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SPORTING GOODS INTELLIGENCE

News and analysis of the international market

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Net income inched up 2% in the fiscal first quarter ended June 30 to \$133,259,000 from \$130,768,000 as balanced growth from Ugg and Hoka sent the top line 6% higher to \$1,019,531,000 from \$964,538,000. Wholesale increased 2% to \$666.7 million, which reflected last year's earlier international shipments pulled forward out of FQ2. Direct-to-consumer sales grew 13% to \$352.8 million, with blended comps up 6.8%. The home market grew 3% to \$517.4 million, with both Hoka and Ugg turning in solid wholesale sell-in and sell-through at retail partners. International sales increased 8% to \$502.1 million.

Hoka brand sales increased 8% to \$703.5 million, and DTC increased 17%, with all international geographies posting "robust growth" while the U.S. remained positive. New versions of the Clifton and Bondi franchises continued to drive sales, and the Speedgoat 7, Mach 7, Mafate Speed 2, and the ultra-premium Skyward X and X2 also got callouts. Global wholesale revenues increased by 3% due to a shift in shipment timing to certain international accounts, while the U.S. outperformed with strong sell-in and full-price sell-through. International DTC generated the fastest growth from Europe, China, and Japan.

Ugg revenues climbed 5% to \$278.0 million, balanced across channels, with DTC increasing 6% and wholesale up 5%. International markets, and Asia in particular, powered Ugg sales gains through a growing fleet of mono-brand stores. DECK carefully allocated classic styles but leaned into year-round "365" fashion and casual footwear and sandals, with increased marketing spend. The expanded Lowmel family that now includes sneakers and low-profile styles was a standout. Men's 365 product accounted for the largest share of Ugg growth, led by Tasman and Lowmel franchises, and men-only items like the Otzo clog. Other brands fell 18% to \$37.9 million on the phase-out of Koolaburra.

Gross margins were solid, expanding 60 basis points to 56.4%, helped by a favorable channel and brand mix (+110 b.p.), foreign exchange (+40 b.p.), and better management of closeouts (+60 b.p.), all of which more than offset the 150 b.p. negative tariff impact. SG&A jumped 13%, deleveraging 260 b.p. to 41.2% of the top line, bulging on rising staff costs, an increased marketing and technology spend, and higher rent on the expanding brick-and-mortar fleet. Inventory was 5% lower year-over-year to \$807.6 million. Cash & equivalents dropped 7% from a year ago to \$1,602.6 million, and DECK carries no debt.

DECK maintained its full-year revenue guidance for between \$5.86 and \$5.91 billion, with Hoka growing low-double digits including an H2 acceleration, Ugg up mid-singles, and other brands down about 50%. Slightly better-than-56.5% gross margins and SG&A at 35% of revenue are expected to result in net income of \$7.35 to \$7.50 per share, a \$0.05 increase from earlier guidance. DECK's medium-term guidance is targeting a high-single-digit annual growth pace for FY 28 through FY30, with low-doubles from Hoka and mid-singles from Ugg, driving

TRUMP ADMINISTRATION IMPOSES BROAD GLOBAL TARIFFS

Using the pretext of failing to prevent forced labor, the Trump administration imposed 10% to 12.5% Section 301 tariffs on 59 countries and the European Union, neatly replacing the expiring temporary 10% tariff imposed under Section 122 in Apr. The United States Trade Representative initiated 60 separate forced labor investigations on Mar. 12, shortly after the Supreme Court struck down the administration's IEEPA tariffs on Feb. 20. The USTR held public hearings at the end of Apr., then issued affirmative determinations that the lack of forced labor enforcement burdened U.S. commerce, legally justifying responsive tariffs against all 60 countries.

The new tariffs cover 99.4% of U.S. imports, and will not stack with most existing tariffs such as the Section 232 national-security tariffs which apply to steel and aluminum. It is less clear whether they will be additive with special punitive tariffs imposed by the Trump administration for various offenses. The E.U., U.K., Canada, India, Mexico, Taiwan, and Indonesia are subject to the lower 10% tariff rate, while imports from most of the remaining countries, including key industry suppliers like Vietnam, will be subject to a 12.5% tariff. In addition to the Section 232 overlaps, the new regime includes carve-outs for agricultural items and food staples, crude oil and other energy and production inputs, and items important for domestic security.

