See and be seen in Seefeld would be an apt way of summing up The Summit. Seefeld, high up in the Austrian Tyrol, was the location chosen for the first conference of its kind - a new joint venture programme created by World Sports Activewear in partnership with DuPont Cordura - designed to bring together leading speakers and personalities in the world of sports activewear, with ample opportunity to develop fresh networks and lines of thought. The conference flowed through a four-session programme over three days and focused on two broad themes - Branding and Performance. As attendee Bo Soested, European Sales Manager, Outlast Technologies, Inc. put it: 'In only a few days, The Summit was able to cover today's hot business topics in an ever changing world. With high quality speakers from around the world, The Summit offered insight into the latest trends, from e-commerce to legal matters, and was an excellent opportunity to build new business relationships.'



Performance and branding analysed at The Summit

Not surprisingly, the e-word was at the fore. Not surprisingly either, there was no agreement on how e-commerce should be incorporated into the industry. Nevertheless, there were clear indicators that the companies which will succeed will be those which already have a thorough understanding of mail order systems, those with a genuine database, and those who, within an industry or specific sector, have a 'critical mass' on which to develop e-commerce. Major presentations and analyses were presented by Sporthouse.de, yousports.com and Globetrotter, with Robert Blyth of KSA providing an overview. Globetrotter in particular provided a number of clear pointers to developing success. With years of experience in building up a relevant database, excellent catalogues with clear and uncompromising descriptions of merchandise, Globetrotter is seeing increasing business coming through its website, currently only in German but soon to be expanded with an English version. Established in 1979, the company today has five specialty retail stores and has been in mail order since 1982, currently circulating 450,000 copies of its catalogue twice a year. When it started 18 years ago, its catalogue base was a mere 75,000 copies. It took its first tentative step on to the internet in 1993. Today, 30% of orders come through the net, 75% of catalogue orders are posted through the net and its site generates 45,000 page views a day.

The ability to fulfil orders, whether generated through catalogues or the web, was critical. If the average mail order customer has high expectations of service and quality, the web user has even higher subjective expectations, probably the result of the sheer speed of sending orders with an immediate response - something akin to playing tennis where one player hits the ball across the net in the knowledge that it will be returned just as swiftly.

With so many nationalities attending The Summit it was informative to hear the comments expressed by the attendees, both during question time and later discussions. As consumers, there were those who were fully attuned to the new world of purchasing through the computer, while others were very hesitant to commit credit card and personal information to the ether.

The development of e-commerce on a business to business basis (B2B), as opposed to e-tailing, could be seen as a totally different concept and it is in this area of trading that the pundits are expecting to see swift and vast increases in global dealing.

Geopolitics

The keynote speaker at the event was Thomas Travis, managing partner, Sandler, Travis & Rosenberg, with offices in Washington, DC, and various other key centres, who gave an electrifying presentation on world markets and international sourcing, effectively setting the geopolitical backcloth against which all companies and manufacturers will be operating, especially from a US perspective. As someone who has personally been involved at almost all the international conferences on trade and tariffs in recent years, his insight was especially valuable as he detailed the state of play between major trading blocs and countries with varying degrees of access to the important consumer markets of the world. His analysis went a long way towards explaining how and why global manufacturing companies and a new breed of entrepreneurs are able to access markets and trading privileges previously unnoticed or undervalued, even to the extent of illustrating how trade transcended national and international boundaries and political disputes between certain states. The presentation also threw light on ethical sourcing issues and future preferences and opportunities as the 2005 date approached for the final phase-out of the MFA (multi-fibre agreement) rules applicable to WTO (World Trade Organisation) member states. The complex details of the textile safeguards built into the US-China WTO bilateral agreement were covered too.

The impact of ethical sourcing is set to be of major importance to global players. Travis highlighted ten considerations and questions for apparel manufacturers which will need answering in the immediate future: do they comply with laws and regulations in all locations where they conduct business, use involuntary or forced labour, use child labour, provide a work environment free of harassment, abuse or corporal punishment, pay at least the minimum total compensation required by local law, exceed legal work hours, give employees at least one day off a week, discriminate in employment, pay or promotion, provide a safe and healthy work environment, respect the right of employees to exercise their lawful rights of free association and, finally, do they comply with environmental rules, regulations and standards applicable to their operations?

In terms of the US market, Travis is convinced that only vertically integrated countries with capacity, abundant/reliable labour and those producing niche or high-end goods will survive in a quota free environment. Countries such as India, Pakistan, Bangladesh, Sri Lanka, the Caribbean Basin countries, Hong Kong, Taiwan and China are top of his list to survive.



Delegates taking time out to hike and admire the view.

Photo: Jane McCann

Brand building

Branding was studied from a variety of angles: building a brand, protecting a brand and an analysis of component branding as part of the marketing mix. Mark Held, technical director of Berghaus, presented a personal view on the business of creating a Pan-European Brand, which included a passionate plea for the human dimensions of business and for the concept of sustainable partnerships.

