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ADIDAS NET DIPS ON MARKETING SPEND DESPITE STRONG SALES.

Net income fell 64% to €7 million ($9.7 mm) from €19 million for the final period ended Dec. 31 despite a 19% increase in revenues to €2,931,000 ($4,074.1 mm) compared to €2,458 million last year. Sales were up 9% currency neutral, with gains in excess of 20% in all its brands except TaylorMade-adidas Golf which was flat. Even though gross margin improved 30 b.p. to 46.5%, higher investments in marketing pulled down the final net in a quarter that is normally not important to the annual result.

For the FY, net income rose 131% to €568 million ($789.5 mm) from €245 million on a 16% sales gain to €11,990 million ($16,666.1 million) from €10,381 million. Favorable sourcing costs, a greater mix of retail sales and fewer closeouts yielded a 240 b.p. gain in gross margin to 47.8% and SG&A leverage improved operating margin 2.6% over last year's weakened result to 7.5%.

Adidas sees 2011 as a year of mid- to high-single-digit growth currency neutral, with the biggest drivers expected to be further retail expansion, development in emerging markets and continued momentum at Reebok. Gross margin is expected to remain level with higher input costs offset by the same factors that are driving sales. A modest decline in marketing from the World Cup year should bring operating margin to 7.5-8.0% and net income of €2.98-3.12 per share (€638 million, or $887 million).

Adidas brand growth was driven by a record €1.5 billion ($2,085.0 mm) sales in football as well as its

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best performance in years in the basketball category. Running sales were up 8%, driven by double-digit growth in lightweight models. Another big factor in performance was the outdoor category, which rose 21% for the FY and 40% for Q4. The SportStyle division had 23% growth to €2.2 billion ($3,058.0 mm). North American sales rose 14% for the brand.

Adidas Income Statement
(Qtr. Ended Dec. 31)

	2010 Millions In €	2010 Millions in US$	Change in € vs. 2009
REVENUES	€2,931	$4,162	19%
Cost/goods	€1,569	$2,228	19%
Royalty Inc.	€28	$40	22%
Other Op Inc.	€19	$27	-32%
SG&A	€1,381	$1,961	21%
Finance net	€21	$30	-19%
Pre-Tax	€7	$10	-65%
Taxes	€0	$0	N.A.
Minority Interest	€0	$0	
NET	€7	$10	-63%

Reebok enjoyed a 4.0% improvement in gross margin for the FY to 35.9%, led by the toning and Zig platforms. The Big a opines that toning is not dead, saying that it expects to sell 7.5-8.0 million pairs this year compared to around 8.0 million it sold in 2010. It slowed deliveries by 2 million pairs at the end of the year as heavy discounting by Skechers hit the category, but Reebok says it held pricing on new products and passed Skechers in Q4 as the number one brand. In April, it will launch Flex, which it sees as a platform that is similar to Zig, based on initial orders. It also will relaunch Classics in 2011, where it projects growth in the category off a clean base. North American sales were up 22% for Ex-Numero Uno.

At TmaG, the Big a sees the story as market share growth in a difficult market, claiming gains in irons, metal woods and balls. It did not fail to mention that its endorser, Martin Kaymer, passed Tiger Woods for the top position in the world.

The Big a sees 2011 growth focusing on China and Russia as well as North America. As for own retail, it expects to add a net of 100 stores and see continued comp store growth, though perhaps not at the 2010 rate of 17% for Adidas stores and 10% for Reebok. Concept stores had a 14% comp growth rate, and sales growth was over 30% in China, Eastern Europe

Adidas Group Revenues
(full-year data in millions)

	2010 Euros	2010 Dollars	2009 Euros	Change 2010 v. 2009 Euros	Change 2010 v. 2009 C-Neutral
Wholesale	€ 8,181	$ 11,372	€ 7,164	14.2%	7.5%
Retail	€ 2,389	$ 3,321	€ 1,906	25.4%	17.8%
Other Businesses	€ 1,420	$ 1,974	€ 1,293	9.7%	1.6%
Western Europe	€ 3,543	$ 4,925	€ 3,261	8.6%	6.9%
European Emerging Market:	€ 1,385	$ 1,925	€ 1,122	23.4%	15.9%
North America	€ 2,805	$ 3,899	€ 2,362	18.8%	11.7%
Greater China	€ 1,000	$ 1,390	€ 967	3.5%	-2.3%
Other Asian Markets	€ 1,972	$ 2,741	€ 1,647	19.7%	5.8%
Latin America	€ 1,285	$ 1,786	€ 1,006	27.7%	14.1%
Adidas	€ 8,714	$ 12,112	€ 7,520	15.9%	9.2%
Reebok	€ 1,913	$ 2,659	€ 1,603	19.3%	12.2%
TaylorMade-adidas Golf	€ 909	$ 1,264	€ 831	9.4%	0.9%
Rockport	€ 252	$ 350	€ 232	9.0%	1.9%
Reebok-CCM Hockey	€ 200	$ 278	€ 177	13.0%	2.9%