Earlier in the week, the administration announced targeted levies on Brazil and Canada. A 25% tariff on most Brazilian imports will take effect Jul. 22, and 50% tariffs on a slate of Canadian goods, including hockey sticks, are set to take effect in 30 days. The Brazilian levies are also under Section 301, ostensibly based on a year-long investigation into unfair trade practices, while Canada is targeted under Section 338 of the 1930 Tariff Act.

A Monday White House release said the Canadian tariffs aim to level the playing field after Canada joined China as the “only two countries [that have] chosen to retaliate against President Trump’s tariffs rather than negotiate a deal” with the U.S., citing a 22% drop in U.S. auto imports from Apr. ‘25 through Mar. ‘26, all but two Canadian provinces cutting off U.S. alcoholic beverage imports, and protectionist moves against U.S. dairy products. The release states the tariffs will apply to all covered goods, “ranging from wine to hockey sticks to cement,” whether or not they originate under the USMCA. Critical minerals are not covered under the orders.

Canadian PM Carney said that his country has drafted proposals on “modernizing the USMCA” over the last year-and-a-half and is ready to ramp up discussions after the latest tariff moves. Elsewhere, the Ca-

nadian Chamber of Commerce called for negotiations during the next 30 days before the tariffs take effect, while Ontario Premier Doug Ford called for matching the tariffs should they proceed.

On the Brazilian front, a statement from USTR Greer tallied a litany of grievances with the country’s trade practices that “restrict the commerce of American farmers, workers, innovators, and exporters,” including their own tariff policy, issues with digital trade and electronic payment services, interference in anti-corruption moves, and ethanol market access among others. Brazil is also exposed to another potential 12.5% levy under Section 301 once the ongoing forced labor probe investigation wraps up Friday.

According to Brazilian footwear trade group Abicalçados, the nation exported 5.6 million pairs to the U.S. in H1 ‘26, with a value of \$82.3 million. This marked a 4% volume decline and 24% value decline year-over-year. USTR Greer stated that the ongoing negotiations during the year-long investigation failed to resolve matters, but that his office is open to continued talks.

NIKE’S CHINA PIVOT WILL BRING E-COMMERCE IN HOUSE

Faced with nine consecutive quarters of falling sales in the PRC, the Eager Beavertons announced a major changeup in their Chinese market



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strategy effective Jan. 1, 2027, when it will remove online sales from the majority of retail partners there in favor of its own DTC e-commerce and digital storefronts with e-commerce platforms Tmall, JD.com, and Douyin. Domestic rivals like Anta and Li Ning have picked up market share in Nike's third-largest market, and smaller Western brands have also made strides there. The local players are much more vertically integrated than the E.B.s, with large owned- and franchisee-store fleets and direct control over digital sales.

Nike's major retail partners, Topsports International Holdings and Yue Yuen subsidiary Pou Sheng, which each operate around 5,000 stores in the PRC for Western brands, both issued statements to investors on the matter. Topsports noted Nike online sales accounted for 22% of revenue in the last fiscal year, while the share stood at 15% for Pou Sheng. Both stated the strategy shift will mean significant short-term headwinds, but that they are committed to working with the E.B.s to return brick-and-mortar sales to growth. Including Topsports and Pou Sheng, Nike has 16 store partners in the PRC.

Nike's move aims to establish more control over brand presentation, hoping to re-establish the Swoosh as a top-tier and exclusive banner after two years of malaise. To lead the turnaround, NKE appointed company veteran Cathy Sparks as VP and general manager of Greater China earlier this year. Sparks told *Reuters* the company is looking to "rebuild trust" with consumers and promote full-price selling.

While reminiscent of Nike's ultimately disastrous Consumer Direct Acceleration strategy pursued by former CEO John Donahoe, we see this move as more narrowly focused on the digital channel, and the company is still fully supporting its retail partners in the brick-and-mortar trenches. Gaining direct control over e-commerce should facilitate a rapid margin reset, as Nike can choose to sacrifice short-term revenue to reposition and re-premiumize the brand, with better control over how products are priced and presented, thereby building long-term equity.

