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In times when product development often means meeting given price points and introducing some new colours or product refinement, Arc'Teryx has proven to be one of the major innovators in the Outdoor industry. Since its founding in 1992, the Canadian manufacturer of apparel, backpacks and climbing harnesses has been ahead of the pack. Not only by introducing new products, but more than anything else by developing revolutionary fabrics, technologies, constructions, and – above all – designs. Designs which can be claimed to have influenced an entire generation of outdoor product.

Managing the potential for innovation

In 1993 Arc'Teryx introduced the "Vapor" harness. This was the first sophisticated thermo-formed product in the outdoor industry and brought climbers a new level of comfort. And it was the first of a series of revolutionary innovations that the company brought to the outdoor market. Tyler Jordan, who joined the company in 1993 as office employee # 4 and has been its CEO since the beginning of 2005, remembers: "Dave Laney and Jeremy Guard, the two founders of Arc'Teryx wanted to make the ultimate climbing harness for themselves. At that time, Mike Blenkarn, who is our technology mastermind today, had made a shoulder strap for his mountain bike that was partially thermo-moulded. With this strap, he could carry his bike comfortably. When Jeremy and Dave saw this, they immediately knew how to make the harness."

Already, one can recognise the fundamental need of being an outdoor enthusiast. Everybody in the design team has a proven record as an expert alpinist, rock climber, telemarker, mountain biker, skier, etc., and it has today evolved into the virtual spirit of the entire company. Tyler Jordan says: "It's a chicken and egg thing, a reinforcing cycle. The more technical and creative a company is, the more it attracts staff that is likewise. In the beginning, this applied mostly to designers. Today, there are highly active outdoor enthusiasts in every part in the company. If you are like this, you feel comfortable in such a surrounding."

Backwards from the future

Building on this foundation, Arc'Teryx has established some kind of basic pattern in creating new products and technologies. Tyler Jordan: "Initially, there is problem. It might be a product that does not perform well enough, that is not comfortable to use, or that doesn't last as long as it should. Then, we try to solve this problem. But the key difference between Arc'Teryx and most others is – apart from the dedication – the way we approach a subject: we are not looking into existing products. Instead we try to visualise the future and work backwards from there!"

Jordan admits that creating solutions to problems is only one half of the matter. The other half is being able to actually manufacture and finally market these solutions. While it was hard on the thermo-moulded harnesses, Arc'Teryx was in serious trouble when introducing the "Bora" backpack series in 1995. Tyler Jordan remembers: "When we launched the Vapor harness, there were packs already. And it was very obvious that the thermo-moulding technology was applicable on backpacks, too. However, we found it hard on the Bora packs to make the first moulds. But then, it was extremely hard to make prototypes and finally take them to production. We had to overcome such major problems to deliver the products, that I am still amazed at the patience retailers showed us. But I suppose, it was the real innovation in the final product that made them wait."



Arc'Teryx Razor 15

Changing outdoor apparel in general

The major coup in terms of influencing the outdoor industry happened in 1998, when the firm went into apparel with a range of Gore-Tex-based outerwear. It debuted with a number of firsts: WaterTight zippers, thermo formed zipper garages, the super-small seam allowance plus the tiny tape (something that W.L. Gore brought to the rest of the industry as "Micro Tape" a couple of years later), the narrow stitch count, various

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Bora 62

applications of gluing and lamination technology, etc. But more than anything else, the unique designs with their clean look (only made possible by lamination and colour matching zips) and their tonal colour co-ordination had a major impact on the market. Since then, designers from all over seem to have a homing instinct gathering around when Arc'Teryx is building its booth at an Outdoor Retailer, OutDoor, or ispo exhibition.

On top of the Gore-Tex story, Arc'Teryx is one – if not the – pioneer in the softshell category. It is not that well known that the company was the driving force behind the development of Polartec Power Shield. Mike Blenkarn came up with the concept of bonding a stretch woven outer fabric with a lightweight fleece on the inside. Together with Malden Mills (fleece) and Enterprise Coatings (bonding) they brought Polartec Power Shield to the market. Today, this technically very complex fabric still represents state-of-the-art in softshell fabrics, together with Schoeller's WB-series.

