BEKA Business Media

Spring 2017

# INSIDE OUTDOOR

www.insideoutdoor.com

MAGAZINE

## Camping's XYZ
### A CHANGING CUSTOMER COMPOSITION

## TENTS on the AT

## SHARP VALUE-ADD

## IN-STORE REBOOT


GUARANTEED TO LEAK.
LIKE A SIEVE.
MICRO MESH DRAIN TECHNOLOGY
VENTILATED MESH PROVIDES ULTIMATE BREATHABILITY
ULTRA LIGHT MIDSOLE PROTECTS AND CUSHIONS
OUTERSOLE GIVES ADDED TRACTION ON THE TRAILS
METALLIC GRID IN-SOLE STOPS STONES AND GRIT
FRONT AND BACK DRAINAGE CHANNELS DRAIN ALL MOISTURE
THE BAFFIN TRAIL TO RAPIDS SERIES
A lightweight and highly breathable trail shoe. Incredibly comfortable. Designed to allow water to drain right through while a metallic grid, in the sole, prevents rocks or debris from entering. Whether walking through a stream or hiking the trails, the insole channels are designed to drain all moisture.
TRULY INNOVATIVE AND FUNCTIONAL.
TRAIL2 RAPIDS
by BAFFIN
PAUL HUBNER BAFFIN INC.
Owner & CTO (Chief Testing Officer)
BAFFIN
LIVING THE BRAND
www.BAFFIN.com
Customer Service: 1-800-387-5858 • Email: sales@baffin.com

# CONTENTS




## REGULARS



## REPORTS



IMPLUS®

Where Innovation Meets Comfort.

www.implus.com



YAKTRAX TRIGGERPOINT DRYGUY FALKE balega SOFSOLE Spenco FuelBelt

# Editor's Letter

## Store Closing Correction

It's a tough time to be a physical retailer. Daily headlines about store closings and retail bankruptcies seem to signal the arrival of a dim future – one we've been hearing about since the Internet boom of the 1990s. It's not likely these warning signs are about to abate.

Consultancy firm Cowen & Co. predicts as many as 2,000 more stores may still need to shut their doors for companies such as JC Penney, Macy's, Gap and Ascena Retail Group, among others, to survive moving forward. Macy's, for instance, recently announced the closing of 100 stores, or about 14 percent of its store fleet, but Cowen analyst Oliver Chen figures the retailer ultimately may need to shut down about 21 percent of its doors instead. For JC Penney, Chen said the chain may need to shutter closer to a quarter of its store locations compared to management's plan close about 14 percent.

"Up to 20 percent of malls will have to be repurposed or closed," added Chen. Bong goes the death knell.

Every quarter, during the earnings calls, we hear the reasons why. Retailers are having trouble finding hot items and must-have fashions in a fragmented culture. Amazon and other online plays are sucking up wallet share. Folks have shifted spending from material goods to meals, experiences and entertainment.

All are very real trends and valid challenges, but none may be the main driver of all those doors going dark of late. It's very possible, rather, that U.S. retailers simply may be coming to terms with true demand.

Compared to other markets, the U.S. is "overstored," argues Chen. In the U.S., there's the equivalent of about 23.5 square feet of shopping center space per person, according to Cowen's findings. In Canada, the figure is 16.4 square feet per capita, and in the U.K., France, Spain and Italy, it's less than 5 square feet per capita. U.S. mall growth, meanwhile, has significantly outpaced population growth. The number of U.S. malls increased roughly four times since 1970, from 306 to 1,220 in 2016, the Cowen study showed. The U.S. population, during that same time, has increased by only about 1.6 times.

That's not to suggest once the fat is trimmed brick-and-mortar sales return to growth and all is hunky-dory. Indeed, those executive excuses are new realities. The point rather is that the current rash of store closings is hardly a harbinger of physical retail's demise.

After all, as much as 90 to 75 percent of retails sales, depending on the SIC code, still goes through brick-and-mortar businesses. Meanwhile, Cowen's consumer tracker and studies also showed that customers still prefer to shop in physical locations for 75 percent of their shopping instances. It will be decades, quite simply, before those numbers even approach 50/50.

During that time, physical retail no doubt will change and evolve in a multitude of ways – some that have yet to be imagined. Even so, despite the doomsday predictions around doors closing, the more likely scenario is a future where the real and digital worlds co-exist and collaborate. Winners will be those who find ways to simultaneous offer a unified experience across every channel while still maintaining the unique benefits and functions each one has to offer.

*– MV*



INSIDEOUTDOOR MAGAZINE

Martin Vilaboy
**Editor-in-Chief**
martin@bekabusinessmedia.com

Percy Zamora
**Art Director**
outdoor@bekapublishing.com

Ernest Shiwanov
**Editor at Large**
ernest@bekapublishing.com

Berge Kaprelian
**Group Publisher**
berge@bekabusinessmedia.com

Rene Galan
**Account Executive**
rene@bekabusinessmedia.com

Miki Takeuchi
**Digital Media**

**Beka Business Media**

Berge Kaprelian
**President and CEO**

Neil Ende
**General Counsel**

Jim Bankes
**Business Accounting**

BEKA Business Media

**Corporate Headquarters**
14700 N Frank Lloyd Wright Boulevard, #157
Scottsdale, AZ 85260
**Voice:** 480.503.0770
**Fax:** 480.503.0990
**Email:** berge@bekabusinessmedia.com


Teflon
EcoElite™
renewably sourced
finish

# DATA POINTS

## NUMBERS WORTH NOTING

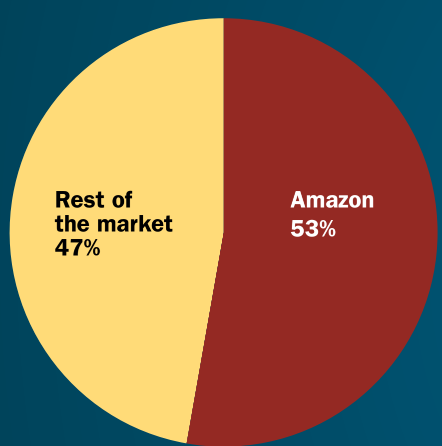
By **Martin** Vilaboy

## Amazonian Challenge

Just how big of a competitive threat is Amazon moving forward? Could be even bigger than you thought. According to the market view of Slice Intelligence, Amazon grabbed 53% of all growth in retail ecommerce sales in 2016. According to U.S. Census estimates, total e-commerce sales for 2016 were $394.9 billion, an increase of 15.1% from 2015.

### Share of Retail Ecommerce Sales Growth, Amazon vs. Rest of the Market, 2016

*% of total retail ecommerce sales growth*




*Source: Slice Intelligence*

# 8.9

Year-over-year percent increase of online fraud, with apparel retailers and food delivery businesses hit the hardest, according to a study by the New Forter-Merchant Research Council, which believes EMV chips in credit cards are pushing fraud online.

## Aspirational Outings

Camping is a top "aspirational activity" among non-participants in the U.S. , particularly among younger non-participant age groups, according to research by the Physical Activity Council, "showing that more Americans are interested in getting outside and being in natural settings," said the organization. Other leading aspirational activities include bicycling and swimming for fitness.

**Top 3 Aspirational Activities among U.S. Non-Participants**

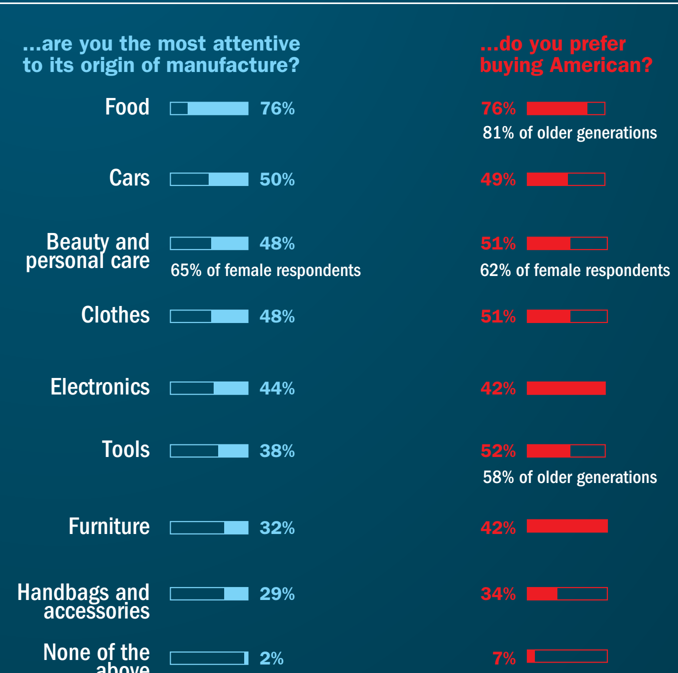
| | Ages 6-12 | Ages 13-17 | Ages 18-24 | Ages 25-34 |
|---|---|---|---|---|
| 1 | Camping | Camping | Camping | Swim for fitness |
| 2 | Swim for fitness | Swim for fitness | Bicycling | Camping |
| 3 | Bicycling | Bicycling | Swim for fitness | Bicycling |
| | **Ages 35-44** | **Ages 45-54** | **Ages 55-64** | **Ages 65+** |
| 1 | Camping | Camping | Bicycling | Bird/Wildlife watching |
| 2 | Swim for fitness | Swim for fitness | Swim for fitness | Swim for fitness |
| 3 | Bicycling | Bicycling | Camping | Work out w/machines |

*Source: Physical Activity Council*

## Where it's Made

According to a March ReportLinker survey of some 500 U.S. online respondents, a majority of Americans (57%) at least say they are willing to pay more for "Made in the USA" products. A Full 80% of those who are willing to pay extra say they're willing to absorb a 15% premium, and more than half of respondents said they'd spend 30% more for electronics made in the USA.