MONCLER POSTS SOLID FIRST HALF AS STONE ISLAND REBOUNDS

First-half net income at the luxury skiwear and apparel company was up 7% to €164,712,000 (\$187.8 mm) from €153,460,000 on 5% higher revenues of €1,289,912,000 (\$1,470.5 mm) over €1,225,665,000. Gross margin expanded 30 b.p. to 77.2%, benefiting from a higher direct-to-consumer share at both the Moncler brand and Stone Island. SG&A was up 5% in Euros, improving 40 b.p. to 58.1% of sales on selling expense leverage. MONC is now led by Bartolomeo "Leo" Rongone, who was appointed CEO in Apr. His predecessor, Remo Ruffini, moved into the executive chairman seat, from which he'll oversee the group's creative direction and strategy.

Moncler brand sales increased 5% (+9% CC) to €1,089.6 million, with DTC up 6% to €933.2 million and stores comping up 7.0%. Asia and Americas' growth offset a dip in EMEA, which most acutely felt macro

pressures and lower tourism due to the Gulf conflict. Wholesale was flat at €156.4 million as the ongoing channel reset efforts are beginning to turn the corner. By region, Asia led with a 13% gain (+19% CC) to €592.9 million, with China and Korea outperforming. EMEA was down 4% to €350.0 million on softer tourist traffic and weak online performance. Americas was off 1% to €147.0 million (\$167.6 mm), improving 6% CC, as DTC turned in strong results from consumers here.

Stone Island sales grew 7% (+11% CC) to €200.3 million, led by a 10% DTC increase to €109.2 million, and a 4% improvement in wholesale to €91.1 million. Trends in both channels mirrored the namesake brand. Asia sales jumped 15% (+25% CC) to €60.4 million, with all major markets posting double-digit gains. EMEA ticked up 2% to €125.8 million on growth in both channels. Americans soared 28% (+35% CC) to €14.1 million (\$16.1 mm), bolstered by a +49% CC result in Q2 with both channels registering double-digit growth.

FENIX OUTDOOR STUMBLES IN Q2

Revenue from the wholesale branded segment, home to Fjällräven, Royal Robbins, and other brands, was down 6% to €38.0 million (\$44.2 mm) in the second quarter, due to lower sales in Germany and deliveries pulled forward in early spring and summer to mitigate tariff impacts. However, the Nordic region fared better, while Devold outperformed overall. By region, Americas sales narrowed 7% to €15.3 million (\$17.8 mm), while the home market in Sweden declined 19% to €1.3 million, and the key German market was 15% lower at €8.8 million.

Direct-to-consumer was down 3% in the quarter to €99.2 million, with brick-and-mortar contributing €27.5 million, while e-commerce was down by the same percentage to €27.5 million. Operating results were still in the red, with an €8.7 million loss, compared to a €5.1 million loss last year. EBIT was affected by soft external sales, coupled with lower sales to Frilufts, due to an operational model shift to better serve consumers, and one-time costs for raw materials and logistics, totaling €2.4 million. Frilufts retail sales contracted by 3% to €81.2 million, as unseasonably warm weather affected sales in Germany, and the global sales segment, comprising distribution companies that sell more than one Fenix brand, inched down 1% to €20.3 million.

Looking ahead, Fenix sees signs that N.A. is improving, particularly in the U.S., as pre-orders are heating up for next spring and Canada continues to grow. The Nordic region is also promising, while Germany remains challenged. Fenix sees great potential for growing the Devold brand as the Swedish outdoor company's turnaround continues.

KMD SEES PROGRESS WITH TURNAROUND PLAN

The Rip Curl, Kathmandu, and Oboz parent said that sales are expected to total between NZ\$1,040 and NZ\$1,044 million (\$609 mm at the midpoint) for FY26, which ends July 31, up around 5% from the year before. Direct-to-consumer same-store and e-commerce sales for Rip

Curl dwindled 3% for the 24 weeks ended July 19, but Kathmandu improved by 5%. Kathmandu was driven by rainwear, fleece and base layer, but insulation was down due to unseasonably warm weather on Australia's east coast. New Zealand consistently outperforms the Land Down Under. Rip Curl sales were hurt by subdued consumer sentiment in Australia and heavy promotional activity from competitors, while ForEx headwinds adversely impacted profitability. Oboz has returned to growth, driven by online and new product launches.

