

TRANSWORLD SNOWBOARDING BUSINESS

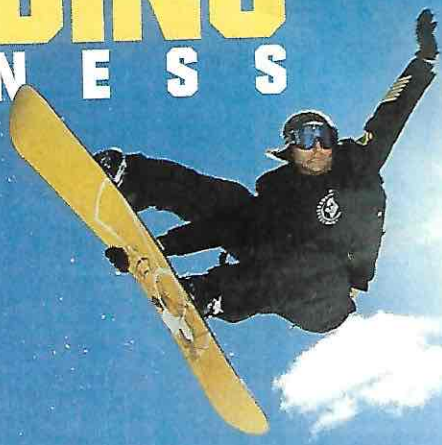
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CAPITA's Blue Montgomery
photo: Serfas

Collective Conspiracy

CAPITA uses artistic release to fill its core niche.

By John Stouffer

CAPITA Snowboards was formed several years ago by Jason Brown and Blue Montgomery. The two brought together a group of snowboarders and artists looking to express their artistic interests through snowboarding to build the new brand.

Based in Seattle, Washington, the CAPITA headquarters is staffed by Montgomery and Sales Manager Jason Locking, a former sales manager for Mervin Manufacturing. In addition to the Seattle staff, the company has thirteen North American reps and ten riders. Jason Brown is based in Vancouver with the CAPITA Creative, including a design group called the Human Five, three people in the Creative Selective, and several other artists.

The company is now dealing with about 100 accounts in the United States, plus distributors in Japan, Australia, New Zealand, and for the first year, Europe.

SNOWboarding Business caught up with Montgomery mid September to get the lowdown on CAPITA.

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Burton Goes Online

Snowboard retailers shocked by company decision to sell softgoods direct.

By Leah Stassen

In August, when Burton announced in a press release that its outerwear and accessories would be available for consumer purchase on burton.com at suggested retail prices, it caught many retailers by surprise. "It would have been nice if we'd been informed of this move before we made our buying decisions for the '04 season," writes Jim Whitcomb, co-owner of Sun 'N Fun Specialty Sports in Sioux Falls, South Dakota, in a letter he addressed to Jake Burton and forwarded to others at the company and *SNOWboarding Business*.

In addition to the news that the brand would offer products directly off of its own Web site, for

the first time in the company's history hardgoods would now be available for sale online through fourteen retail partners chosen by the brand.

While softgoods and even hardgoods sales through the Internet is not a new concept, in the past Burton has typically been one of the most restrictive snowboard brands when it comes to allowing online sales by its retailers. Not only would the company now allow a select group of its dealers to sell hardgoods, it planned to sell its many of its own products on burton.com. The changes in policy left many Burton dealers shocked, especially some of those who had partnered to sell Burton's hardgoods on their own Web sites.

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California Regional Rant

By Ari Evan Gold

Companies help shops sell their merchandise in many ways: some put the main retailers in their magazine advertisements and brochures, while others simply have a great representative who maintains constant contact with each account and is aware of each retailer's inherent needs and desired wants. Still, most manufacturers see demos, autograph sessions, and P.O.P. materials as explicit avenues to enhance their core concentration at each retailer.

Some companies are doing more for shops than others. "Forum snowboards has been doing a great job. Those guys bring the customers to the front door," says Steve Scholz of **HotSkates** in Orange.

Kenny Moody, snowboard buyer for **Emerald City** in Mission Beach, also mentioned Forum and added Ride as another company high on his list: "Ride helps out, for sure." But not all companies are held in such high regard.

"The company that we've experienced trouble with is actually Burton," says Moody. He felt that Burton had gone too far by selling online.

Over at **HotSkates**, this sentiment toward Burton was reiterated. "Burton has the product,

but those guys don't do near what is expected [by the retailer]," says Scholz.

A rep's role encompasses much more than



Emerald City, Mission Beach, California.

just selling product. These coveted positions are, in essence, personal marketing machines for the manufacturers. All in all, reps need to be visible and active in promoting their accounts.

