in Multnomah County circuit court. A Columbia spokesman told the Oregonian that O'Boyle worked for the company from 2003 until this month. Columbia declined to comment on the reasons for his recent

departure, but the court filing said problems dated back to at least 2007. According to the court filing, O'Boyle used Columbia computers and offices for extracurricular contracts and incorporated Columbia design elements in competitors' footwear. He allegedly operated through 1 Pen Inc., a Sherwood-based business registered in his name. O'Boyle signed a confidentiality agreement with Columbia, which prohibits employees from disclosing protected information

and gives the company rights to their designs. An employee handbook bans use of company equipment for outside work, and an ethics code bans employees from competing with Columbia, according to the filing. The company is requesting payment of attorney fees and at least \$175,000. The amount consists of what O'Boyle allegedly earned from competitors as well as his Columbia salary during that time.

Source : SportsOneSource

## Team Sports Participation affected by many factors

While basketball, baseball, and outdoor soccer may attract the most team sports participants in the U.S., participation numbers are not as strong as they once were. The popularity of all team sports in the U.S. is being undermined by four key issues, according to the Sporting Goods Manufacturers Association's (SGMA) annual participation study on team sports -- U. S. Trends in Team Sports (2009). "Last year, the struggling state of the U.S. economy, the emergence of niche sports, overall declines in 'pickup' play, and a rising interest in single-sport specialization by many athletes is negatively impacting the entire team sports environment," said SGMA President Tom Cove. "One of the biggest factors affecting team sports play has been the struggling U.S. economy. Frankly, many families have not been able to afford to pay the basic fees for their children to play in local recreational sports programs. Hopefully, that will change soon. The increased popularity of

niche sports like lacrosse, rugby, paintball, and ultimate frisbee has attracted athletes who used to play traditional sports like football, basketball, and baseball. Thirdly, the continued overall decline in 'pickup' and sandlot play in neighborhoods and parks continues to hurt overall participation numbers. Finally, the three-sport athlete in high school is a dying breed. So many young athletes, especially in high school, focus their attention on just one or two sports throughout the year as opposed to playing one sport in the fall, one in the winter, and one in the spring." According to SGMA, activities like lacrosse (up 117.6%), paintball (up 34.3%), and cheerleading (up 17.8%) have shown significant growth since 2000. Other sports that have had respectable gains in participation since 2007 are court volleyball (up 17.2%), indoor soccer (up 11.8%), rugby (up 11.8%), and beach volleyball (up 7.5%). On the bright side, overall play in high school sports rose again as a record

7,429,381 high school students played high school sports in the 2007-08 school year. Also contained in this report are editorial summaries or charts on the following:

1. Popularity of Team Sports – containing a list of the top ten most popular sports for high school boys and girls. Special Project: Grassroots Sports Participation in America – a glimpse at this upcoming study by SGMA which will give the industry an in-depth look at how young people make their decisions to participate in a specific sport and what motivates them to stay involved in sports. Manufacturers' Sales of Team Sports Gear – listed are manufacturers' sales (at wholesale) of sports equipment for baseball/softball; soccer; volleyball; football (2006, 2007, and 2008); ice hockey (2005, 2006, 2007, and 2008); basketball (2000, 2005, 2006, 2007, and 2008); and lacrosse (2006, 2007, and 2008).

Source : SGMA

### Sustaining Members



## New Balance's Leather Sourcing and the Brazilian Amazon Biome Policy

As part of its Social Responsibility program, New Balance has developed and instituted practices to increase recycling at all facilities, use sustainable materials, when possible, in design of our products, and incorporate environmentally friendly processes in our manufacturing. New Balance also holds the view that climate change is a serious matter that requires us and our suppliers, to assist in reducing greenhouse gas emissions and reducing our overall environmental footprint. New Balance is an active member of the Leather Working Group and committed to continued collaboration with other members to improve the leather tanning industry and implementing best practices. New

Balance welcomes the information provided by Greenpeace on illegal deforestation in the Amazon and will address this issue on an industry level. It is their belief that the only way to accomplish these goals, is to join together with the industry partners. New Balance will not use leather produced from cattle raised in the Amazon biome as defined by IBGE, in its products (the Amazon biome covers 5% of the world's surface and 40% of South America. 61% of its territory belongs to Brazil. It is considered to be home to the largest number of life forms on earth. The boundary of the Amazon biome within Brazil is defined by the Brazilian Institute of Geography and Statistics (IBGE)). In support of this,

New Balance will require its suppliers to certify in writing, annually, that they are not supplying leather for our products, sold to either New Balance or any of its subcontractors, from cattle raised in the Amazon biome. Suppliers will not source leather from land disputed by indigenous groups or areas protected by legal government regulation. Suppliers are required to develop an ongoing transparent and traceable program, by July 1, 2010. In the event of any willful, non-compliance with this requirement, New Balance may terminate or refuse to renew our supply agreements.