KMD expects underlying EBITDA will come in between NZ\$38 and NZ\$41 million (\$23 mm) for the year. Net debt remains elevated in the range of NZ\$63 to NZ\$66 million, driven by a shift in payment timing with selected suppliers, working capital investments, and the weakening dollar, which had an NZ\$8 million impact. The company said it will end the year in compliance with all bank covenants under its new facility. KMD also plans to divest its Southeast Asian manufacturing plant, with a phased production wind down over the next 12 months. The transaction is expected to deliver net proceeds of NZ\$5 to NZ\$7 million in addition to unlocking working capital of about NZ\$6 million. KMD is scheduled to release its full-year results on Sep. 23.

THULE'S NEW CATEGORIES DRIVE Q2 GROWTH, BUT N.A. LAGS

Net income increased 5% in the second quarter to SEK 537 million (\$57.3 mm) from SEK 512 million, as revenues inched up 1% to SEK 3,421 million (\$365.1 mm) from SEK 3,403 million and would have increased 3% in constant currency. The small Active with Kids & Dogs category grew 6% to SEK 431 million, Bags & Mounts increased 2% to SEK 602 million, and RV Products were 3% higher at SEK 521 million. But the large Sport & Cargo Carriers group dipped 2% to SEK 1,867 million. Gross margin expanded by 100 basis points to 47.3%. Selling expenses were reduced by 2% while administrative expenses increased by the same percentage, resulting in a 50 b.p. reduction in SG&A to 25.2% of the top line.

North America continued to weigh on results, declining 7% (-2% CC) to SEK 764 million, hit by both retail destocking and consumer caution, though direct-to-consumer e-commerce was a bright spot. Thule said it is making progress here, but that the N.A. market remains the most challenging. Elsewhere, Europe improved by 3% (+4% CC) to SEK 2,444 million, driven by broad-based growth in kids' and dogs' products. Rest of World grew 1% (+2% CC) to SEK 213 million, with Asia outperforming while South America lagged.

ADIDAS WINS WORLD CUP ON THE PITCH AND OFF

Three Stripes jersey sales were up 4X during the 2026 FIFA World Cup compared to the 2022 tournament, the company told *Bloomberg* over the weekend, as early reads indicate Adidas is hoisting the sponsor-battle trophy. Adidas also said ball sales more than doubled, with all World Cup-related sales including football-inspired streetwear now expected

to hit the high end of internal forecasts, tallying about €1.5 billion. Nike had previously reported that it sold 2.5X the number of national team jerseys in the pre-tournament build-up period compared to '22. At the start of the expanded 48-team '26 Cup, Adidas held 14 sponsorships to Nike's 12. Puma moved from six in the '22 tournament to 11 this year. Other outfitters equipped the remaining 11 teams.

With the tripartite U.S.-Mexico-Canada hosting duties, U.S. national team jerseys from Nike sold out shortly after the tournament began, and a June London Stock Exchange Group report found that 28% of Nike World Cup merchandise sold out during the first two weeks of the tournament, besting Adidas' 7%. Adidas reported over the weekend that the biggest jersey seller of the tournament was Mexico's, narrowly ahead of Argentina's, with Spain's also performing strongly.

The Swoosh drew some criticism for failing to meet high U.S. jersey demand, as replenishment orders only hit channels in earnest days before the end of the tournament and after the U.S. team's elimination. That end saw two Adidas teams square off in Spain and Argentina, with the Spanish victory spiking demand for midfielder Lamine Yamal's jersey. Elsewhere, Nike brand heat benefited from Norway forward Erling Haaland's media attention amid his team's Cinderella story in the tournament.

The tournament's near-term halo effect in the U.S. should mean significant benefit for both companies, with Adidas holding the jersey rights for the MSL and Nike supplying the National Women's Soccer League. Looking further ahead for international play, the U.S. is reportedly in advanced negotiations to host the 2028 Copa America tournament, even as Los Angeles hosts the 2028 Summer Olympics. The U.S. will then join Mexico, Costa Rica, and Jamaica in hosting the 2031 FIFA Women's World Cup.