and Latin America. It operated 2,270 stores at the end of 2010, an increase of 58. It vowed to add 500 points of sale in China this year.

FOOT LOCKER SEES NET STORE GROWTH IN FY11, BUT NOT IN U.S.

After years of trimming the store portfolio, Big Foot sees stores flat to slightly up for 2011 with a projected opening of 60 stores against closing about 55. However, the majority of the growth will be in Europe, Big Foot made clear, suggesting that the U.S. store count would be flat at best and probably declining marginally. Nonetheless, the forecast certainly means that Big Foot has seen the light at the end of the tunnel on its long journey to right size its store count in the U.S.

Foot Locker reported a 148% increase in GAAP net income to $57 million versus $23 million for the final quarter ended Jan. 29. Total Q4 revenues rose 5.1% (6.5% C$) to $1,392 million from $1,325 million. Same store sales rose 7.3% for FL in the final period ended Jan. 29. Period gross margin was up 320 b.p. to 30.9% from 27.7%, with the majority from improved merchandise margins but also occupancy and buying expense leverage. Last year's results included $16 million in after tax charges for inventory writedowns, restructuring and tax adjustments. This year's results included a $4 million after tax charge related to impairment of CCS, partially offset by a recovery of a short-term investment.

For the full year, Foot Locker's GAAP net income was $169 million against $48 million. On an adjusted, non-GAAP basis, annual profits were $173 million versus $86 million in FY09. Annual revenues rose 4.0% (4.6% C$) to $5,049 million from $4,854 million. Year-end inventory was up 2.1% to $1,059 million, which the company said is "positioned well for 2011."

From a door count and selling square footage perspective, the retailer ended the FY with 2.1% fewer stores globally at 3,426 and 2.5% less square footage at 7,538,000 (excluding franchise locations). International locations rose 1.5% for the year to 751, but their total selling square footage rose less than 1% to 1,101,000. International represented 14.6% of Foot Locker's real estate portfolio in FY10 versus 14.1% in FY09. U.S. selling square footage fell 3.1% to 6,437,000 in FY10 with 42% of the total consisting of 1,144 Foot Locker storefronts.

While the tail end of Jan. saw a weather-related slowdown in sales, Big Foot's comps were generally very solid with high-single-digit comps in Nov. and Dec., followed by a mid-single comp in Jan. Feb. comps, an important month for basketball, were above plan. By channel, U.S. stores had a positive mid-single-digit comp, Footlocker.com had a double-digit comp, Europe and Canada were up mid-single digits and Asia/Pacific was up low-single digits.

Commenting on its outlook, Big Foot said the economy was stabilizing, though it remained cautious due to high unemployment and rising gas and food prices that might affect discretionary spending. It forecast a double-digit gain in EPS for the year based on a low- to mid-single-digit comp store gain, 30-50 b.p. of gross margin improvement and some SG&A leverage. It added that Q1 should slightly outperform that forecast. It believes the cost pressures flowing into the market are manageable.

The sneaker business has been strong in men's and kids', but weakened in women's where the slowdown in toning has hurt overall female traffic. Big Foot said it expects toning to remain a viable category, though not a growth vehicle. Meanwhile, men's has performed very well in basketball with marquee launches singled out from Nike, Adidas and Reebok. Running has also been strong, led by lightweight and performance products. Big Foot opined that it was making progress in apparel, even though margins still lagged footwear. Most of the gains have been in branded apparel so far, citing Adidas, Jordan, Reebok and Under Armour as key partners. Private label has lagged but that is seen as a factor that should eventually enable apparel to outperform sneakers in margin.

The CCS banner will get some added attention, following a $10 million pre-tax impairment charge. Big Foot said it needed to improve its assortments and vendor structure, as well as store location selection. A number of malls where it opened CCS stores don't permit skateboarding, for instance. It has begun to implement these changes and still sees the banner as a viable growth driver.