### "For which category of products in the list below...



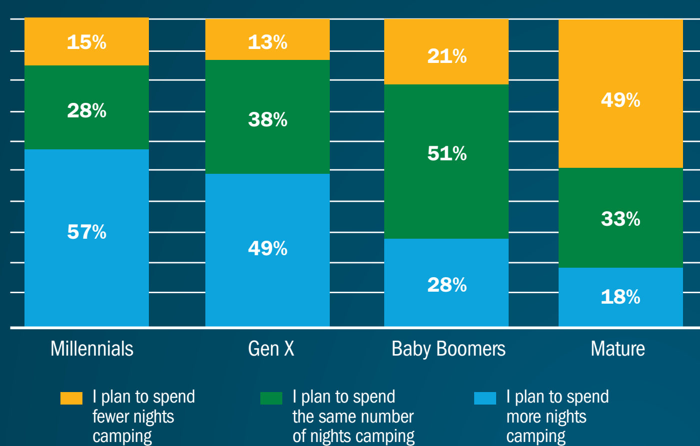

*Source: ReportLinker*


KATADYN®
AWARD WINNING!!
Fastest Flow Rate
EZ-Clean Technology
Ultra small & lightweight
KATADYN
BeFree
ALPINEAIRE® FOODS
Smart Snacks that make Sense
Just Add Water Dips & Smoothies
Grab & Go Snack Mixes and Fruit
Gluten Free! All Natural! Non-GMO!
toffee break
grape escape
super greens
SPICY CHEDDAR bean dip
Become a Katadyn Group authorized dealer 800.755.6701 / cs@katadyn.com
www.katadyn.com or www.alpineaire.com

## Forest Forecast

2016 was another growth year for camping participation, suggest findings from Kampgrounds of America and the National Park Service, and 2017 could prove even bigger. A majority of all age cohorts surveyed by KOA plan to spend the same or more nights camping this year, with Millennials showing by far the most enthusiasm over camping nights in 2017.

### Camping Nights Planned by Age for 2017




*Source: KOA*

**71** Percentage of teen campers surveyed by KOA who said they would still want to camp even without access to technology or the ability to stay connected. "In fact, half of the teens surveyed say that camping offers them an opportunity to 'unplug' from technology," said the KOA study.

## Know Your Stuff

It's likely not as much the case with specialty store employees, but 83% of shoppers surveyed by Tulip Retail, a retail application provider, believe they're more knowledgeable than retail store associates. At the same time, 79% of survey respondents say knowledgeable store associates are "important" or "very important."

### Shoppers' In-Store Attitudes on Service

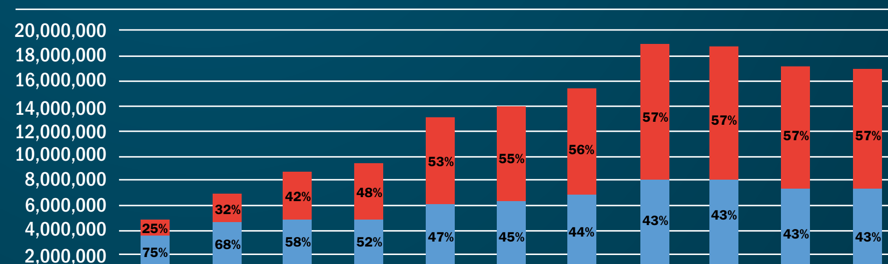
| | |
|---|---|
| Respondents who believe physical retail locations will be part of the shopping journey in the future | 64% |
| Respondents that dealt with a store associate who used a mobile device to provide things such as product info, credit card checkout and inventory look-up, and said it resulted in a better shopping experience | 72% |
| Respondents who would be interested in having a store associate text or email them about the status of their order | 73% |
| Respondents who believe that store associates are either "very valuable, very helpful" or "valuable, helpful" | 53% |
| Respondents who said a knowledgeable store associate who is able to suggest products based on their purchase history would encourage them to shop in-store | 50% |
| Respondents who believe the biggest advantage of shopping in-store is the ability to touch, try on and see products | 77% |
| Respondents who know the store associates by name at the retailers they visit | ~30% |

*Source: Tulip Retail*

## Road Race Rage?

The number of U.S. running event finishers dipped slightly in 2016, marking the third year in a row of decline. It's likely more of a correction than a long-term concern, however, as the 17 million in 2016 is down from the recent high of about 19 million in 2013, but that figure is way up from the 13 million in 2010 and the 9.5 million in 2005.

### U.S. Running Event Finishers 1990-2016




| | 1990 | 1995 | 2000 | 2005 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Female | 1,199,200 | 2,215,500 | 3,696,000 | 4,494,400 | 6,929,000 | 7,685,700 | 8,699,000 | 10,844,200 | 10,687,500 | 9,755,500 | 9,690,000 |
| Male | 3,597,800 | 4,708,000 | 4,998,400 | 4,947,600 | 6,071,000 | 6,288,300 | 6,835,000 | 8,180,800 | 8,062,500 | 7,359,300 | 7,310,000 |

Male Female

*Source: Running USA's U.S. Road Race Trends report*

**Outdoor & Sports Company**, distributor of Mountain Equipment, Bridgedale and Hilly products, announced that **Tom Jones Sales** and **JJ Sales** together have been awarded as North American Sales Agents of the Year for **Bridgedale** socks. Tom Jones Agency and JJ Sales work collaboratively to manage the Western Canada region that includes British Columbia, Yukon, Alberta, Saskatchewan and Manitoba. The Outdoor & Sports Company Agent of the Year Award is determined by overall sales growth, number of new dealers opened, outstanding service to dealers and continuous brand support, said the company. **Tom Jones** and **Jason Jennens** at JJ Sales have been with the Bridgedale and Hilly brands for four years and have shown significant growth in their region. In 2016 they opened a significant amount of new stores in Western Canada. Outdoor & Sports Company is also recognizing **Sam Hoyt** of **Maple Street Associates** and **Jeff Shimada** in Ontario, Canada with Honorable Mentions for 2016. Both are being recognized for their consistent and growing performance in their regions, year after year.

**TerraTrike**, manufacturer of recumbent tricycles and tricycle accessories, is expanding its dealer sales team with the addition of **Jessie Gater,** who will join the 15-member dealer sales department. Prior to joining TerraTrike, Gater worked as an advertising consultant and a senior management representative at two national automotive marketplace websites. With the goal of adding 50 new dealers by the end of 2017, TerraTrike anticipates hiring an additional dealer sales team member before the summer.

**Kammok** enhanced its distribution channel with the addition of **Jacob Juul Hastrup** of **The Good Karma Company** as it Scandinavian distributor. Hastrup brings more than six years of experience in the outdoor industry and will manage distribution in Denmark, Norway, Finland, Sweden, Iceland and Greenland. Based in Denmark, The Good Karma Company was founded in 2011 by Hastrup, who later partnered with **Jesper Noer**. Both experienced endurance athletes, Hastrup and Noer have immense knowledge and experience establishing upcoming brands in the Scandinavian and European markets, said Kammok executives.

**Louis Joseph**, the founder and president of winter wear and sportswear brand **Alps & Meters**, announced the formation of sales partnerships with **Vagabonds LLC**, **Continuum Sales** and **Bell Sports Ltd**. Vagabonds LLC, led by **Arnaud Claude**, will cover the intermountain territory and the Western United States for the brand. Claude is a sales executive with more than 25 years of experience with brands such as Goldwin, Tubbs, RH+, Rossignol and Rollerblade. Continuum Sales, led by **William Krebsbach**, will cover the Rockies and the Midwest territories. Krebsbach is a seasoned apparel sales representative with more than 15 years of experience with brands such as Fjällräven, Sun Ice, Hot Chillys, Eider and others. Bell Sports Ltd, meanwhile, led by **Glenn Mackay**, will represent all of Canada for Alps & Meters. Mackay has spent more than 40 years in the apparel and outdoor businesses and has worked with brands such as Woolrich, Columbia, Sorel and Mountain Hardware.