NIKE FACES HUGE AWARD IN SEX DISCRIMINATION SUIT

A jury found the Swoosh liable Tuesday after the eight-year-long Cahill v. Nike, Inc. sex discrimination saga was finally heard in U.S. District Court, stating Nike should pay \$7.5 million in punitive damages for violations of Title VII of the Civil Rights Act and a matching \$7.5 million for Oregon Equal Pay Act violations to sole remaining plaintiff Heather Hender. The jury also awarded Hender \$19,740 in back pay under Federal Equal Pay Act violations. Hender's attorneys had asked for \$2 million in damages. A likely challenge, however, would send the case to the Ninth Circuit Court of Appeals. The eight-member jury, made up of seven men and one woman, checked off in the affirmative for all questions pertaining to the allegations against Nike.

The suit was first brought in Aug. 2018 by former employees Kelly Cahill and Sara Johnston, later onboarding Hender and others. Nike settled most remaining claims early this year, including individual retaliation claims with Hender, a former process engineer at Nike headquarters. Her

claims of unequal pay and promotions compared to male counterparts made it to this week's trial. Cahill and Johnston's original complaint called Nike "a company where women are devalued and demeaned," alleging lower starting pay, salaries and bonuses, and fewer stock options, alongside blunted career trajectories and ignored complaints of discrimination and harassment.

Analysts noted that an appeal by Nike would allow renewed class-action efforts. An Oregon District Court magistrate judge first shut down attempts to certify a class of 5,200 current and former female Nike employees in Nov. '22, finding a lack of "commonality, typicality, and predominance," singling out the lack of a policy on starting pay that would have affected the entire proposed class. At that time the number of plaintiffs tallied 14. Another last-minute effort was struck down after the Jan. settlements as Hender's remaining claims moved forward.

RETAIL

FRASERS GROUP extended its buyout offer for the ANZ distributor and regional Sports Direct operator Accent Group to the end of Sep., after its initial bid received little interest. The Sports Direct parent launched a A\$0.65-per-share cash bid in June, aiming to raise its then-19.6 % stake to 100%. The all-cash on-market offer translates to an A\$316 million (\$219 mm) valuation. Accent's board criticized the offer as below the company's market value, and recommended that its equity holders take no action. Frasers Group's holdings have now inched up to 22.9% of Accent's outstanding shares.

GENESCO shareholders re-elected the incumbent 9-director slate at its July 21 annual meeting, approving Gregory Sandfort; Mimi Vaughn; Joanna Barsh; Matt Bilunas; Carolyn Bojanowski; John Lambros; Thurgood Marshall, Jr.; Angel Martinez, and Mary Meixelsperger. The vote defeated activist investor Radoff-Jumana, which sought to oust directors Joanna Barsh and Thurgood Marshall Jr. and secure seats for its candidates. The board had argued that recovering cash flow and improving profitability are signs that the retailer is on the right track, and that shareholders should give the green light to its nominations.

JD SPORTS' chairman Andrew Higginson resigned on July 21 at the retailer's 2026 annual meeting, in line with an announcement in April, and has been replaced on an interim basis by director Darren Shapland. Shapland will temporarily step back from his board responsibilities as chair of the ESG Committee and member of the Audit & Risk Committee. A search for a permanent successor to Higginson is already ongoing.

NATIONAL PARK recreational visits declined 7% year-over-year to 35,508,942 from 38,173,576 in the seasonally important month, and year-to-date visits were off 4% to 144,513,839 against 149,750,899. Among parks with more than 100,000 recreational visitors in June, the fastest-growing were Steamtown NHS, where visits jumped 15x, President's Park (up 81%), and Buffalo NR (up 50%). Backcountry camping visits dipped 4% to 226,016 and were down 7% so far this

year, while tent camping visits increased by 9% to 527,423 and are 6% higher year-to-date.

ON THE MOVE: **Fanatics** and **Lululemon** inked a new Major League Baseball partnership with LULU producing a range of performance and lifestyle items across men’s and women’s apparel and accessories for all 30 MLB teams.++++**Dick’s SG** has acquired the 123,000-sq.-ft. former Nordstrom anchor store at Christiana Mall in DE, according to local media, presumably for a new House of Sport at the popular regional mall.++++**On Running** opened its first store in the United Arab Emirates in a 2,850-sq.-ft. space at Dubai’s Mall of the Emirates with local partner Seddiqi Holding Group.++++**Nike** closed four more stores as part of its Nike Direct restructuring, according to local media: Fenton Shopping Center in Cary, NC; Santana Row in San Jose, CA; Bethesda Row in Bethesda, MD; and Washington St. in Hoboken, NJ.++++**Adidas** will open an over 9,000-sq.-ft. store at Mall of America in Bloomington, MN, in Oct.++++**Vans** is opening a 1,300-sq.-ft. store in Milan, Italy’s Brera shopping district.++++**Sierra** will open a new 19,800-sq.-ft. store at Beavercreek Towne Center in Beavercreek, OH, on Aug. 15.