The next level in backpack design

For summer 2006, the firm will launch its AC^2 packs (Advanced Composite Construction). In its introductory booklet the Canadians state: "We apply our cumulative knowledge of harness, backpack, and apparel development to pioneer an entirely new approach to backpack design. Today, these packs premier innovative waterproof bondable fabric, custom moulded components and a compact, lightweight suspension system. Our new packs are the culmination of everything we have learned and represent a new milestone in backpack technology." Of course, nobody outside the company has carried an AC^2 pack, thus there are no test reviews yet. But certainly the packs look revolutionary and different from everything else on the market.

This list of innovations points out only the major ones. Of course, there are still more. So the key question is: Where do all these innovations and ideas come from? Tyler Jordan answers: "It is actually the confluence of a few things: the right environment, the right people with the motivation to do so, the right philosophy within the company, giving a certain amount of freedom to the designers, and most of all, managing all this. Any one of these factors is not enough on its own."

Fitting the jigsaw

Today, designers from all around the globe apply for jobs in the Vancouver-based company. For young designers, opportunities to learn and mature in such an environment are fantastic. "This puts us in a very comfortable position, as all the really ambitious people want to work for us. But just being a creative mind is not enough. And in spite of really meeting a lot of designers to possibly fit the puzzle, we still consider it very tough to find the right ones that fit into the existing team." According to Jordan, teamwork is the key to successful innovations: "We don't hire people, put them in a corner and wait for the product. That rarely ever happens. Instead, we know from experience, that we are most successful with designer teams and not only individuals. So everybody must integrate into the team."

The AC^2 packs could serve as an example. It was Mike Blenkarn who had the first idea to integrate all different technologies into backpacks. But it was Dan Greene and Dan Jackson who finally brought the project to production. While working on the AC^2 project, Arc'Teryx again teamed up with outside partners. Jordan explains: "Partnership with other companies comes in when designers reach their limits. Teaming up with Uretek, Malden Mills, Gore, YKK, etc., has proven very important in the past. We are actually bringing together two different industries. However, the other partner should have some

Dan Greene and Dan Jackson from Arc'Teryx



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Women's Sidewinder jacket

kind of an outdoor background in order to know and understand why things must be like this or like that."

AC^2 displays two other factors of how the company manages innovation: time and persistence. Blenkarn explains: "I first played with the idea of such packs maybe twelve years ago. Seven years ago, we got more serious. But the last four years, it was Dan Jackson and Dan Green who worked more than full time on the project." Dan Jackson adds: "Actually, we were very close to launching the packs last year. But the final bit that was missing to take it to the level we wanted was really hard to achieve. It took us around 10% of our time to achieve 90% of what we wanted. But the last 10% to perfection took us 90% of our time."

Juggling with artists

According to Jordan, one of his hardest jobs as a CEO is managing the creative potential within the firm: "Designers are artists. And they are sometimes very, very difficult to manage. These guys have very strong opinions and minds. Sometimes our meetings and discussions are really wild." So he considers one of his major tasks maintaining a careful balance of giving designers a lot of freedom – "There mustn't be too much bureaucracy!" – and boundaries at the same time. "At times, this can be very stressful but also highly rewarding."

Obviously, he appears to be doing a pretty good job. In spite of the fact that Arc'Teryx is very small by comparison with other major players in the industry and simply cannot afford to pay extremely high salaries, the key designers stay in Vancouver for long while, for example, in the case of Mike Blenkarn since 1996, Tom Fayle since 1997. Jordan says: "All our good designers get job offers with much higher payment every week. But here we can offer the development possibilities. We provide the tools, the team, the patience, the environment, and the dedication to finally do the unique thing."

This leads Jordan to possibly the most important factors to create an environment where creativity and innovation can flourish: "The owners and the managers of a company have to be real innovators, too. This means they must be willing to be patient. Of course, with the reputation we have achieved now, the market expects Arc'Teryx to reinvent the wheel year after year. Before AC^2, we often heard that we had run out of ideas and creativity. Today, I am proud that we resisted the temptation to launch the packs too early. You must be willing to wait until you are really ready go for it."

So the question is: Will Amer as the new owners of Salomon (who own Arc'Teryx) understand and accept this patience? Jordan is optimistic: "We think that Amer has been pretty good at integrating companies into its portfolio by giving them a lot of freedom and not diluting their brand identity. And as long as Arc'Teryx manages to grow substantially and be highly profitable at the same time, I assume they will agree with our philosophy."

We hope so. The market really needs the Arc'Teryx's of this world.