*Source : New Balance*

## Price even more important to consumers, but don't forget quality

Following on a study conducted last summer by The SportsOneSource Group that indicated that price had become the number one motivating factor in determining where to shop for sporting goods or athletic footwear and apparel, it comes as no surprise that the factor has become even more important this year. The interesting point is how high product quality was ranked by consumers and the increased importance of convenient locations. The survey, conducted via the Internet in late June, sampled a cross-section of the American population ages 13 and older. A broader top-line review of the study will be made available in the SGB magazine Fall issue, due out in mid-September. The full study will be available next month. The most recent Where America Shops report, designed to assess the current buying habits of the American pu-

blic, found an even higher percentage of adult consumers viewed Price as the most important factor when deciding where to shop versus the 2008 report. Product Quality was the attribute ranked second highest and Product in Stock was the third ranked attribute. Based on the SOS survey, 79% of respondents said that Price was "extremely important" when deciding to visit or shop at a particular retail store. That compares to 68% of respondents that responded at that level in 2008. The 2008 survey was conducted before the banking crisis reared its ugly head in September, but also reflected consumers' attitudes amid the high gas prices last summer. The mean rating for the Price attribute was also higher this year. On a scale of 1 to 9, adult consumers gave Price a mean rating of 8.2 in the 2009 survey versus 7.9

in the 2008 study. Quality Products ranked a close second in the survey as adult consumers look for products that will last longer. The Quality Products attribute was mentioned by 78% of respondents as "extremely important" and the mean rating was 8.1 for the attribute. Product in Stock ranked third at 67% of the total survey group, indicating the attribute as "extremely important," also an increase from last year's study. However, the level of intensity was about even to last year, with the mean rating coming in flat at 7.8 on a scale of 1 to Products/Brands Carried was fourth at 60%, while Convenient Location was cited by 56% of the respondents as "Extremely Important."

*Source : SportsOneSource*

### Sustaining Members



## How Active Are Americans?

According to data in the NSGA report, 78.7% (212.7 million) of all Americans seven years of age and older participated more than once in at least one of the 23 sports and recreational activities. Sports included in the report include team sports, fitness activities, outdoor recreation activities (except shooting sports and boating activities) and traditional individual sports. However, that activity, or lack thereof, is not distributed evenly among all age and income groups. One can index lack of participation by dividing those in an age group who "Did Not Participate" by the percentage of the U.S. population in that age group. An index adjusts for population and for population changes. Age-wise, the index of non-participation begins to move above 100 with the 55-64 age group and advances with each age group. In

2008, the index of non-participation for those ages 55-64 was 138. For the 65-74 age group, it advanced to 161 and to 212 for the 75+ age group. In plain talk, the 75+ age group is twice as likely as the population as a whole to be inactive. While not surprising, what is disturbing is that the indices have been trending upwards over the past three years that NSGA has been gathering this data. For the 55-64 age group, the index has risen from 127 in 2006 to 138 in 2008. For the 65-74 age group, it rose from 156 to 161 and from 188 to 212 for the 75+ age group. Among the 56.9 million who "did not participate" in 2008, 60% were female (Index: 116); 40%, male (Index: 83). America's youth had the lowest index of non-participation. Children 7 to 11 years old had a non-participation index of 62; teenagers 12 to 17 years old, an

index of 72. The index has been trending down slightly for the 7-11 year olds, but up for teens (from 57 in 2006 to 72 in 2008).

Household income clearly has an impact on its non-participation index. Households with incomes of less than \$15,000 had a non-participation index of 167. At the other end of the economic spectrum, households with incomes of more than \$100,000 had a non-participation index of only 61. For the surveys, a participant is someone age seven or older who takes part in the sport or activity more than once in a calendar year. Participation rates for all the sports surveyed may be viewed on the NSGA website ([www.nsga.org](http://www.nsga.org)).

Source : NSGA

## Lower demand for EU clothing imports as a result of global financial crisis

EU clothing imports fell in value by 0.2% in the first seven months of 2008 compared with the corresponding period a year earlier, according to a report by Textiles Intelligence. This represented a major reversal compared with the first seven months of 2007, when imports were up by 5.6% in value and by 8.5% in volume. The main cause of the deterioration during January-July 2008 was a dampening in demand for clothing in the EU as a result of the global financial crisis. China continued to be the EU's largest clothing supplier during January-July 2008 although growth in imports from the country slowed during the seven-month period. That said, with growth of 6.7% in value and 11.2% in volume, China did better than all sources combined and, as a result,

China increased its share of the market to 38.6% in value and to 45.2% in volume.

The main impetus for China's strong performance in the first seven months of 2008 was the elimination at the end of 2007 of safeguard quotas, which had previously been in place on EU imports of certain Chinese clothing products. Not surprisingly, imports of these products grew at double digit and triple digit growth rates—at least in volume terms—as prices were slashed. At the same time, some suppliers struggled to maintain orders. Imports from Hong Kong, for example, suffered double digit falls in value and volume as outward processing arrangements (OPAs) with Chinese exporters lost their relevance—at least in terms of sales in the EU mar-

ket. The industry in Vietnam was also severely affected, as clothing imports from the country plunged in volume terms by 37%.