**Mystery Ranch** of Bozeman, Mont., has retained **Manitou Sales Group**, led by **Aaron Wilmers**, to represent its mountain category in Michigan, Ohio, Indiana and Kentucky. Mystery Ranch has recently expanded its mountain category to include ski and snowboard packs, which will debut at retail in Fall 2017. Led by Wilmers and based in Traverse City, Mich., the Manitou Sales team also includes **Abby Chatfield** and **Jeremy Smith**.


2.0 oz


1.5 oz

# DEET free - Clean - Safe - Effective

Won't harm YOU, fabrics or plastics. Great fresh scent. Keeps the bugs away.

*Sun Care - Insect Repellents - Skin Protectants - Lip Care*

For dealer info contact us at Sales@SolSunguard.com or call (206) 283-0409.

Other brands represented by Manitou include Kavu, Western Mountaineering and Hydro Flask.

**HippyTree** announced a new partnership with **ROUGH GmbH**, headquartered in Stuttgart, Germany. ROUGH has taken on exclusive sales and distribution in Germany and Austria for HippyTree. Family owned and operated by **Frank Biesold** and **Wolfgang Nill**, ROUGH was established in 1995 as a distributor for select board sport and apparel brands. Twenty years later, it is one of the leading distributors in the European action sports and outdoor markets, said the company.

**Gibbon Slacklines** has partnered with **Liberty Mountain** of Utah on a wholesale distribution deal. Gibbon's products will now be available through Liberty Mountain to retailers across the country.

After completing its new production facility at the end of 2016, **Good To-Go** has expanded into additional markets with reps now in every state. The addition includes **Sky Ambitions** in the U.S. Northeast and Eastern Canada, led by **Kristin Karl** (kgula@mac.com, 603-356-6255) and **Midwest Outdoor Sales**, led by **Jeff Reimann** (jeff@midwestoutdoorsales.com, 612-910-6585) in the Midwest. In the Southwest, Good-To-Go will be represented by **Ed Sampson** (ed@tenaya.us, 303-931-9404) of the **Tenaya Group**, while **Stuart McCornack** (stuart@yukontradingcompany.com, 503-329-8734) of **Yukon Trading Company** now will cover the Pacific Northwest. **Greg McDonald** (greg@mountainx.ca, 866-869-8689) of **Mountain Exposure** will handle sales in Western Canada.



### Good-To-Go Rep Groups by Territory

| Agency | Territory |
|---|---|
| Sky Ambitions | NY, CT, RI, MA, VT, NH, ME, ON, QC, NB, NS, NL, PEI |
| Midwest Outdoor Sales | ND, SD, MN, WI, U.P. of Mich., IA, NE, IL |
| Tenaya Group | CA, AZ, NV, HI |
| Yukon Trading Company | AK, WA, OR, MT, ID |
| Mountain Exposure | Western Canada |

Swedish outdoor brand **Fjällräven** recently welcomed **Brandywine River Reps** and **The Praelia Group** to lead strategic growth in the Mid-Atlantic and Southeast regions, respectively. Both sales agencies will report directly to **Seth Quackenbush**, specialty account sales manager at Fjällräven North America. Founded in 2002, Brandywine River Reps is led by founder and principal, **Andy Molter**, who also serves on the Board for the Eastern Outdoor Reps Association (EORA) and is a member of the Eastern Winter Sports Reps Association (EWSRA). BR Reps is headquartered in Greenville, Del., and will service Fjällräven and Hanwag accounts in New York, New Jersey, Pennsylvania, Delaware and

Maryland. The Praelia Group joins as Fjällräven and Hanwag's sales agency in the Southeast territory. Headed by founder **Buck Rowlee**, the award-winning group has more than 15 years of experience representing top brands, including Burton, Oakley, Electric and Mizu. Based in Wilmington, N.C., the team will service accounts in Washington D.C., Virginia, North Carolina, South Carolina, Tennessee, Georgia and Florida.

**Eagle Creek** announced a new partnership with the **Bodhi Agency** as representatives for the Midwest and Great Lakes sales territory, effective immediately. Managing a large key territory for Eagle Creek, The Bodhi Agency will leverage its collective 35-plus years in the outdoor and travel industries to increase the Eagle Creek brand presence. The Bodhi Agency includes **Erik Schmitter**, **Crystal Neeley**, **Steve Schultz** and **Matt Johnston**, who will cover the Midwest and Great Lakes territories, including Illinois, Wisconsin, Minnesota, North Dakota, South Dakota, Missouri, Iowa, Indiana, Michigan, Ohio and Kentucky. It also represents complementary brands prAna, Eureka, Jetboil, Silva, Hydrapak, Fits and Blunt.

**Red Paddle Co**, the maker of inflatable stand up paddleboards, announced eight new partnerships with sales groups to rep the brand across the U.S. The new sales groups include **Play Northwest** (Pacific Northwest), **Grey Duck Group** (Midwest), **Greg Fugate** (Great Lakes), **Exudos Reps** (New England), **Arete Sales** (Mid-Atlantic), **Mountain Lake Marketing** (Southeast), **Donny Sato** (Hawaii/South Pacific), **KT Outside** (West Coast) and **Territory Two** (Rockies). Red Paddle Co also is looking for sales representation in the South and Central regions (Texas, Louisiana, Mississippi, Arkansas, Oklahoma, Kansas and Nebraska).

**Kinetic Representatives** and **Sky Ambitions** have signed on with **Big Agnes** to cover the Mid-Atlantic and New England regions, respectively, for the camping and backpacking brand. The two agencies will manage sales of Big Agnes shelters, sleeping bags, pads, and accessories, as well as **Helinox** trekking poles and camp furniture. Founded in 2010 by **Dave Donahue**, Kinetic Representatives includes reps **Kyle Norris** and **Mike Ebner**. The agency also represents Outdoor Research, Oboz, Deuter, Hydro Flask and Native Eyewear. Their territory will include New York, New Jersey, Pennsylvania, Maryland and Delaware. Sky Ambitions was founded by **David Karl** in 1989 and represents Petzl, Oboz, Adventure Medical Kits and Julbo. The agency is comprised of Karl, **Matt McCormick**, **Ian Wauchope**, and **Kristin Karl,** and its territory encompasses Vermont, New Hampshire, Maine, Connecticut, Massachusetts and Rhode Island for Big Agnes.

# Camping's XYZ

It's not exactly what anyone would call a seismic shift – more a morph than an about-face – but make no mistake, the profile of the North American camping customer is undergoing a youth movement of sorts.

By **Martin** Vilaboy

## The changing composition of North American campers

Sure, it would be foolish to disregard the importance of traditional camping cohorts. Our nation's campgrounds, after all, are still filled with plenty of old-school car campers, Scout troops, buddies out hunting and four-wheeling, backpackers, climbers and other various core outdoor enthusiasts bedding down conveniently close to the location of their chosen activities.

At the same time, however, campers in the U.S. and Canada are becoming more diverse, suggests a new survey, in terms of who they are, how they camp and why. In turn, contestants in the space can't ignore the direction in which camping aisle customers are evolving.

Whichever way one analyzes the trends, the camping market currently is enjoying something of a growth phase. Similar to 2015, there was a 5 percent net increase in new campers in 2016, shows a new survey by Kampgrounds of America, and since 2014, more than one million households have started camping each year. It's estimated that 3.4 million households became new campers during the last three years, and KOA estimates that 61 percent of U.S. households now can be counted as camper households, up from 58 percent of households in 2014.

These numbers corroborate with figures from the National Park Service, which hosted 331 million visitors in 2016, smashing the record 307 million visits in 2015. Among those visitors, NPS hosted about 3.86 million “tent campers” in 2016, the most since 1995, and 2.15 million “backcountry campers,” the most since 1997.

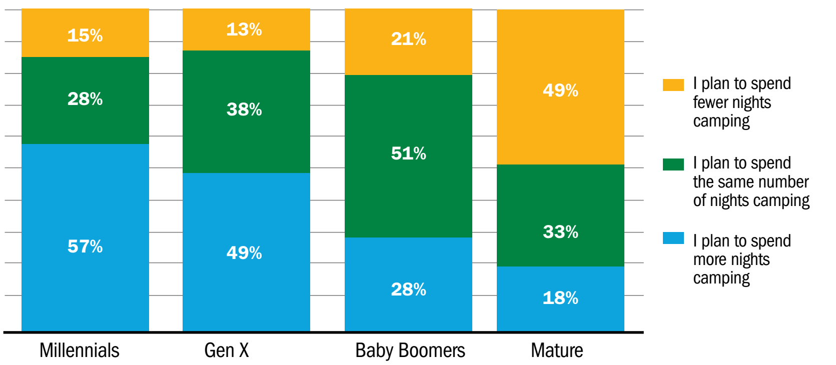
Possibly even better news, while overall camping incidences continue to show incremental growth, the real growth in camping is at the individual level where campers are migrating from annual camping trips toward taking multiple trips each year, says the KOA survey of nearly 3,000 U.S. and Canadian residents. During the past three years, the number of respondents who take three or more trips each year has grown 36 percent, while the number of campers taking just one trip a year has dropped 10 percent. Among the new camper households, about a third would like to increase their camping trips in 2017.