"Reps should maintain and visit their accounts a little more often. The companies that we do better with are the ones that have their reps come in on a more consistent basis," sums up Scholz.

Northwest Regional Rant

By Ryanne Gerry

As the sugarplums of the upcoming snowfall dance through the heads of every rider in the country, shops far and wide are getting ready for the approaching season. Stocking and confirming orders isn't the only thing on shop owners' minds—which companies are going to step up to help them with this season's marketing campaigns and ultimately move product out the door also weigh heavily.

"Most of the shoe companies—and especially Volcom—do a really good job. Volcom's always sponsoring events and constantly making its presence known," says Mike Cummins, store owner of **Northwest Snowboards** in Olympia, Washington.

"Free stuff is what really gets the attention of the consumers, and it stokes them out on the brand," he says. "Stickers, promotions, and P.O.P. are also very important. I don't think the responsibility of marketing falls directly onto the reps, however—it's the attitude of the company that transfers over to the reps. Then it's up to them to use their companies' viewpoints to their advantage."

Theresa Shroeder, buyer and office manager at **Skjerssa's Ski and Snowboard Shop** in Bend, Oregon, gives props to a number

of companies and reps that have made sure to stay no more than a phone call away.

"K2 is always making themselves super available," says Shroeder. "The reps are on it, calling frequently and making sure we get our best discounts. They also keep their P.O.P. very fresh, and we don't have to remind them to get it to us. Salomon definitely shipped first and on time—Jak Green and Mike Tade do everything possible to keep us happy, as well as Eric Shade and Taylor Shaffer of Rome."

"Rep support is always important. When Burton contributed its tent to our Labor Day sale and sent reps down to help us out—we were really stoked," she continues. "We're just really happy right now with our reps, for the most part."

All in all both agree that availability is of the utmost importance. "Basically, just call back and be available," says Shroeder. "That's all we really need from manufacturers to keep us happy."

Cummins gets right down to it when asked what happens when a company isn't very supportive. "We pretty much stay away from the brands that don't help us market. These are usually just phased out, and we won't carry them."



Skjerssa's Ski and Snowboard Shop, Bend, Oregon.

Rockies Regional Rant

By Christy Tanner

With the slowing of the growth of snowboarding and so many snowboard companies struggling to stay alive, manufacturers' marketing techniques are now even more important to shops in the Rockies, especially as the selling season begins.

"Our best reps find P.O.P. to help the store out—they'll find us something that works," says Larry Ruppe, general manager and snowboard

"Giveaways, promos, and posters are all effective ways of marketing. Even things as simple as hangtags on garments can help. Sometimes the little details help present the product as being more authentic." —Dave Smith, BC Surf & Sport

buyer for **Ski Pro** in Phoenix, Arizona. "That's the first level—to get us cool stuff to help sell the product within the store."

"The reps who do the best job getting us P.O.P. are from Ride, Burton, Salomon, and Mervin," he adds.

"Reps who give better support to get the product out the door really helps out the store," Ruppe points out. "I don't think a promotional giveaway like a CD or DVD actually helps propel sales."

"Samples help," he continues. "Red Bull

sponsors a pro-rider open house with us every October. The pro riders come in and sign autographs, and we give away free Red Bull."

Dave Smith, snowboard buyer for **BC Surf & Sport** with stores in Denver, Littleton, and Westminster, Colorado, also mentions special events as a good marketing tool.

"We just premiered *Video Gangs* [Forum snowboards new video], and the Forum riders were there and signed autographs for the kids. It puts a good vibe out for snowboarding in general when parents see the athletes interacting with the kids," says Smith.

He also names Burton among the manufacturers that give good marketing support: "Burton has always done a good job. We've been doing a preseason sale every year for ten years, and Burton helps us promote old product. It helps promote snowboarding in general."

"Giveaways, promos, and posters are all effective ways of marketing," Smith adds. "Even things as simple as hangtags on garments can help. Sometimes the little details help present the product as being more authentic."