BIG 5 NET DECLINES ON SOFT SALES IN Q4.

Net income fell 38% to $3,954,000 from $6,386,000 for the final 13 weeks ended Jan. 2, pulling down FY10 net income 8% to $20,562,000 compared to $21,811,000. As previously reported, sales for the final period were down 5% to $226,711,000 compared to $237,629,000 including a comp store decline of 0.7% as a strong start to the Holiday season dissipated starting in mid-December for the chain. FY sales were flat at $896,813,000 against $895,542,000. This year's Q4 had 13 weeks compared to 14 weeks last year.

Gross margins in Q4 slipped to 33.4% from 34.0%, partly because of a 200 b.p. fall in merchandise margins and partly from deleverage in occupancy as a result of new store openings. Apparel comps were slightly up, footwear comps flat and hardlines comps slightly negative. BGFV indicated that the change in mix was a factor in the lower merchandise margins. SG&A also deleveraged to 30.5% from 29.4% on the new store openings. Doors stood at 398 by the end of the FY compared to 384 last year. Noting continued economic challenges in many markets and unfavorable weather that has gotten Q1 '11 off to a slow start, BGFV said it expected Q1 sales to be flat—plus or minus low-single digits—and net income to range from $0.15-22 ($3.3-4.8 mm) compared to last year's $0.23 per share.

BGFV said inventory per store rose 7.8%, explaining that some of that related to a planned increase in inventory but conceded that some of the increase also related to lower than anticipated sales. The sales shortfall was particularly noticeable in winter sports inventory where weather conditions have been unfavorable. BGFV emphasized several times that it was comfortable with its inventory and expected to be able to sell it down at more or less normal margins over the next month, or carry it over to next winter. Asked if it had lost market share, it said that Sports Authority had been as promotional as last year over the Holiday season while Dick's had not repeated some of its 2009 promotions.

While noting that weather had played a role in the volatility of its sales, BGFV said the overall brake on its business was the general economy, especially in CA and NV where 55% of its stores are located. Its store expansion plan for 2011 is for 10-15 stores net, about the same as 2010. BGFV said it was waiting for clearer signals from the economy before accelerating that back to 15-20 stores per year. Its priorities for cash will be to fund this more sober growth rate, pay down debt and increase its dividend, which it did by 50% on an annual basis from $0.05 per quarter to $0.075 per quarter.

GENESCO NET CLIMBS ON STRONG SALES GAINS IN Q4.

Net income rose 19% to $30,861,000 from $25,854,000 on a 17% sales improvement to $560,494,000 against $479,026,000, including a 9% comp gain, for the final period ended Jan. 29. Final quarter comps were up 6% in the Lids Sports group while Journeys and Johnston & Murphy led the company with a 12% comp gain. Underground Station had a 4% decline.

For the FY, GCO saw net income improve to $53,211,000 compared to $28,813,000 as sales rose 14% to $1,789,839,000 compared to $1,574,352,000. GCO ended the year with 1,017 Journeys stores, including 813 Journeys, 55 Shi and 149 Kidz. There were 151 Underground Stations, 985 under the Lids Sports group and 156 Johnston & Murphy stores. GCO noted that in 2012, it has 377 leases that expire or have kick out clauses activated, and it sees mall conditions essentially unchanged from 2010 when it was able to reduce occupancy by 10% as a result of renegotiating leases. Shi will have a number of these, and GCO said that it will be examining the rents there to see what Shi can do with "real rents" before deciding on how aggressively to roll it out.

GCO said the momentum continued into February with a 10% comp store gain, and it expects to see EPS hit a range of $2.78-2.85 ($65.67.3 mm). That is based on a 3% comp that is expected to come more or less evenly from all the banners. The Journeys chain is seeing a strong fashion movement into the brown shoe category and says its core business in skate remains strong. Its lifestyle athletic business is not viewed as a growth vehicle now as performance athletics in sneaker specialty stores have taken share.

Meanwhile, it sees continued growth in the Lids Sports group this year through both acquisitions and organic expansion. It sees lots of acquisitions of small chains as well as opportunities to hire road sales people to grow this business. While noting that gross margins of its team business tend to be lower than its other retail businesses, the lower operating expenses enable it to achieve a similar operating margin.

NO FEAR RETAIL STORES FILE FOR CHAP. 11.