“These results indicate that once a person experiences camping, it’s highly likely that they will camp more in order to gain the personal and familial benefits associated with camping,” said KOA researchers.

Results also suggest that as older consumers age out or participate less and new participants move in and participate more, the profile of the typical North American camper is skewing younger and younger. The lion’s share of U.S. campers is now made up of millennials (38 percent), which KOA classifies as those born between 1981 and 1997. That compares to the 34 percent of campers counted as millennials by KOA in 2015 and the 31 percent of the U.S. population counted as millennials by the U.S. Census. Millennials and Generations Xers together accounted for 72 percent of U.S. campers, up from 62 percent in 2015.

As might be expected, the younger customer base presents some unique tendencies and characteristics. Chief among them is ethnic diversity.

### CAMPING NIGHTS PLANNED BY AGE FOR 2017

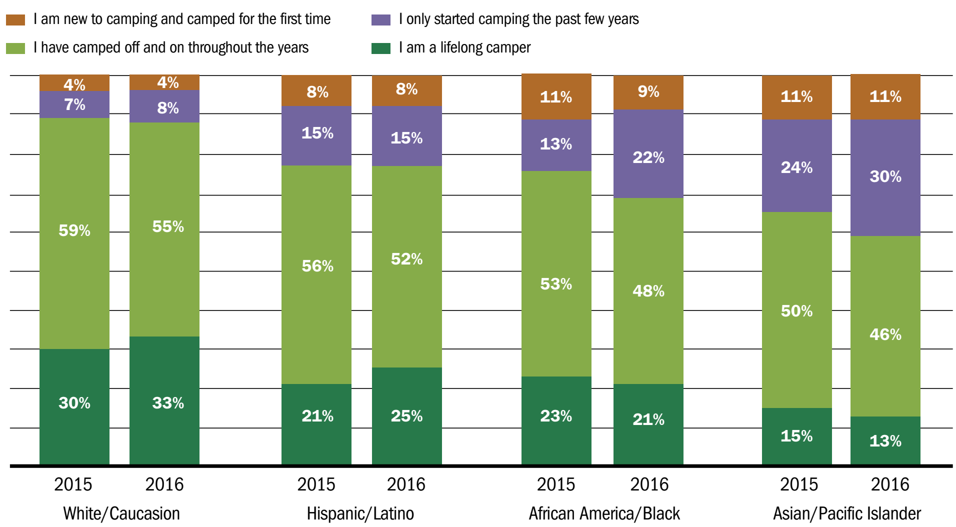



*Source: KOA*

During the past few years, KOA has seen increasing proportions of Hispanics, African Americans and people of Asian descent being introduced to camping and its related "outdoor" experiences. Attribute it to industry outreach or the simple matter of changing national demographics, or maybe both, but non-white campers now comprise just more than a quarter of all campers, a rate that's double KOA's count in 2012. In many cases, population breakdowns by ethnicity are approaching, and even surpassing, Census percentages, particularly among those who are new to camping. In particular, the percentage of new campers that are of Asian/Pacific Island descent nearly triples the corresponding Census percentage of the U.S population, according to KOA counts.

Indeed, non-white campers, and especially campers of Asian descent, are most likely to be new to camping, with fully 40 percent of Asian/Pacific Islander campers reporting that they have started camping within the past few years. More than one in five Hispanic campers and close to a third of African American/Black campers said the same. That compares to 12 percent of white campers who have started camping within the past couple of years. Not surprisingly this is driven by Gen Y campers, as six-in-10 non-white campers are millennials, compared to nearly four in 10 white campers.

NEW CAMPERS




Source: KOA

## Same but Different

In general, the drivers and behaviors among the various cohorts of campers increasingly are in line with each other. In other words, the reasons why folks go camping, where and how they camp and what they do are fairly consistent among all ethnicities, especially as larger percentages of minorities make up the overall participant base. There are, however, some statistically significant differences worth noting.

Campers classified as Hispanic/Latino by KOA, for starters, most likely view camping as a way to positively impact health and emotional well-being, including reducing the stress of everyday life and improved relationships and academic performance. Those of Asian descent, meanwhile, appear most interested in how camping creates opportunities to spend more time with family and friends.

"In a departure from past iterations of the survey, Asian campers are expressing much stronger opinions about their connections to camping, including the desire to spend more time with family and friends," said the KOA study.

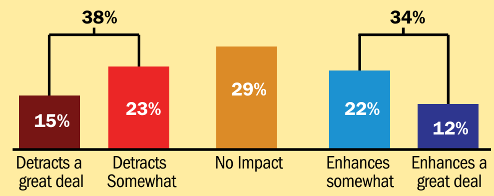
Campers of Asian descent also are most likely to visit national parks, with nearly 70 percent stating that they intend to visit a national park in

# The Technology Dichotomy

Across every cohort and category, technology and digital devices are part of the camping experience. According to KOA findings, a full 95 percent of campers admit to bringing some type of technology on their trips, and the majority of campers check in online at least occasionally. More than half say they go online more than once a day. And it's not just the kids doing it. Adults who go online at least occasionally do so with the same frequency as Generation Z campers.

For the most part, this is a good thing. It's not hard to understand the value of a connected smartphone when traveling away from home, and for many, access to technology, and the ability it provides to work remotely, actually allows for longer and more frequent camping trips, suggests KOA's survey.
On the other hand, campers are less sure if the benefits outweigh the drawbacks.

### Inpact of Technology on Enjoyment of Camping Trips



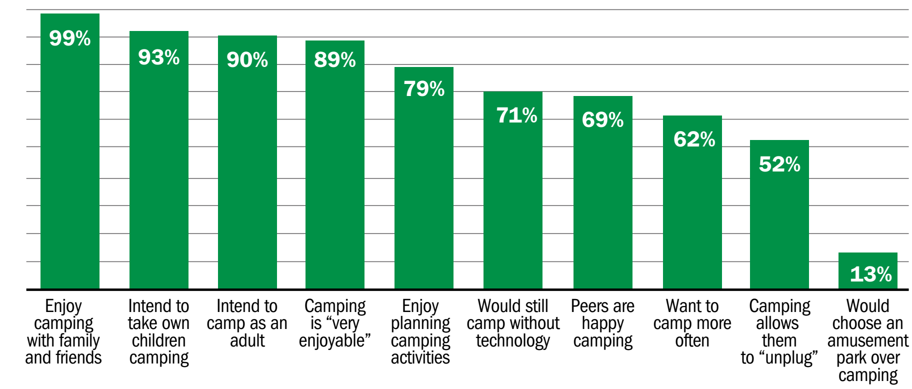

Source: KOA

Somewhat surprisingly, slightly more respondents to KOA's survey feel technology detracts from their enjoyment of the camp out than the third who say it enhances it. The same goes for Gen Y and Z. Among millennial campers, 38 say technology detracts from the camping experience and 36 percent say it enhances camping. Among Gen Z, a full 71 percent of teen campers claim they still want to go camping even without access to technology. Only 6 percent say they can't be without their connected devices.

Of course, teens do have a more positive take on technology around the campsite, and place significantly more importance on keeping connected, but even teenage campers understand the need to unplug once in a while. For most participants both young and old, camping sill represents that off-the-grid escapism.

So even though campers want access to their toys and technology when camping, they understand that staying connected means, well, staying connected.

CAMPING TEENS




Source: KOA



2017. By comparison, about 47 percent of white, Hispanic and African American/Black campers intend to visit a national park.

Recreation remains an important part of campers' experiences, and the longstanding activities of hiking and fishing tend to be most prevalent among all campers. Even so, Whites/Caucasians and Asians are mostly likely to include a hike during a camping trip, while African Americans are most likely to go fishing. On the other hand, African Americans are least likely to take a scenic drive or visit a historical site during a camping trip.

Mountain biking, meanwhile, is significantly more prevalent among those responding as Hispanics, who also are the most likely to take part in hunting. In terms of paddlesports, a full 32 percent of campers of Asian descent say kayaking is part of their camping outings (compared to about one in five of the other groups surveyed), while African Americans are the most likely to say canoeing is part of a camping trip.

Overall, "an influx of younger, more physically active campers is changing the recreation landscape as it relates to camping," notes the KOA research. More-active pursuits such as hiking, mountain biking, paddling and backpacking are increasing in occurrence as part of a camping trip, while less-active pursuits such as sightseeing, scenic drives, birdwatching and fishing have seen declining participation. Fishing remains a popular activity, but in 2016 hiking for the first time outranked fishing as the most popular form of recreation, show KOA figures. (Incidentally, even though fishing has waned as an activity among adult campers, it is extremely popular among Gen Z campers, with eight of 10 teens stating that they go fishing while camping.)

## Family Matters

At the same time, as large numbers of millennials increasingly move into adulthood and start families – while mature campers participate less – camping becomes more and more of a family time event. In 2016, for starters, more than 50 percent of camping households reported to having children, up from 35 percent of camping household that said the same in 2012. According to Census figures, 34 percent of U.S. households includes kids.