Quoting French philosopher Montesquieu's, who had long pondered the secrets of success, conclusion "The success of most things depends on knowing how long it will take to succeed", Held felt it was still good advice for a business world obsessed with deadlines, quick fixes and the need to support share prices. Good, because a great brand can take years to nurture and build, and, treated appropriately, the brand equity produced can provide a long lasting stream of earnings to keep the most demanding shareholders happy. Yet the converse is also true. Treated inappropriately, an excellent brand can be damaged in an incredibly short space of time, whilst a brand that is merely 'good' can be destroyed. His definition of a Pan-European brand was 'one that has established itself in a spectrum of diverse European markets and, within each of these markets, has managed to build the same set of emotional and rational brand values'. There was no substitute for a solid strategic planning process.

"I bring up the issue," he said, "as a means of pointing out some of the dangers of embarking on a brand building exercise without a coherent plan. All too often the prime driver behind expansion into other markets is along the lines of 'well it's been a successful recipe in this country, therefore it stands to reason that it will be so in other countries.' Wrong!! The intrinsic brand messages and means of communicating them, need analysing carefully to ensure that they're relevant to other regions and it's hardly uncommon to find that they are not! Similarly the planning process is a

means by which an organisation can focus on, and understand collective brand building goals."

The minimum required for a good strategic plan is a. an agreed brand vision, b. agreed business objectives, and c., a set of core business strategies that cover products/services. "Europe may at times appear to be a single homogeneous economic unit, but to fall into the trap of believing this, is a classic mistake which has led to a number of spectacular brand building failures," he claimed. "This is not to say that there aren't recognisable groupings within the countries that make up the Union, as of course there are. Groupings can be identified around common linguistic features, or around prevalent climate and, I'm sure, around many other commonalities. Within the outdoor industry I would suggest that there are three predominant links, which are a. linguistic similarities, b. degree of urbanisation, and c. climatic regions."

Explaining the introduction of urbanisation, he stated: "Markets with a high degree of urbanisation appear to have more sophisticated networks of specialist retailers and specific consumer magazines that provide an effective means of communicating with target consumers. This would seem to be connected to the fact that urban life is lacking in the pleasures that the outdoor environment can provide and hence the activities of walking, climbing, skiing, etc., provide an escape. This escape is classed as a hobby that needs equipment, planning and a positive interest that can support specialist retailers and magazines."

Vision and sensitivity as to where the brand needs to be are essential ingredients of the process. According to Held, every element of the exercise needs to be consistent, from the quality of the messages conveyed via the marketing, to the quality and credibility of the relationships with the people that matter in the market.

Protecting a brand was the topic covered by Jeff Turner, director, new business development-Europe, global director footwear, DuPont Lycra. "Protecting a brand is a form of preventative health-care," he said, "and can be likened to extending the mid-life years of a brand." His presentation looked at the steps required to protect and sustain a brand, considering aspects such as trademark protection, brand management and brand reinvention. He drew a careful distinction between brands and trademarks, terms which are definitely not interchangeable...the brand is substantially more than the name or logo.

Protecting a brand

A trademark is distinctive, registered and protectable by law and is typically regarded as the basis on which a brand is built. "Clearly, in order to maintain a brand, it is vital to protect the trademark. Although there are massive differences in the degree of protection available between national jurisdictions, the laws governing trademark protection are surprisingly consistent around the world, with the glaring exception of the United States" he explained. "This becomes an issue when defending a trademark from infringement, which often leads to defence of the status as a trademark itself."If US law regarding trademark protection can be characterised by the phrase 'it does not matter what you do, it's what people think that counts', then trademark law elsewhere is best summarised as 'it doesn't matter what people think, it's what you do that counts', he explained.

Protecting a brand requires good brand management; it requires a detailed understanding of what it means to the target audience and what it might mean. The current image and the future desired state need to be clearly identified and understood in order to manage the evolution of the brand in the mind of the target consumers and to protect it from dilution. It is easy, and tempting, to over-extend a brand and risk diluting its meaning and value. Any extension of the brand must fit the core values in a way that makes consumer sense, and it must contribute positively to the overall brand.

In his presentation on component branding, David Buirski, editor-in-chief of *World Sports Activewear*, identified eleven factors used in building up the brands of the end products and manufacturers, all helping to build consumer confidence. "It has almost reached the stage where, unless there is another logo in a manufacturer's promotional material, the brand will suffer in the mind of the consumer and its ability to perform under extreme conditions becomes open to question" he claimed. "The desire to establish performance credibility in the buyer's mind appears to be all-consuming."

Of considerable importance to the industry as a whole, a presentation by Joe Morelli, global director of research at Nike, outlined the dominant company's strategy for future development, based on the theme of environmental sustainability. Nike can be expected to set standards which will force other companies to follow suit. Standards which apply in the US will be used as target benchmarks for all their suppliers worldwide. It was, in effect, an echo of Thomas Travis's detailing of ethical sourcing considerations.

The Summit ended with delegates taking the Saturday afternoon off to go hiking in the mountains close to the venue. The topic of conversation during the afternoon centred on when and where the next Summit should be held. There was unanimity that the industry would continue to have summits of its own to contend with and that The Summit was an extremely valuable way of identifying the best business routes to follow.

Full details of The Summit 2001 will be published shortly, building on the enthusiasm and very positive feedback received (from sponsors and delegates alike). As Dave Brown, DB Outdoor Systems/Outdoor Industries Association, put it: 'The Summit is a great idea - great content - great venue - great value.' The programming for the next The Summit will ensure a similar result.

Vanessa Knowles

Conference papers are available. For details e-mailed or fax WSA.