COMPANIES

GARMIN inked an agreement to acquire TrainingPeaks and TrainHeroic from Peaksware Holdings, expanding its footprint in the customizable coaching experience and performance-focused fitness space. Terms of the transaction were not disclosed. Both platform teams will remain with the company. The digital endurance and strength training ecosystems specialize in connecting coaches with athletes of all abilities.

PUMA hired former Reebok and Adidas exec Dusan Hamlin as vice president e-commerce, a newly created role reporting to The Big Cat’s chief commercial officer Matthias Bäumer. The appointment follows last year’s decision to split PUM’s direct-to-consumer into two separate business units focused on brick-and-mortar and global e-commerce. After serving as Reebok’s digital transformation officer under Adidas, Hamlin went on to run M&C Saatchi Mobile, and was most recently CEO of digital consultancy This Place and COO of Asteria Corp., an investment fund.

STOCKS & EARNINGS

ACUSHNET’s growing customer base, engagement, and popularity support a healthy EBITDA margin, with golf consumables helping offset slowing golf club sales, Moody’s said. The ratings agency affirmed Acushnet’s Ba2 corporate family rating, and the Ba3 rating on its senior unsecured notes due 2033, with a stable outlook. While tariffs remain a moderate risk, Acushnet has taken some pricing in golf equipment to mitigate elevated sourcing costs. Moody’s expects GOLF to moderate buy-backs to the level of free cash flow now that leverage is around the target range of less than 2.25x, and it doesn’t anticipate any debt-funded acquisitions that would result in a leverage increase. Liquidity is sup-

ported by positive free cash flow generation, good availability under its \$950 million revolving credit facility due 2030, and ample cushion on its covenant requirements. Annual free cash generation should be around \$130 million to \$150 million during 2026 and 2027, despite continued capital expenditures and shareholder distributions.

POLYGIENE's bottom line swung to a SEK 5,851,000 (\$0.6 mm) profit in the second quarter, up from last year's loss of SEK 3,125,000, on flat revenues at the Swedish maker of antimicrobial fabric treatments of SEK 32,091,000 (\$3.4 mm) versus SEK 31,945,000. Silver prices have remained Polygiene's immediate priority, with average market prices hovering around twice last year's levels. During the quarter, it revised its pricing structure, so all customer orders entering Q3 now reflect the new pricing, as it aims to recover some of the silver cost increases while preserving gross profit. Americas sales, including goods and royalty income, improved 38% to SEK 5.2 million, EMEA grew 22% to SEK 14.0 million, while APAC inched up 4% to SEK 9.0 million. Gross margin increased 810 basis points to 71.0%, and total operating expenses were slashed by 7% in krona, including a 4% reduction in personnel expenses, while other below-the-line spending was cut by 9%. Meanwhile, Anders Nordgren joins the company as CFO, effective Aug. 17.

YUE YUEN, the footwear manufacturer and parent of Chinese retailer Pou Sheng, said that net income attributable to shareholders would be down around 55% to 60% to roughly \$60 million in the first half from \$171.2 million, as weak demand and a tough operating environment hit the bottom line. Yue Yuen's brand customers adopted a more cautious ordering approach, resulting in a 5% decline in its manufacturing business, compounded by rising costs and the adverse effects of tariff sharing arrangements. Other headwinds include rising labor and overhead costs from new facilities and the overlap of long holidays across its three main production locations. YY is scheduled to release its H1 results on Aug. 12.

LEGAL

CPSC RECALL: Huish Outdoors is recalling about 7,570 Hollis 200LX second-stage diving regulators because the inlet tube can crack or break. Authorized Hollis dealers can provide a free repair, or consumers can return the regulators to Huish Outdoors. The recalled regulators were sold through diving specialty stores nationwide from May 2017 through Feb. 2026 for about \$330.