Elsewhere, imports from Turkey, Tunisia, Morocco and Indonesia all fell in the first seven months of 2008, while those from Bangladesh and India increased only modestly. In terms of trade policy, the governments of the EU's ten largest clothing suppliers were active in 2008. In China, for example, the authorities increased the rebate on textile and clothing exports three times, while the Turkish government unveiled its "Strategic Action Plan for Textile, Read-to-Wear and Leather Sectors".

Source : Textiles Intelligence

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### Sustaining Members



**SPECIAL****WFSGI HANDBOOK 09 EXTRACT****Energy efficiency and the WFSGI**

Energy efficiency is not a new concept. Investments in energy efficiency translate to lower operating costs and the savings go directly to the bottom line.

Typically, companies will concentrate their energy efficiency investments in owned facilities, then move to potential savings in long-term leased facilities. The new frontier for global companies is implementing energy efficiency thinking throughout their supply chains. Global supply chains are often complex, fragmented systems managed by many contracted and sub-contracted vendors. A company's ability to influence its contracted supply chains is challenging at best.

Very few organizations can mandate energy efficiency from their supply chain. But it's possible. Global organizations can employ a collaborative approach with their supply chain vendors to introduce and execute energy efficiency programs with benefits for both.

**Expectations of global companies are changing... or at least how they report the impacts of their global supply chains.**

A company's impact no longer ends at the company's doors. Expectations have changed. Increasingly, companies are held accountable for the impact of the full range of their operations. In response, companies are reporting a more complete climate footprint that includes emissions from their supply chain, including sub-contracted logistics and manufacturing. Three recent efforts have helped companies begin to

understand and address these issues.

One effort to help companies with this effort is The Carbon Disclosure Project's (CDP) Supply Chain Leadership Collaboration (SCLC). The SCLC aims to help companies better understand the climate impact of their supply chains. Twelve companies participated in a pilot project, distributing surveys on climate change efforts and initiatives to more than 300 suppliers.

A Carnegie Mellon University study found that two-thirds of U.S. industries fail to measure up to 75 percent of their total greenhouse gas emissions. This significant gap is caused by considering only impacts from owned operations and energy use. With only a fraction of emissions counted, the study found that industries' true carbon footprint is severely underestimated by omitting emissions from the supply chain. Understanding and addressing their full range of impacts would help companies identify and tackle the most cost-effective emissions mitigation strategies.

The World Resources Institute and World Business Council for Sustainable Development Greenhouse Protocol in 2001 together developed a Greenhouse Gas protocol that defined how companies report Scope 1 & 2 emissions, including [energy use, etc]. That work has become the global standard for reporting. The bodies are now developing a new standard for measuring and reporting Scope 3 greenhouse gas emissions, including contracted manufacturing and other supply-chain

impacts.

**The good news is that many global organizations are creating energy efficiency awareness**

Many global organizations are actively helping implement energy efficiency in emerging countries by working with partners in their supply chains. These organizations range from non-governmental organizations involved in climate and business integration, to global banking institutions and governments. Programs developed by these global organizations range from training to funding to skills sharing.

Non Governmental Organizations (NGOs)

China Climate Change Training Initiative (CCCTI) is a partnership between The Climate Group, The British Consulate-Guangzhou (BCG) and Business for Social Responsibility to develop and deliver training for manufacturing organizations in China. The goal of the Initiative is to provide knowledge and practical skills for managing and reporting on climate change impacts. Governments are investing in deploying energy efficiency and clean technology to developing nations. TCG and BCG together are developing and piloting the project "Managing Carbon I China's Supply Chains - China Climate Change Training Initiative." The initiative aims to provide knowledge and practical skills for managing and reporting on climate change. The CCCTI is designed to address the needs of two audiences: senior business executives (Chinese business owners and strategic directors); and operational managers (those imple-

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menting strategies).

#### Banks

The World Bank, The Asian Development Bank and the International Finance Corporation have established programs providing funding to facilitate deployment of energy efficiency. The programs focus on heavy industry such as steel, cement and building materials in developing nations. These institutions have recently developed additional programs that address the next level of manufacturing. These smaller manufacturers produce consumer goods which include sporting goods products.

#### Governments

Both the U.S. Department of Energy and the US Department of State have programs that support the transfer of energy efficiency/clean

technologies into emerging economies. One such program managed by the State Department is an international, multi-country program known as the Asia Pacific Partnership on Clean Development & Climate. To find out more about *these programs*, please see the article from US Department of Energy and US Department of State in this year's WFSGI 2009 handbook.

#### **Collaboration: The new frontier**

Individual companies have made great strides introducing energy efficiency into their supply chains. Despite the progress, the pace is not fast enough. Company and industry collaboration offer a new rate of change, one that may allow society to reach the climate mitigation goals called out by the Intergovernmental Panel on Climate Change. Once program bringing together industry

is a partnership between the World Federation Sporting Goods Industry (WFSGI), US Department of Energy, US Department of State and the National Association of State Energy Officials.

This program is building a set of open source tools for all WFSGI members. Contract manufacturers have been part of the discussion. This program has the potential to help transform the sporting goods industry, and develop a standardized approach for energy efficiency across the industry.

*By Nike*

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