"Companies that have more money usually help more," explains Ruppe. "A company decides on the big picture, like a billboard on the way to Mammoth that helps propel brand awareness, and then the reps follow up with help on the floor. It all helps and adds up to it being a successful brand."

East Coast Regional Rant

By Brian Hansen

Marketing support from manufacturers to shops can come in many forms: good reps to P.O.P., catalog, Web sites, and clinics—all things geared toward a shop can help a bottom line. Some companies are more successful at creating a marketing partnership with their dealers than others.

"Salomon, Nitro, Lib, Gnu—all in a different way—give us some good marketing support," says Chris Farrar, buyer and manager at **Concrete Wave's** second location in Marlboro, Massachusetts. "Salomon keeps it simple with a lot of tech information and consumer catalogs, along with marketing dollars to use for advertising. They [the brands we carry] all do super Web sites and get people turned on to their products."

"Burton is a lot better than the other brands, when it comes down to marketing," says Shawn Lavelle, buyer and manager of **Bike Barn Snowboards** in Whitman, Massachusetts. "Co-op, P.O.P., Web site, and clinics are all highlights from Burton."

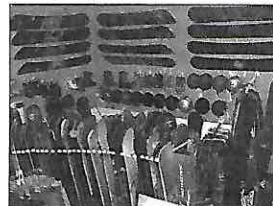
But, where some companies succeed, others are struggling. "Option hasn't given much support to us in the past," says Farrar. "[Last

year] we placed a good-size order and they never gave us any P.O.P. or banners. The clinics and catalogs were even late—to top it off, we never saw the rep in any of our shops."

Shops located in large sales territories often feel reps straining from the size of their areas. "Our biggest complaint is we hardly see our reps when we need them around. They talk the talk, but don't walk the walk," says Lavelle.

Whatever the stance on the current state of marketing, both shops have a lot of suggestions for the future. "Keeping kids in the loop with fold-out posters that double as catalogs is a good way for manufacturers to help out—and not all of them do," says Farrar. "Letting kids see what the pros are rocking with ads and posters is a must."

"Companies don't have to overextend themselves, especially selling online and creating outlet shops as Burton has done in Wrentham, Massachusetts," says Lavelle. "They should take back some of the old crap and offer us a percentage back. We're sitting on the same off-price stuff that they have. And, I guarantee, that they're selling it for way below our prices because they can."



Concrete Wave, Marlboro, Massachusetts.

Midwest Regional Rant

By Christopher Cross

When it comes to marketing support, shops in the Midwest agree that no one is currently doing it better than Burton snowboards. "Did you see the size of their catalog this year? It's the size of a magazine," says Jerry George, owner of **Ohio Surf and Skate** in Dayton and Beaver Creek. Over the sixteen years George's been in business, he says that the quality of the support he's seen from Burton is consistently the best and continues to improve with each season. George points not only to its catalog, but the higher quality of Burton's P.O.P.

Ohio Surf and Skate carries several other snowboard lines (K2, Gnu, Lib Tech, and Ride), but George states that the marketing support he's seen from these companies is limited to the occasional cloth banner and entryway rugs. George went on to suggest that snow companies offer lighted signs like the ones he's received from several of the shoe brands: "They really catch customers' attention, and many people comment on how cool they look." He also proposes that brands place more informative hangtags on snowboard boots to explain each

boot's particular features.

Carl Johnson, owner of **Pro Skate and Surf** in LaCrosse, Wisconsin, agrees that Burton does the best job of providing marketing support to his shop. "Everything we see from them is excellent: the P.O.P. is really good, the look of the product, the hangtags, the catalog, the Web site, and even the quality of service we get from the area reps when they come out to do demo days at the local ski hill," says Johnson.

Pro Skate and Surf also sells products some of the smaller manufacturers like Forum, Allian,

and Nidecker offer, but according to Johnson, these brands don't currently produce the level of marketing support that he'd like to see. "They're really good at promoting their teamriders, and we love the products, but we don't get the in-store marketing support that we get from other [larger] companies," he says.

Johnson also says he'd like to see manufacturers spend some co-op dollars helping him advertise his store and their products on local billboards and TV commercials.