The operator of 41 No Fear retail stores in seven states (CA, OR, AZ, FL, NV, NC, TX) and two related companies, No Fear MX and Simo Holdings, filed for Chap. 11 bankruptcy protection in San Diego on Feb. 25. Schedules and a statement of affairs are due by March 10, but the Carlsbad, CA-based petitioner has asked the court for an extension to April 8. Principals are Mark Simo, Brian Simo and Scott Benjamin. Simo Holdings owns 97.75% of No Fear Retail Stores.

NFRS, which employs 377, has more than 300 creditors. Among the top 20 unsecured creditors listed on the initial petition are: Credit Cash NJ ($1,194,807), Silver Triangle Industries ($647,978), La Jolla Group ($360,672), Jido & Junian, Inc. ($220,538), Reno Retail Co. ($200,000), Cygnus Sportswear ($148,104), LFP Apparel ($86,921) and Ralph's Sportswear ($60,242). The first meeting of creditors is scheduled for April 5.

COLLECTIVE BRANDS LOWERS Q4 LOSS, TOP LINE UP ON PLG GAINS.

PSS reported a net loss of $10.1 million against a loss of $10.9 million for the fourth quarter ended Jan. 29. Revenues, bolstered by a 20% increase from the Performance + Lifestyle Group to $138.7 million, rose 4% to $773.8 million from $741.7 million. Elsewhere, Payless Domestic sales were essentially flat at $455.8 million as the unit generated an operating loss of $16.2 million; Payless International sales were 6.5% higher at $132.0 million as divisional operating profit improved 6.6% to $17.8 million, and PLG Retail sales rose 6% to $47.3 million and produced an operating loss of $7.2 million. Gross margins slipped 110 b.p. to 31.8% on more markdowns, higher freight and product costs and a greater mix of wholesale sales.

For the full year, Collective Brands' net income grew 39% to $122.6 million from $88.3 million. Annual revenues were 2% higher at $3,375.7 million versus $3,307.9 million. Comparable store sales were down 2.2% for the year with declines at Payless Domestic (-3.8%) and PLG Retail (-1.6%) offsetting a 5.9% comp gain at Payless International. FY gross margins expanded 110 b.p. to 35.6%. Annual results by channel: Payless Domestic produced a 23% decline in annual operating profit to $75.2 million on a 4% sales drop to $2,059.3 million; Payless Intl. operating profit rose 63% to $55.6 million on 9% top line expansion to $460.3 million; PLG Wholesale profits soared 106% to $61.7 million on 22% revenue growth to $628.4 million; and PLG Retail's operating loss shrunk 24% to $2.8 million on a 4% sales gain to $227.7 million. The company ended the year with $531.7 million in inventory, up 20% year-over-year but described as "a more normal year-end level…and a greater mix of higher-cost products…with relatively low levels of aged inventory."

Looking ahead, PSS sees a 49% increase in PLG Wholesale backlog at year-end delivering a high-teens percentage gain for the unit in Q1. Longer-term, the company is forecasting 3-5% annual net sales growth and 9-12% operating profit expansion that delivers EPS growth of 12-16% annually, on average.

SGMA DEFENDS COMPOSITE BAT INDUSTRY ON ESPN SHOW.

SGMA representatives advocated that industry's bat makers don't set bat performance standards, sports associations do. SGMA President Tom Cove and spokesperson Mike May appeared on the Mar. 1 edition of Outside the Lines on ESPN with Bob Ley. May also pointed out that the moratorium on most composite alloy bats in all levels of Little League this season (with the exception of those models receiving waivers), does not apply to Babe Ruth, Dixie or Pony League play.

The show addressed the issue of wood versus non-wood bats in baseball play and coincided with the return to the diamond by Gunnar Sandberg. In March 2010, pitcher Sandberg was struck in the head from a batted ball from off an Easton Stealth. He has undergone extensive rehab to recover from the injuries he sustained. Subsequently, his 10-team high school league banned the use of metal bats in its games and

CA Assemblyman Jared Huffman has introduced legislation seeking a one-year moratorium on metal bat use in high school play across the state.

Cove said Huffman's bill is a bad idea. The Assemblyman cited manufacturer advertising in a response, suggesting that some manufacturers refer to their bats as weapons in ads. "When you're selling a bat it's a weapon, when someone gets hurt, it's not. You (bat manufacturers) can't have it both ways," said Huffman on the broadcast.

REEBOK LAUNCHES GLOBAL AD EFFORTS FOR ZIGTECH, EASYTONE.