"Couples form the group of campers most likely to share their camping experiences, and overall, camping appears to be gaining among familial groups," reports the KOA study. About three-quarters of campers take trips with a spouse or significant other; about half with their children. That's up from 62 percent and 40 percent, respectively, in 2014. All the while, the chunk of participants who camp with siblings has creeped up to three in 10.

### Who We Are Camping With

| Relation | 2014 | 2015 | 2016 |
|---|---|---|---|
| Spouse/Significant other | 62% | 71% | 74% |
| Children | 40% | 44% | 47% |
| Friends | 38% | 42% | 43% |
| Parents | 20% | 23% | 22% |
| Siblings | 17% | 28% | 29% |
| Other family members | 16% | 20% | 20% |
| Grandchildren | 9% | 11% | 9% |
| An organized social group | 7% | 5% | 5% |
| People I met camping | 3% | 4% | 4% |
| Grandparents | 2% | 2% | 3% |

*Source: KOA*

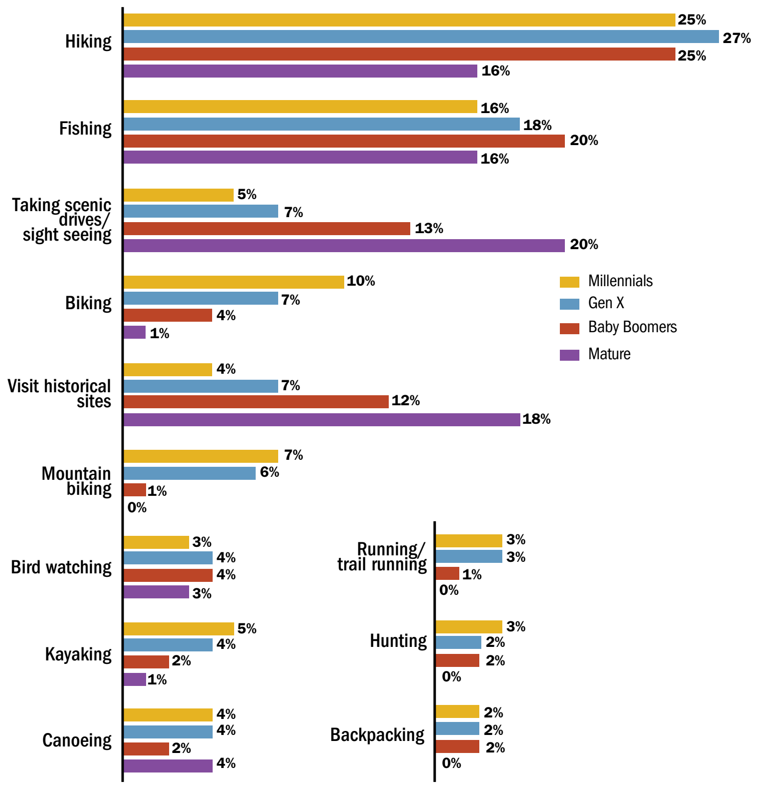
KOA figures likewise indicate a growing percentage of respondents who connect the camp out experience with childhood development. More than 80 percent of adults say it's important for kids to spend time outdoors, and about a quarter feel camping has a "great deal" of impact on academic performance. Teens agree, as 81 percent of Gen Z campers feels it is very important for people their age to spend time outside participating in activities such as camping.

"Overall, parents have strong enthusiasm for camping," say KOA researchers. "This is especially true among younger parents."

Along with the parent-child dynamic within the activity, family camping also is increasingly seen as a way to gather the extended family, as KOA's findings suggest this social element is a key driver toward participation. In addition to partners and offspring, a desire to spend more time with family and friends, as well as the desire among families and friends to "camp more often," are recurring themes for growing majorities of campers when asked about impacts, benefits and influencers. That includes the top reasons for camping more in 2017.

Again, this is largely attributed to youth and diversity. Millennials, for one, are most likely to site "spending time with friends and family" as a reason for wanting to camp more often, and they are most likely to feel strongly about camping as part of a group. Non-white campers, meanwhile, are more likely to camp with multiple generations. Three-quarters of Hispanics and nearly seven in 10 African American campers spend

## TYPES OF RECREATION CAMPERS PARTICIPATE IN MOST OFTEN WHILE CAMPING BY AGE




Source: KOA

nights around the fire with multiple generations on hand – compared to 55 percent of Whites.

Among those who go on trips with others outside of their immediate family, group sizes tend to be somewhat larger among millennials and non-white campers. Asian campers report the largest average group size (13), compared to African American (11), Hispanic (11) and White (9) campers. Millennials host the highest group size among the age cohorts surveyed, at 10.7 campers.

Gen Z campers, for their part, "are incredibly social," says KOA, "with virtually all the teens surveyed saying that they like to camp as part of a group including friends and family."

Looking forward, the influx of new and youthful campers are bringing with them a renewed enthusiasm for the sport. Among millennials, intent is high to camp more often, try new types of accommodations and explore new sites, shows KOA's research. And teens who are introduced to camping seem to fully embrace it. A full 99 per-

**The Upsides of Camping (% Reporting Great Deal of Impact)**

| Areas Impacted | 2014 | 2015 | 2016 |
|---|---|---|---|
| Stress reduction | 42% | 44% | 45% |
| Reducing stress from everyday life | 41% | 43% | 41% |
| Allowing you to spend more time with family | 39% | 41% | 41% |
| Emotional well-being | 36% | 38% | 41% |
| Overall health improvement | 34% | 35% | 39% |
| Improved relationship w/ family and friends | 35% | 33% | 33% |
| Leading a healthier lifestyle | 31% | 33% | 36% |

*Source: KOA*

cent of Gen Z campers, for example, say they enjoy camping with friends and family; 89 percent describe camping as "very enjoyable." More than nine in 10 teen campers plan to take their own kids camping someday.

"Teen campers express strong opinions about camping in general," say KOA researchers. "Not only are they highly engaged in the planning, but are enthusiastic about their trips, and strongly identify with the benefits of camping for them and their peer group."

And while many adults assume Gen Z is too glued to their devices to pull away long enough to truly appreciate the campground experience, teens are no more likely to use technology than adult campers and go online during camping trips at the same frequency as their adult counterparts.

That could be because, "like adult campers," note KOA executives, "they view camping as a way to escape from their everyday lives."

In today's hyper-connected world, the need to detach from the day-to-day has arguably never been more apparent. And the diverse group of new and young participants being introduced to the joys of camping fully understand its inherent ability to provide such a respite, suggest KOA's findings. They also fully embrace the benefits camping offers in terms of physical, emotional and social well-being. What's more, separate studies by the Physical Activity Council and the Outdoor Foundation both found camping to be the number one "aspirational activity" among non-participants between the ages of 6 and 24 years old.

It would behoove the industry to tap into all this excitement.

# TENTS & THE LONG TAIL

The Big Agnes Fly Creek UL2 was the top shelter found on the AT trail in 2016

## Spotting ultralight shelters on the AT

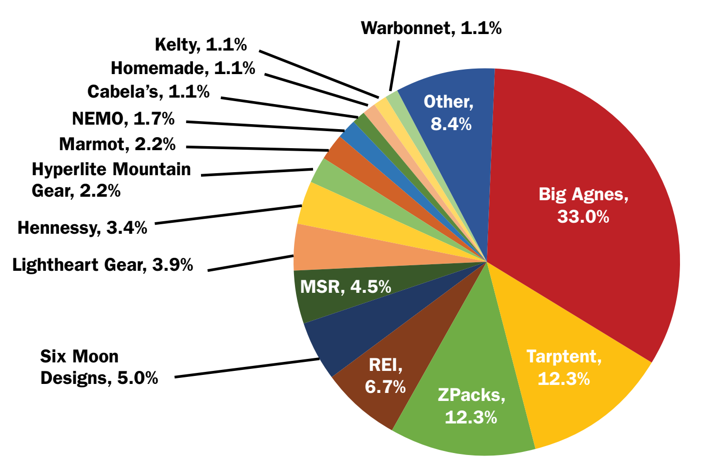
By **Martin** Vilaboy

Today we call might call them social influencers or expert bloggers, but whatever the moniker this group of participants have always been important to specialty brands and retailers. Before the digital days of tweets and likes, we called them “core enthusiasts,” and now more than ever they are the ones who drive trends and opinions and even specialty product development.

