



SNEWS® OUTDOOR 2006



► RETAILER SURVEY

RETAILERS WEIGH IN ON 2006's WINNERS AND LOSERS

► **Welcome to the 2006 SNEWS® Outdoor Retailer Survey**, where outdoor specialty retailers get to speak their minds and offer up industry observations and commentary on what is great, good, not so good, and desperately needs improvement in the industry. As we did last year, these two pages in GearTrends® only summarize highlights of the results. To view the full survey, complete with detailed analysis of each category result, you'll need to be a SNEWS® subscriber. Results are available at www.snewsnet.com/surveys. As always, there's a lot of information packed into both this summary and the full survey results on SNEWS®, offering the industry plenty to digest, discuss, ponder and take pride in.

Keep in mind that although SNEWS® surveys hundreds of outdoor specialty retailers all over the country, this survey is by no means scientific in its approach. We do believe the results are quite representative of the outdoor specialty retail market as a whole, and those surveyed are consistent from year-to-year, so comparing answers from past surveys presents a useful picture of trends, market conditions and retailer moods.


The survey was available for retailers to fill out online from Oct. 6 to Nov. 28, 2006. Those completing the surveys represent over \$2.7 billion in outdoor specialty sales. Sporting goods chains, discounters, department stores and big boxes are not included in our surveys. The majority of those responding to the survey represent businesses with three or fewer storefronts. Results are representative of the U.S. market in 2006.

Finally, while we regularly receive some truly amazing financial offers, which we appreciate, we never disclose who responded to the surveys, since that is the promise we make our retailers for their honesty. One final point of importance, SNEWS® only poses the questions and does not predispose retailer responses by providing a list of choices.

For a summary look at some of the cheers and jeers from retailers this year, read on:

WHO DO YOU RATE AS THE "BEST" SUPPLIER TO DO BUSINESS WITH? ▼

Patagonia	13.5%
Cascade Designs	12%
Mountain Hardwear	6%
The North Face	5%
NRS	5%
SmartWool	5%
Aqua-Bound	4%
Eddyline	4%
Marmot	4%
Black Diamond	4%

 Also receiving multiple votes were: *Osprey Packs, Impex Kayaks, Outdoor Research, Kavvu, Horny Toad, Kokatat, Icebreaker, Werner, Columbia, Peregrine and Merrell.*

What a difference a year makes. Results showed no dominant player this year and a much wider spread of nominations for best company with no fewer than 31 companies getting at least one vote. Patagonia hung onto its top billing as the best supplier with which to do business—but just barely. Several retailers even stated that had other companies been better this year, Patagonia would not have gotten the vote since it was experiencing delivery problems. Cascade Designs told us last year it was gunning for the No. 1 spot and nearly got there. In fact, Cascade was the ONLY one of our top 10 from last year that did not slip in percentage. Icebreaker, clearly a dominant player now in the merino wool clothing market, broke into the top 10 ranking last year, but slipped off a bit, falling to about 14th or 15th place—too bad we

don't do a top 20. Continuing to free-fall out of favor with retailers is Montrail, with more retailers than ever bemoaning the quality of service and communication since Columbia acquired the company. Interesting, since Columbia garnered a number of top billings in various product categories this year, but not one nod for Montrail. Applause please for SmartWool, which jumped into the top 10 this year, and also for Eddyline, making its first appearance ever in the top 10. In fact, having three paddlesport companies gracing the top 10 this year is significant. In all cases, retailers cite reasons for voting a company into top spot consideration with a common voice: open and honest communication, consistent on-time and complete delivery, good margins, and good quality product.

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Shaped by the pursuit of
Human Powered Adventure



TECHNICAL APPAREL

HANDWEAR

HEADWEAR

GAITERS

STORAGE SYSTEMS

SHELTER SYSTEMS





WHO DO YOU RATE AS THE MOST DIFFICULT SUPPLIER TO WORK WITH IN THE BUSINESS? ▼

Confluence	20.5%
The North Face	19.5%
Crocs	14%
Marmot	8%
Too Damn Many!	6%
ExOfficio	5%
Patagonia	5%
Merrell	5%
Burton	4%
Polar	3%



Also receiving multiple votes were: Astral Buoyancy, Mountain Hardwear, Victorinox, Keen, Johnson Outdoors, Filson and Mountainsmith.

Sigh. Confluence keeps climbing the ladder in a category no company wants to win, and this year it grabbed top honors with a percentage that ranks among the all-time highs in SNEWS® survey history.