Reebok is taking its two successful footwear concepts worldwide and into the apparel category via two new advertising campaigns this month.

<u>In the case of ZigTech, Reebok will utilize eight international athletes from seven sports in the campaign that will run in more than 27 markets worldwide.</u> The ZigTech athletes are: NBA rookie John Wall, NFL quarterback Peyton Manning, the NHL's Alex Ovechkin, British boxing champion Amir Khan, British Formula One driver Lewis Hamilton, World Cup-winning goalkeeper Iker Cassillas from Spain and Indian cricketers Mahendra Singh Dhoni and Yuvrag Singh. In the DDB Berlin-created campaign, which includes print, out-of-home, digital and in-store executions, each athlete is portrayed in animation within his specific sport before transitioning into live action. ZigTech footwear and apparel, being introduced at retail this year, are featured in the ads. Among the new Zig footwear styles is the ZigFly with a lower profile ZigNano bottom. New Zig trail and basketball, ZigEncore, shoes are due at retail in the Fall.

<u>Meanwhile, Reebok's marketing campaign for EasyTone footwear and apparel addresses the theme of reflections as it features the Reetoners, seven inspirational women who fit fitness into their busy lives.</u> The creative inspiration for the campaign comes from the private moments when a woman catches sight of herself in an unexpected reflective surface—an elevator door or a window on a bus—and likes what she sees.

The flight of television, print and digital EasyTone ads will also introduce consumers worldwide to EasyTone apparel that debuted in Japan in Sep. 2010 and bowed in the U.S. and Canada in Nov. 2010. The collection features tops and bottoms designed to help tone key muscles as part of a healthy fitness lifestyle.

ACCELL GROUP POSTS HIGHER FT PROFIT, REVENUES UP 1%.

Annual net income at the Dutch bicycle, bike accessories and fitness company rose 11% to €36,380,000 ($48.3 mm) from €32,740,000 for the period ended Dec. 31. Annual revenues inched 1% higher to €577,226,000 ($766.5 mm) from €572,573,000 despite generally stagnant bike sales. Higher demand for electric, mountain and special bikes in the middle and premium markets was offset by slower demand for traditional city and children's bikes, the company said. Although the ASP of its bikes rose 2.3% in FY10 to €449 ($596), total bike units fell 3.8% last year to 949,000.

<u>In FY10, Accell's total bike sales were €425.8 million ($565.4 mm); parts & accessories sales rose 13% to €122.9 million ($163.2 mm) and fitness segment sales slipped 4% to €28.5 million ($37.8 mm).</u> Fitness results were negatively impacted by a "strong fall in demand from some major customers in North America" in H2, the company reported. Geographically, Accell generated approximately 64% of its FY sales, or €369.4 million ($490.5 mm), in The Netherlands and Germany. Countries outside of Europe generated €43.9 million ($58.3 mm) in sales last year.

Accell, which has completed the acquisition of Turkey-based Bianchi Bisiklet and a 50% stake in Atala of Italy, is forecasting higher FY11 sales.

RETAIL

APPAREL SALES rose 6% in Feb. in the U.S., the seventh straight month of growth for the category but at the lowest rate since Sep. 2010, according to SpendingPulse. Also, footwear sales were 0.8% higher for the month.

E-COMMERCE SALES will hit $279 billion in 2015. The forecast from Forrester Research assumes 10% annual growth for the next five years, fueled by increased use of smartphones and tablet computers by U.S. consumers to make purchases. At that point, e-commerce will represent 11% of overall retail sales. Last year, U.S. e-commerce sales rose nearly 13% to $176 billion. Meanwhile, in Europe, where e-commerce sales are also projected to grow at a 10% annual clip to €134 billion ($184.2 bb) in 2015, there is a huge disparity by country in how much consumers shop online. In markets such as Spain and Italy, Forrester estimates only 34% of online browsers buy goods online. But in Sweden, Great Britain and The Netherlands, that percentage is close to 70%.

GMI ENTERPRISES of West Carrollton, OH, doing business as Skelton Sports, filed for Chap. 7 bankruptcy protection in Dayton, OH, on Feb. 23. The business is headed by Greg Issacs, president. According to the petition, 2010 revenues declined 10% from FY09 to $1,218,192 from $1,353,542. The retail team business has $1,319,915 in liabilities, including $765,638 owed to unsecured creditors, and $66,650 in assets. Besides lender Community Capital Development ($165,473), top unsecured creditors include: TSC Apparel ($12,496), Brine ($10,737), Sanmar ($9,769), Wilson Sporting Goods ($8,426), Alleson Athletic ($6,021), Upper V Sportswear ($4,762), High 5 Sportswear ($4,528), Stahl's ($3,892), Outdoor Cap ($3,483), Rawlings ($2,564) and Adams USA ($1,884).