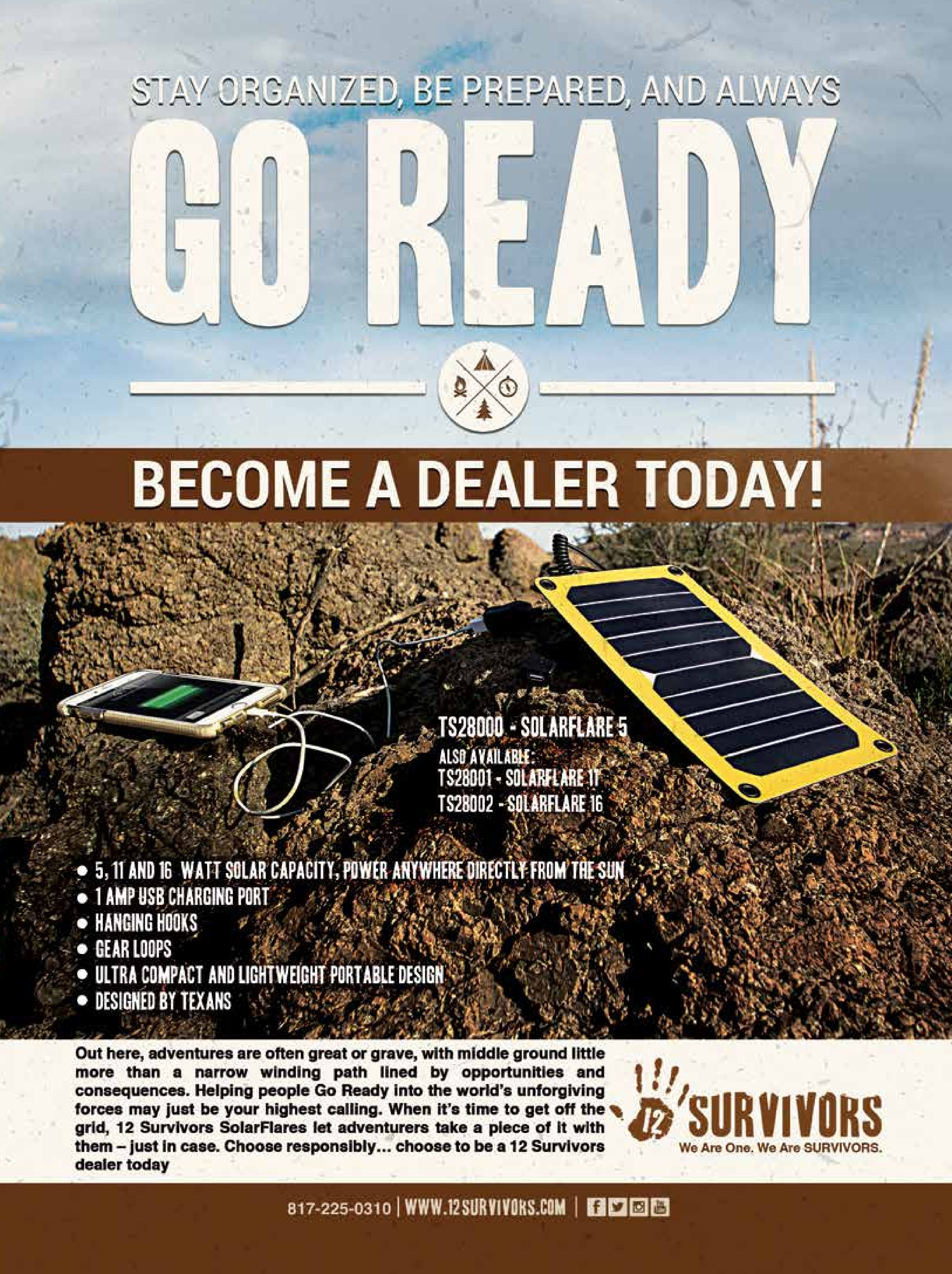
So it’s worth considering the results of a survey by TheTrek.co on tent and shelter usage along the Appalachian Trail. The online community for backpackers and hikers compiled responses from more than 180 thru-hiker and long-distance section hikers who braved the AT in 2016. One would be hard-pressed to find a more “core” group of backpacking enthusiasts than those who spend several months, covering as much as 2,100 miles, living predominately under a tent or tarp. For the most part, the findings uncovered by TheTrek.co are somewhat expected, but there are a few surprises worth noting.

For starters, Big Agnes is crushing it with AT thru- and long-distance hikers. That’s probably not a surprise to some, but even if expected, BA’s performance in the category is nothing short of impressive. A full one-third of the shelters carried by AT distance hikers in 2016 were made by Big Agnes (in the same survey in

### Favorite Shelter System Brands on the AT in 2016




*Source: TheTrek.co*


STAY ORGANIZED, BE PREPARED, AND ALWAYS
GO READY
BECOME A DEALER TODAY!
TS28000 - SOLARFLARE 5
ALSO AVAILABLE:
TS28001 - SOLARFLARE 11
TS28002 - SOLARFLARE 16
• 5, 11 AND 16 WATT SOLAR CAPACITY, POWER ANYWHERE DIRECTLY FROM THE SUN
• 1 AMP USB CHARGING PORT
• HANGING HOOKS
• GEAR LOOPS
• ULTRA COMPACT AND LIGHTWEIGHT PORTABLE DESIGN
• DESIGNED BY TEXANS
Out here, adventures are often great or grave, with middle ground little more than a narrow winding path lined by opportunities and consequences. Helping people Go Ready into the world's unforgiving forces may just be your highest calling. When it's time to get off the grid, 12 Survivors SolarFlares let adventurers take a piece of it with them – just in case. Choose responsibly… choose to be a 12 Survivors dealer today
12 SURVIVORS
We Are One. We Are SURVIVORS.
817-225-0310 | WWW.12SURVIVORS.COM

2015, 37 percent of AT long-distance hikers slept under a Big Agnes logo), and the brand had three tent models among the top five (Fly Creek UL2, Fly Creek UL1 and Copper Spur UL2).

What's somewhat surprising, at least to us, is that Big Agnes was the only major brand name with a double-digit percentage of market share. While there are plenty of familiar names among the top 10 or so brands favored by respondents – MSR, Marmot, NEMO, Kelty, among others – more notable are the few smaller names that were able to grab some pretty large chunks of the business. Tied for second, each with 12.3 percent market share, were lesser-known ZPacks (top model in the survey was the Duplex) and Tarptent (top model the ProTrail). That placed both companies ahead of the likes of REI and MSR, while names such as Six Moon Designs and Lightheart Gear beat out well-established brands such as NEMO and Marmot. Overall, well more than a third of the tents used by AT long-distance hikers in 2016 came from brands with little name recognition, industry pedigree or marketing budgets.

"We have concentrated our energy on developing clean, simply and functional ultralight gear that meets our customers' needs," explained Matt Favero, brand manager and customer experience director at ZPacks. "Flashy ad campaigns, gimmicks and giveaways have never been something that has interested us."

Of course, within the history of outdoor product development, it's far from unusual for upstarts and innovators to break through and make serious inroads into what is essentially a specialty niche. And the grassroots, feel-good stories behind brands such as ZPacks, Tarptent and Lightheart are familiar tales: Gearhead enthusiasts with math or science backgrounds are not satisfied with what's available on the market, so they begin to tinker, reinvent the mousetrap, make it into their dream business and, as it often does, the cream rises. But unlike most of their predecessors in the outdoor space, these brands were able to gain traction despite largely foregoing traditional channels of marketing and sales. For the most part, there's been no big trade show booths and no trade publication push, no significant retail or ecommerce distribution and no manufacturing contacts in Asia. Generally, the go-to-market strategy is word of mouth, orders are taken directly and gear is built by hand right here in the USA.

"Our strategy has always been to rely on word of mouth from our customers and independent reviews," explains Favero. "This has built a ton of trust with our customer base."

**Primary Shelter Type Used by AT Long-Distance Hikers**

| Shelter | 2015 | 2106 |
|---|---|---|
| Tent | 63% | 78% |
| Tarptent hybrid | 15% | 13% |
| Hammock | 16% | 7% |
| Tarp only | 3% | 1.5% |
| Bivy | 2% | 0% |
| Lean-to | 1% | 0.5% |

*Source: TheTrek.co*

ZPacks two-person Duplex with vestibule

This small-brand disruption within ultralight shelters would seem to suggest that a handful of larger industry players might somehow be missing the mark with this core group of backpackers. There is, however, something much larger at play here. Likely more important to the overall industry is the realization of changes we've been hearing about for some time in how products are brought to market. During the past 10 or so years, we've seen lowered minimums for all types of components, while all sorts of technology and machinery have become more and more widely available. At the same time, localized manufacturing, accessible shipping infrastructure and near-free mass communications have increasingly allowed businesses to be run from bedrooms. These smaller, virtual and viral companies, we've been warned, often will be more nimble and responsive than their much-larger and loaded-down counterparts, and that seems to be what we are seeing on the AT.

"Our website, customer service department, manufacturing, design and shipping is all handled under the same roof," says Favero. "This allows for quick and seamless changes to products and implementation of new designs."

Lightheart Gear, for instance, says it will ship out shelters within 48 hours of ordering, while ZPacks shelters are "made to order" and typically ship within a week. In many cases, these smaller brands can handle some modification and customization of existing designs and often handle repairs. And according to Tarptent founder Henry Shires, one of the biggest advantages of selling directly to consumers is that it allows for more direct customer feedback and design collaboration.