And, right on its heels, and slipping badly since showing two years of dramatic improvement, is The North Face. In the past, retailers had complained about the company's customer service, but that wasn't the case this time. In fact, a number of retailers pointed out that communication wasn't the issue this year. It was a lack of consistency in delivering what was ordered, having poor stock positions, extremely slow shipping, and poor ASAP on key products.

All this was good news for Crocs. We suspect that had TNF not slipped up as it did and Confluence not managed to do nearly everything possible to anger so many retailers, Crocs would have once again owned the top spot—the company needs to send thank you notes for that. Crocs got ripped by numerous retailers for having reps that would actually berate retailers for not placing larger orders or placing infrequent orders. One retailer summed up what many others wrote in so many other words (many not even printable): “The company needs to improve on returning phone calls, showing respect to its dealers, shipping what is ordered on time, not bullying for bigger or more frequent orders, and not selling to anyone with money in hand...but the company doesn't care what we think anyway, so what's the point in even saying anything.”

It was also sad to see that what was formerly known as our “Too Many to List” category, and heretofore renamed by several retailers to be the “Too Damn

Many” category, trended back up, after slipping down slightly on the list last year.

Overall, we need to repeat what we said in last year's survey and the survey before that. Manufacturers who were voted “Most Difficult to Deal With” should take to heart that you are continuing to fail your specialty retailers if you are breaking promises, not taking responsibility for your actions or inaction, being very difficult to deal with, not delivering, delivering poor quality product, not communicating, lying about what you have or have not done, and not showing respect.

If you're on the list of most difficult to deal with for 2006, read the paragraph above carefully and then look in a mirror. You're on this list, retailers tell us, because more than one of the reasons above applies to you.

WHAT ARE THE TOP-SELLING HARD-GOODS CATEGORIES THIS YEAR? ▼

Backpacks (includes hydration packs)	18%
Sleeping Bags	15%
Rec Kayaks	11%
Tents	9%
Climbing	7%
Sport Racks	4%
Stoves	3%
Snowshoes	3%
Travel (luggage and packs)	3%
Backcountry Skiing	3%

WHAT ARE THE TOP-SELLING SOFT-WEAR CATEGORIES THIS YEAR? ▼

Women's Sportswear	23%
Socks	15%
Men's Sportswear	15%
Underwear/Base Layer	14%
Technical Apparel	9.5%
Rainwear	6%
Men's Outerwear/Shells	5%
Women's Outerwear/Shells	5%
Kids' Apparel	3%
Technical Paddling Apparel	2%

WHAT WERE THE FASTEST-GROWING PRODUCT CATEGORIES THIS YEAR? ▼

Women's Sportswear	19.5%
Footwear (casual and multi-sport)	15%
Travel (luggage and packs)	11%
Merino Wool (anything)	9%
Soft Shell	8%
Men's Sportswear	6.5%
Backpacks	6.5%
Sport Racks	6%
Rec Kayaks	6%
Socks	4%

WHAT IS YOUR TOTAL SALES VOLUME YEAR-TO-DATE? ▼

Less than \$499,999	5%
\$500,000 to \$1 million	18%
\$1 million to \$2 million	18%
\$2 million to \$3 million	18%
\$3 million to \$4 million	2%
\$4 million to \$5 million	8%
\$5 million to \$6 million	3.5%
\$6 million to \$7 million	0%
\$7 million to \$8 million	3.5%
\$8 million to \$9 million	0%
\$9 million to \$10 million	5%
\$10 million to \$20 million	2%
Over \$50 million	6%

HOW ARE YOUR SALES THIS YEAR COMPARED TO LAST YTD? ▼

Up between 1% and 10%	32%
Up between 11% and 20%	38%
Up between 21% and 30%	5%
Way up! (over 50% up)	5%
Down between 1% and 10%	8%
Down between 11% and 20%	2%
Even	5%

Where Are the Full Survey Results?

» To read all the results of the 2006 SNEWS® Outdoor Retailer Survey—including more detailed analysis compared to the summary results printed here, as well as all the best-selling brand results from climbing, Nordic skiing, paddlesports and camping—go to www.snewsnet.com/surveys. Yes, you must be a subscriber to read the full results, and if you are not yet, simply go to www.snewsnet.com/subscribe. If you are a salesperson (and not a manager, store owner, store buyer or part of the retail executive team) for an outdoor specialty retail store, you can qualify for a free SNEWS® subscription under our retail staff program by going to <https://www.snewsnet.com/freeretail/2006OutSurvey.html>—your free, one-year, limited-access subscription is but a click away.

THE FINE PRINT

» All answers have been rounded up to the nearest 0.5 percent, and since we don't name every single company name or category with a percent, the percentages may not total 100 percent.

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