KMART, the mass market banner owned by Sears Holdings, will be the exclusive presenting sponsor of all World Wrestling Entertainment live events in the U.S. this year, including WrestleMania on April 3, all pay-per-view events and more than 250 live WWE shows. Kmart will be incorporated into all promotional elements of the live WWE events including marketing materials and digital platforms. The partnership also encompasses 30-second television spots on WWE's "Monday Night Raw" and "Friday Night Smackdown."

REI names Sue Sallee to the newly created position of VP of accounting/finance. She was previously employed by T-Mobile USA as VP/controller. There are also three promotions at the national co-operative: Angela Owen is promoted to SVP of merchandising. She is also a board VP for The Conservation Alliance. Tim Spangler, who has overseen the co-op's 114 doors as VP of retail, is promoted to SVP of retail, and Tom Vogl, VP of marketing, is promoted to SVP of marketing.

SNOW SPORT SALES, season-to-date, across all channels—chain stores, online and specialty shops—are up 16% to $2.6 billion, according to research from Leisure Trends Group. January's strong sales were fueled by colder than average temperatures across the U.S. that kept consumer demand for winter-related products high. There was particular strong demand for insulated and fleece jackets and cold-weather accessories such as gloves, hats, base layer and socks.

U.S. GOLF ROUNDS began 2011 with a 7.4% increase thanks largely to gains in the southern tier regions, led by South Central (+15.4%) that had a drier, warmer Jan. in the area that stretches from Texas to Alabama. There was also improvement in the Pacific Northwest (+5.3%) and Mountain (+9.4%) where precipitation levels were down double-digits. Given the cold and snowiness experienced in the Northeast and parts of the Midwest, however, Jan. declines in places such as New England (-51%) were not surprising.

ZUMIEZ posted a 12.8% increase in same store sales for the four weeks ended Feb. 26 vs. an 11.2% comp gain in the year-ago period. Same store sales rose 15.7% and 24.4%, respectively, in the period's final two weeks, ahead of 6.3% and 4.9% comps during Feb.'s first two weeks. ZUMZ total monthly sales rose 18% to $32.7 million from $27.6 million. The chain's only negative comp category during the month was boys'. Same store sales were up 8-10% in all regions of the U.S., Zumiez said, adding that it no longer intends to offer detailed regional comps.

ON THE MOVE: **Play It Again Sports'** parent, Winmark names Steven C. Zola, president of Winmark Capital Corp., to its board, and promotes Brett D. Heffes to president from president of finance and administration.++++ **Edwin Watts** opens a new 5,208-sq.-ft. store in Miami.++++**Dick's** stores in Pittsburgh apparently have a golf club head thief on their hands. According to police and a report in the *Pittsburgh Post-Gazette*, a man and a women have stolen 13 golf club heads from the retailer in recent days, including eight R11's from TaylorMade and four Callaway Rzrs.++++ **Golfsmith** is opening a 32,000-sq.-ft. store in Boca Raton, FL, and will offer customers more than $40,000 worth of prizes and giveaways during a two-day grand opening.++++**Finish Line** and **Puma** are introducing U.S. consumers to The Cat's Puma Faas collection of lightweight running shoes and accompanying apparel this month with a month-long sweepstakes. Grand prize is a trip for four to Jamaica, home of the world's fastest man and brand endorser, Usain Bolt.++++**Marmot Mountain** will re-open its newly renovated flagship store in downtown San Francisco this month.

STOCKS & EARNINGS

BERKSHIRE-HATHAWAY's Other Manufacturing business, which includes Fruit of the Loom and, had an 11% increase in FY10 revenues to $17.7 billion, according to the company's annual report. FTL, which currently employs slightly more than 30,000, saw "significantly improved" operating results due to manufacturing efficiencies and cost management efforts.