Indeed, what The Trek.co findings show us is that the crack of the long tail is being heard within the ultralight shelter market. And keep in mind, these are not specialty socks or T-shirts. Backpacking gear is a complicated business with lots of components and suppliers, specialized fabrics, testing and assembly. It can be challenging to scale for even well-funded operations.

At this point, we are not seeing similar disruption in the sleeping bags, footwear or backpacks used on the AT, according to similar surveys performed by TheTrek.co. But if it can happen in shelters, it certainly can in these categories, as well. Welcome to life on the long tail.


# RETAIL TECH REBOOT

## A NEAR-TERM PERSPECTIVE OF IN-STORE IT

By **Martin** Vilaboy

The race is on to digitize the brick-and-mortar store, and there is no turning back. Anxious to stem customer defections to Amazon and remain relevant amid record e-commerce growth and declining foot traffic, major physical retailers are placing huge bets on super-high-tech wizardry they hope will engage shoppers enough to keep them coming through the doors.

One only need look to Walmart, which recently launched a tech incubator to invest in augmented reality, machine learning, robotics and other emerging technologies, while rival Target is buying and embedding tech startups into its Target + Techstars accelerator program. Leading grocer Kroger Co., meanwhile, for some time has been testing so-called smart shelves that can track inventory, automate pricing and alert shoppers to item location. Other slick examples include virtual reality goggles at IKEA and Lowe's that let shoppers preview furniture in their homes or virtually design spaces, Nordstrom's use of chatbots to suggest holiday gift ideas, and interactive walls and mirrors at clothing dealer Rebecca Minkoff that are designed to ease and enhance the shopping experience.

In between today's reality, however, and a time when robots know our purchase intent before we do and Amazon's checkout-free stores dot the landscape, smaller and less-funded shopkeepers considering tech investments should heed some sage advice from Stefan Wentz, chief product and strategy officer at commerce technology provider Radial. "Before I do augmented reality or smart mirrors," Wentz recently told eMarketer, "how do I make sure that I still have customers to serve in five years?"


WHAT'S YOUR NEXT
ADVENTURE?
How
GRANOGI
are you?
HIKE | CAMP | BACKPACK
EXPERIENCE
Havasupai Falls in a whole new way
• Personal guided tours
• Optional yoga classes
• 18 trip dates available
RESERVE A SPOT TODAY!
CREDIT: BILL CHURCH
for more information visit
www.granogi.com
SPONSORED BY:
Positive Vibes by
((( VIBE BOTTLE )))
EMPOWER YOUR WATER

In other words, how can physical retailers use in-store technology in the near term to keep customers engaged, or even amazed, and ride the wave of online disruption? Contrary to common assumptions, the goal is not to simply replicate the “online experience” in the store. While omnichannel customer management ultimately is the end game, several studies show that shoppers visit stores because they enjoy and appreciate precisely what is unique about the in-store experience – namely, the tactile experience, the immediacy and, for some, the ability to interact face-to-face with helpful humans. So it stands to reason that in-store technology strategies should look to complement or enhance those inherent characteristics. At the same time, e-commerce undeniably has changed customer behavior, so any in-store reboot also must take into account the expectations created by online shopping.

Beyond a whiz-bang appeal, business technology generally is developed and deployed to address pain points. Have work teams spread around the country? Deploy cloud-based collaboration software. Manual inventory takes too long? Develop scanners and databases to reduce time and cost. Crime rising in the neighborhood? Install a security camera. Pain points are why we build machines and automate processes.

One way retailers can apply this type of thinking to in-store IT investment is to consider the pain points online shoppers have when visiting a physical store. Capgemini did just that in a global survey of Internet users, and while there isn’t really one overriding frustration that aggravated above all else, a handful of complaints do stand out.

At the top of the list we see a prime example of how online shopping has changed shopper expectations. Seven out of 10 Internet users said that difficulty comparing products at physical stores was an annoyance, just topping the frustration over long checkout lines. That seems to suggest stores need to serve up more product information.

The obvious way this can be done is through Internet-connected kiosks and screens, but it’s unlikely custom-

### Frustration with Physical Retail Stores According to Internet Users


*Source: CapGemini*

ers will be impressed with capabilities that are similar to those they hold in their hands. Possibly it would be better to have in-store touchscreens or smartphone apps preloaded with specific and easily digestible product specifications and intended usage. This information, ideally delivered by scanning a product code, must be well organized and quick to access – void of the scrolling, clicking and maneuvering of a smartphone Web search. In the longer term, the use of smart shelves, interactive displays and virtual sales assistance can address this shopper frustration. In the shorter term, sales staffs can be armed with tablets pre-loaded with product information and comparison presentations.

Waiting in line has never been popular with shoppers, and long checkout lines remain a frustration with Gap-Gemini's respondents. It won't be a problem for too long, as stores that enable users to automatically self-pay through smartphone apps and mobile wallets are around the corner. At that time, the customer device essentially becomes part of the in-store IT infrastructure, pushing some burden of operations onto the shopper. In the nearer term, we'll continue to see investment in mobile-checkout-enabled floor staff and, if theft issues are properly address, self-checkout stands. For smaller dealers, off-the-shelf services such as Square may be enough to get through the occasional rush.

Internet users also apparently want to see the type of personalization they see in the digital realm brought into the in-store experience. Sixty-five percent of respondents cited discounts and promotions not being personalized as a top in-store annoyance. This is one area, however, where physical retailers simply must emulate and incorporate the functionalities of online shopping. After all, the only way to personalize at scale is through customer data, and the very essence of IT centers on the collection, organization, analysis and cross-referencing of data. So unless shoppers are willing to fill out forms and employees are willing to crunch the information and keep it accessible, the most efficient ways right now to gather customer information are through purchase histories, search behaviors and social network activity. From there, data analytics provide the actionable output.

It should be noted that, while Gap-Gemini's respondents complain about a lack of personalization in the store, and a solid majority of consumers say they want and appreciate personalized offers based on purchase history, there is a limit to how "personal" shoppers want retailers to get. A survey of more than 4,000 North American shoppers by Salesforce Research suggests most consumers are uneasy with location-based technologies that alert retailers to who they are as they walk into a store. That includes 61 percent of millennials and 73 percent of Gen Xers. (Most people, meanwhile, can relate to that creeped-out feeling that comes when pop-up ads reflect a recent Internet search.)

Nonetheless, personalization was the top customer engagement priority for 2017 among retailers surveyed earlier this year by Boston Retail Partners, topping customer mobile experience alignment. Currently, just more than a third of retailers surveyed by BRP offer personalized rewards based on customer loyalty, while about a quarter offer suggested selling based on previous purchases. Top investment areas during the next few years include suggestive selling based on browsing history and social media activity.

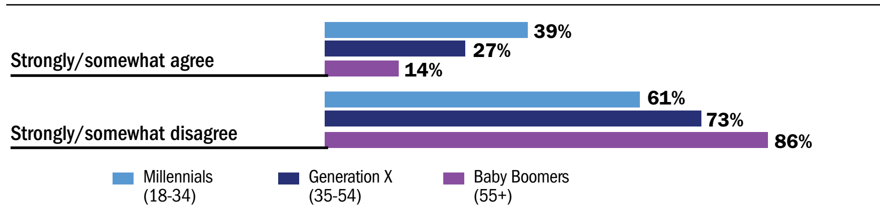
Email is far and away the primary means of personalized messaging and promotions, but both eMartketer and CapGemini researchers feel retailers underestimate the role employees – ideally tech-empowered employees – can play in providing a personal experience.

"As the world continues to evolve and become more digitally advanced," say eMarketer analysts, "it's important to have some human contact, and store associates add to that personalized element."

Store employees also can be a big help dealing with another in-store frustration among an equal 65 percent of Internet users. As store assortments widen and everyday lives become increasingly overscheduled (or are at least perceived that way), shoppers apparently have less patience for browsing. We see this in the decline of impulse purchasing and foot traffic. It's also apparent in the two-thirds of Internet users who cite the inability to locate products as a top annoyance when shopping a physical store.

Of course, there are tried-and-true, "low-tech" ways retailers can attack any store navigation pain points. Helpful staff and improved signage go a long way. At the other end of the spectrum, a cool augmented reality smartphone app can turn an annoying product hunt into a loyalty rewards game. A bit nearer-term for most is a floor map to the smartphone, preferably interactive over static. Likely even more impressive are digital and interactive maps and signage that keep the customers' smartphones in their pockets (and the retailer in charge of the experience). Digital display maps also could be configured to deliver promotional messaging quickly – either seasonal or at a moment's notice. Add in traffic flow analysis and the placement of maps

**I would like a store/brand to know who I am when I walk into a store because of location-based technologies (e.g., iBeacons, RFID, geofencing)**




*Source: Salesforce Research*

and messages can be optimized for better store navigation.