FIT ACTIVE SPORTS filed suit in OH district court, accusing Sialko Group of infringing on its stylized "Fa" logo, word mark, and trade dress, with Sialko's Glaring Way weight gloves. According to the suit, the defendant, who operates a storefront on Amazon, has copied Fit Active Sports' photo, including composition, camera angle, lighting, posing, and digitally removed the plaintiff's registered logo from the wrist wrap, and replaced it with a substantially similar logo bearing the defendant's own branding. Too, the defendant mimics the segmented palm-padding configuration and overall color-blocking, the

suit goes on to say. The suit seeks findings of trademark infringement, an injunction, and other Lanham Act violations, as well as an award of damages and fees.

NIKE Memphis logistics center employees and several outsiders including the owner of Los Angeles sneaker store Coolkicks were charged with conspiracy to transport stolen property and other offenses after federal agents broke up a group stealing from the DC. The W. TN U.S. attorney's office said the 12 charged defendants stole at least \$2 million in merchandise between July 2021 and 2024, relabeling cartons of sneakers and shipping them to resellers who sold the shoes through Coolkicks and online. The charges carry penalties of up to 10 years in prison and \$250,000 in fines.

NIKE is embroiled in another proposed class action suit, brought by Tianna Jenell and naming former president and CEO John Donahoe, exiting CFO Matt Friend, and several directors as defendants. The derivative suit repeats many of the allegations from recent class actions, alleging that Swoosh leadership misled investors by concealing problems with Nike Direct and the DTC-first strategy. The defendants acknowledged significant operational shortcomings and a shift in strategy on NKE's FY 24 call, resulting in its stock dropping around 20%, the suit goes on to say. Plaintiff seeks class certification for those who bought Nike Class B common stock between Mar. 18, 2021 and Oct. 1, 2024, and is asking for damages and attorneys' fees.

WOODWAY tallied a win and a loss this week in its ongoing IP battle with Assault AirRunner maker LifeCore Fitness. First, the U.S. Court of Appeals for the Federal Circuit affirmed the USPTO's ruling invalidating several of Woodway's curved-treadmill patent claims as obvious. Woodway had filed suit, alleging LifeCore was infringing on patent number 10,561,884, which relates to non-powered treadmills. Then, later in the week, that same court reversed a S. CA district court ruling that Woodway's patent required "absolute" prevention of backward/forward belt movement, meaning LifeCore's bidirectionally rotating treadmills did not infringe. The reversal sent the case back to California for a new evaluation.

SHORT STOPS

Kontoor Brands appointed former EVP and COO Tom Waldron to its board of directors effective immediately.++++**Salomon** appointed 20-year Nike veteran Vincent Du as senior vice president & general manager, Salomon Greater China.++++**Acros Sport**, which makes precision bearing components for bike manufacturers, appointed former GT Bicycles MD and ENVE Composites founder, Jason Schiers, as head of North America.++++**Digital Brands Group**, which has a significant collegiate licensed apparel business, appointed former Vuori chief digital officer David Sosnowski to its board.++++**Whoop** hired cardiologist Dr. Ami Bhatt as chief medical officer, tasked with expanding the fitness band maker's presence in consumer health and regulated healthcare.++++**Wild Country** and **Evolv** appointed three new independent sales reps: Figure

8 Sales for the Midwest and Eastern Great Lakes; Joe Santos across New England and the Mid-Atlantic; and Sharp End Sales throughout the Southeast.++++**Nike** inked a deal as exclusive sports sponsor and kit supplier of Mexican football team Club Deportivo Guadalajara, also known as Chivas de Guadalajara.++++**Brooks Running** signed on as exclusive footwear sponsor of New Zealand’s Olympic team through the LA28 Olympics.++++**Adidas** signed on as official off-bike clothing partner to the Alpecin-Premier Tech and Fenix-Premier Tech cycling teams.++++**Arena** extended its sponsorship of USA Swimming through LA28 Olympics.++++**Sqairz** extended its partnership with professional softball star Rachel Garcia and inked a new endorsement deal with fellow Team USA player Morgan Zerkle.++++**Under Armour** tapped actor François Arnaud as a global brand ambassador, headlining a new “For When It’s Hot,” HeatGear campaign.++++**Joola** inked a deal to make the Joola HC-40 the official pickleball for all DUPR-sanctioned events starting Sep. 1.

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