ESCALADE net income rose 100% to $2,223,000 from $1,112,000 for the three months ended Dec. 25. Operating income was 51% higher at $971,000. Fourth quarter sales increased 7% to $31,185,000 from $29,042,000. For the full year, net income was 27% higher at $6,059,000 versus $1,657,000 on a 4% increase in turnover to $120,656,000. Annual sporting goods sales, bolstered by new distribution, products and additional investments in consumer marketing, rose 11.7% in FY10 to $85.815,000 from $76,807,000 with DKS accounting for approximately $18.1 million of the total. SG segment operating income rose 99% to $9,171,000 from $4,610,000. The company's annual sporting goods sales total remains 37% below its peak annual segment sales of $136.7 million achieved in 2006.

GEOX North American sales were essentially flat in FY10 at €54,18,000 ($71.1 mm) versus €53,807,000. The Italian company realized a 13% drop in annual net income to €58,003,000 ($76.1 mm) and 2% decline in total revenues last year to €850,076,000 ($1.1 bb). Footwear sales were off 4.5% to €731.9 million ($960.9 mm); apparel sales were 20% higher at €118.2 ($155.1 mm).

ORANGE 21 raises nearly $1,175,000 by selling 712,121 shares to a unit of Harlingwood Equity Partners.

PERRY ELLIS, which owns Jantzen swimwear and the license for Nike Swim, is offering 2.0 million shares of its common stock at $28 per share with an overallotment equal up to 15% of its total shares. Also in the offering, selling shareholders sold 600,000 PERY shares at $28 per. Separately, Perry Ellis priced its $150 million offering of six-year 7.875% senior subordinated notes at 100% of the principal.

WARNACO SWIM operating income was $17,870,000 versus $15,496,000 for the period ended Jan. 1. Annual segment revenues grew 2.5% (C$ 1.7%) to $257,676,000 from $251,511,000. Segment results included nearly $3.6 million in restructuring charges. In Q4, Swim division operating income was off 41% to $1,270,000 against $2,153,000. Period revenues were 12% (C$ 11.4%) higher at $56,961,000 versus $50,796,000. Warnaco, which is forecasting 7-9% top line growth this year and expansion in both operating income and net earnings, says the Swim segment will experience top line, operating income and operating margin improvement. Speedo bookings are described as being up double digits in all channels, including sporting goods and mass market. The Calvin Klein swim business, meanwhile, will have expanded distribution this year that will help all geographic regions grow their respective sales by double digits, the company said.

YUE YUEN net income rose 20% to $149,695,000 from $124,994,000 for the three months ended Dec. 31. Q1 revenues, meanwhile, were 28% higher at $1,696,433,000 versus $1,315,561,000. Gross margins in the period slipped 230 b.p. to 23.7% from 26.0%.

ZUNGUI HAIXI, which trades on the Toronto Exchange, reported net income of C$4,999,000 ($5.1 mm) against C$5,550,000 for the period ended Dec. 31. Period revenues, all generated in China, were 30% higher at C$47,877,000 ($48.9 mm) versus C$36,960,000. Footwear sales rose 34% to C$42,502,000 ($43.4 mm) divided between athletic (C$37.1 mm) and casual (C$5.4 mm); apparel/accessory revenues were C$7,462,000 ($7.6 mm). Zungui sold 3.0 million footwear units against 2.3 million units in the year-ago period. Q2 gross margins were 60 b.p. higher at 26.3%. For H1, net income was off 7% to C$12,055,000 ($12.3 mm) on 23% top line growth to C$98,302,000 ($100.5 mm) from C$79,990,000.

COMPANIES

ISPO CHINA, which moved to the China National Convention Center in Beijing as its new venue, realized an attendance increase of 9% for the three-day event. A total of 276 exhibitors, a 29% increase, represented 350 brands from 19 countries. Meanwhile, 94 international companies, up 32%, were represented, led by those from Italy, Scandinavia and the USA.

NEW BALANCE is debuting a new global advertising campaign grounded in its running heritage that reflects the brand's innovation, passion and world-class athletes. The fully integrated campaign under a new tagline, "Let's Make Excellent Happen," also leverages the voice of Team New Balance athletes and zeroes in on belief that New Balance serves as a coach and catalyst to its consumer base. The cornerstone of the effort is a "Pier 54" television spot that celebrates "Excellent" happening at a track built by the company at Pier 54 in New York and features the song, "On the 54" by The Dandelions. The commercial will get heavy play in the Mar.-Apr. and Aug.-Sep. windows through programming targeting 25-49 year olds. Approximately 22 international markets are targeted for the campaign created by Arnold Worldwide of Boston. Among them: Mexico, Brazil, France, Germany, Russia, South Africa, China, Japan, Australia and Singapore.

STEVE MADDEN strikes a three-year deal to distribute the Superga brand owned by the BasicNet group in Italy. The revenue target for the first three years is $24 million, rising to $95 million for the following four-year period. Superga was previously distributed in the North American market by R.G. Barry.

THE WALKING CO. sells its Big Dog business to Big Dog Licensing, a newly-formed company owned by former preferred shareholders in The Walking Co. and company CEO Andrew Feshbach, for $5 million cash. The new company subsequently licensed back the Big Dogs IP through 2013 with a one-year option to the retailer so that it can continue to operate its Big Dogs online business. The Walking Co. had failed in its previous attempts to divest Big Dogs. Richard Kayne, who holds 10% of The Walking Co.'s common shares and is the brother of TWC COB Fred Kayne, is the Big Dog Licensing principal.

LEGAL

CROCS is granted a motion to dismiss shareholder litigation filed against it as well as some of the company's current and former officers and directors in a CO federal court. The case was filed in 2007, and the court order dismissed all of plaintiff's claims. Plaintiffs do have the right to appeal.

DICK'S is recalling approximately 229,000 resistance tubes and resistance tube kits made by Dalps & Leisure Products Supply of Taiwan under the Fitness Gear and Fitness After 40 brands. The recalled tubes have a faulty plastic clip that can break and strike the user. DKS sold the recalled products in store and online from Oct. 2009 until Nov. 2010. Consumers are advised to stop using the resistance tubes immediately and return them to a Dick's location for a store credit equal to the purchase price.

U.S. TRADE REPRESENTATIVE ends a nearly 18-month investigation of global commerce markets by citing 33 websites or markets in China, Russia and India among other places that facilitate trade in counterfeit music, apparel and other goods. Among them: Baidu, the most popular e-commerce platform in China. USTR, which reported that Baidu links to websites that sell pirated or counterfeit merchants, says its list is an effort to call attention to IP abuses and encourage governments to stop them. Last month, the USTR reached an agreement with the Ukraine government that includes a commitment "to act in a timely manner against infringing Internet websites of pirated music."

SHORT STOPS

Skirt Sports inks a sponsorship deal with ultra-marathoner and 2010 winner of the Badwater Ultramarathon Jamie Donaldson to an endorsement contract.++++**Wilson Sporting Goods** was issued a patent on Feb. 22 (no. 7,892,120) for a "game ball (basketball) having optimally positioned grooves visible upon grasping by a user."++++**Everlast**, which has been getting plenty of publicity via its brand exposure in "The Fighter" and on TV's "Biggest Loser," sees its CEO Neil Morton appointed to the SGMA board for a three-year term through 2014.++++**Lorpen**, the high performance sock maker, adds David Uria, global manufacturing manager, and Nick Lindop, overseeing D2C and dealer communications, to its staff.++++**Oakley** inks a long-term agreement to become the Official Eyewear Partner for the Mammoth Mountain Ski Area.++++ **Footwear Distributors and Retailers of America** taps Blake W. Krueger, chairman, CEO and president of Wolverine World Wide, as its new chairman. He replaces Collective Brands' Matt Rubel in the role.++++**Rockport** hires ex-Reebok executive Thomas Vorndran as the new head of Rockport Europe, effective April 1.++++**Vietnam**, according to reports out of the country, is preparing to negotiate a Free Trade Agreement with the 27-member European Union.++++**Timbuk2** hires Nicole Chabot, most recently with surf-inspired brand Carve Designs, as international sales director.++++**Spyder** promotes Carl Boni to senior director of supply chain, production and inbound. Additionally, Nathan Peterson is elevated to director of supply chain, outbound services.++++ **NSGA** confirms that ESPN's Erin Andrews will be the keynote speaker at its Second Annual Celebrity Luncheon during the trade group's May management conference and team dealer summit.++++**GoldToeMoretz** strikes a licensing agreement with Southern Sport to sell The Debris Inhibitor sports spat (SRP $20) under the PowerSox brand starting in June.

OBITUARY

CHUCK ALLEN, a banker, helped found two nonprofit organizations in his 74 years: the National Scholastic Surfing Association in 1978 that provided scholarships and means to corporate sponsorships to young athletes who stay in school and the U.S. Amateur Snowboard Association in 1988. He died Feb. 14 from complications from emphysema. Besides his wife Christine, he leaves five sons and a daughter.

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