Leading retailers are all-too familiar with the next in-store frustration, and it's why we've seen emphasis placed by retail CIOs on tech-enablement of employees. More than six in 10 of those surveyed by GapGemini list a lack of guidance and demos from in-store associates among their top frustrations. It connects directly back to one of the main perceived benefits shoppers see in coming into a store: human contact and the ability, if I want it, to interact.

And when I do engage a floor staffer, that employee better be more informed than me (and hopefully more than Amazon), but surveys suggest customers don't feel that is the case. More than eight in 10 shoppers recently surveyed by retail app provider Tulip Retail believe they're more knowledgeable than retail store associates. All the while, 79 percent of survey respondents say knowledgeable store associates are "important" or "very important."

There's only so much technology can do here. Good employees, quite simply, will always be a product of hiring, on-boarding, pay, retention, local hiring pool, etc. (at least until the robots come), and those who do HR right tend to prosper. Nevertheless, we expect to see continued investment in the mobile empowerment of floor staff. That's largely because customers can enter a store with more information than ever could be learned and retained by one person, no matter how much product training and sales instruction they've received. From pre-visit research, customers can know about prices, product availability, purchase history, reviews, color options and delivery dates. If they ask for help from an employee, anything less than that is less than impressive.

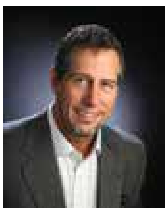
Ultimately, the in-store experience is the product of a slower time; a time when seeing folks at the general store was an important social exercise and browsing aisles was a past time. So it's not surprising that a reboot is in order.

The good news is today's technology often is delivered in whole new ways. Cloud-based deployment and as-a-service delivery mechanisms are democratizing all sorts of IT resources, including some cutting-edge stuff. What was once a capital intensive endeavor that required some internal expertise is now a fully managed service delivered securely, with high availability, from a provider's hosted facility. What once meant a heavy up-front investment becomes a monthly recurring cost that can include maintenance, management and upgrades (no worries about obsolescence).

At the same time, consumers seem to be telling us, at least in surveys, that when they are going to spend their money, they want that "real" experience of physical touch and firsthand sight, of human connection and immediate gratification. So there may be limits to how much "digital" they are ready to have introduced into that space. There's less question about online "smarts." Consumers already bring the information, endless aisle and instantaneousness of online commerce into physical stores. Those stores better be ready to handle it.

# Staying Centered

## Sharing the pie with online retailers



By **Ritchie** Sayner

The largest shopping center in the world exists mere inches away from your customers' fingertips. Even so, while online purchases account for a growing percentage of retail sales, "about 80 percent of consumers still want to browse and shop in-store" according to recent piece in *The Wall Street Journal*.

And while the number of folks who have "never" purchased anything online has dwindled during the past five years, Kantar Retail ShopperScape reports that "roughly 22 million households didn't use [Amazon] in 2016." Research also has found that online purchases have a return rate of nearly triple the in-store purchase return rate. All that said, the upside potential for brick-and-mortar shopping is pretty bright, so long as you keep in mind what you are dealing with.

My Italian friends often say, "Keep your friends close and your enemies closer." That advice couldn't be more appropriate when dealing with large online retailers. Let's explore some of the many things that can be done to compete effectively with online sellers.

Perhaps two of the more compelling reasons to shop in-store vs. online are 1) the in-store experience and 2) the personal interaction. Let's deal with the in-store experience first.

Gone are the days of simply putting goods on display, unlocking the front door and ringing up annual increases. If this is your current merchandising and marketing strategy you are undoubtedly going to have a difficult time thriving – and perhaps not even surviving – in today's fast-paced retail world. Customers today demand an experience. This can be everything from tastings for a wine shop or trunk shows for an apparel or shoe retailer to product demonstrations and clinics for an outdoor or sporting goods operation. Authors can speak at book stores; artisans might discuss their work at gift shops. The point is that whatever you are selling, it is imperative to create excitement for your product and a connection with your customers through the in-store shopping experience. Remember, the "sizzle" is just as important as the steak because everyone has the steak.

"Keep your friends close and your enemies closer."

Next, let's review what the personal interaction with another human does. It doesn't – and can't – happen online. People buy from people they like. Keep that in mind when you are interviewing sales associates. Do you like them? Are they friendly and outgoing? Are they effective communicators? Do not put someone on the selling floor simply to have a warm body there. It's simply too expensive these days.

The more sensory the experience, the more spontaneous the buying. Don't believe me? Walk through a Costco store on a Saturday and see how many product samplings are being offered. Even the most disciplined shopper among us has fallen prey to this marketing tactic. Some gift and home stores burn scented candles in the store. This hands-on approach of seeing, touching, tasting, smelling, even trying a product gives the brick-and-mortar retailer a huge advantage over the online competitor.

Car dealers are masters at promoting not only through the senses but also by using emotional appeals. The experience begins with your visual attraction to the sleek lines, then on to the new-car smell. The next level is how you feel sitting in the driver's seat. Then finally the test drive with the salesperson's appeal that "you deserve this car" or "this baby could be sitting in your garage tonight." Once you have succumbed to the power of this sensory and emotional maneuvering, you're an owner. All that's left to do is the paperwork.

That example, translated from car buying, suggests that you become the local expert in your industry. I work with an outdoor store whose motto is, “Ask Us – We’ve Been There.” Whether camping, hiking, boating, climbing or backpacking, this store hires local experts who relate to what the customer is going to be using the product for. Think about it: would you rather buy a pair of running shoes from someone who hasn’t run a mile in their life or from someone who goes for a daily run before or after work?

When it comes to pricing, brick-and-mortar retailers should know the online prices for the products and/or services they are selling. Unfortunately, these days, this includes shopping not only other online retail sites but also many vendor sites, since they often sell directly to your customers. You must at least consider offering on-the-spot price matching whenever possible, and free shipping when it is economically feasible.

The idea that all shoppers will justify paying more to support a local retail establishment is indeed a noble notion. However, I don’t believe it is sustainable over the long term. About 80 percent of adults today have either a smartphone or some sort of access to the Internet. Today’s shopper knows what the prices are going to be and probably has done some homework prior to coming into your store. When you can, post current online prices next to certain items. Why not encourage your customers to do online comparisons? They’re going to do it anyway. We all do! This is not a suggestion that you seek out and post the lowest price possible; instead, it is a way to show your customers that your prices are reasonable and include the cost of knowledgeable and expert service, which cannot be provided online.

Traditional retailers also have another advantage over e-commerce-only merchants. It is the opportunity to make another sale when merchandise comes back – as it does nearly 30 percent of the time for online-only retailers. Use this to your advantage; you might even go so far as to stick a $5 coupon in the bag for their next trip to the store, just to counter any perceived inconvenience a customer experiences in making a return.

One more advantage: you can give the customers a “new” experience every time they visit you. Don’t forget to keep the merchandise fresh and exciting. Change the window and in-store displays weekly and rotate current inventory on end caps. Above all else, manage your open-to-buy (OTB) and especially the inventory on-order.

You always want to have a constant flow of merchandise landing in the store – new looks and products to excite and delight your customers. Remember: Nobody comes into your store to see what came in last year.

*Ritchie Sayner is the author or “Retail Revelation –Strategies for Improving Sales, Margins, and Turnover,” available from Amazon. He can be reached at RSayner@rmsa.com.*

# Conservation in the Cloud

## Outdoor companies can now retrofit buildings without the capex

By **Martin** Vilaboy

Often enabled by the cloud and pervasive connectivity, the as-a-service business model is altering how we buy and sell all types of things. All but gone, for instances, are the days of "shrink-wrapped" music, movies and software. And that's just the beginning. Today's consumers and businesses can gain access on-demand and as-a-service to all manner of what were formerly one-off "products," from bicycles, office furniture and automobiles to contact center capabilities, lighting, phone systems and groceries. And now, outdoor companies also can get energy conservation as-a-service.

The opportunity arrives through a partnership between Arkados Group, a software developer and system integrator enabling Internet of Things (IoT) applications, and SparkFund, a provider of subscription-based energy service. Through an IoT-enabled, as-a-service model, the potentially large capital expenditure associated with retrofitting a building with energy conservation measures is converted into a no-money-down subscription service. In addition to the reduction in upfront costs, there's also a reduction in operations and maintenance costs and protection from obsolete materials. In other words, what could have been a pretty major overhaul is now a monthly payment.

"As-a-service offers businesses an easy solution to access smart, connected systems without the risk or hassle of ownership."

"As-a-service offers businesses an easy solution to access smart, connected systems without the risk or hassle of ownership," said Pier LaFarge, SparkFund CEO and co-founder.

With the Arktic Energy Measurement and Verification (EM&V) platform a single monthly payment covers installation, repairs, monitoring and ongoing service. That includes the implementation of multiple types of sensors, such as for temperature, humidity, light, energy and water consumption, motion, occupancy, indoor air quality and noise.

These connected devices gather information throughout a building or complex that is initially used for benchmarking to determine the unique building signature. The data is then analyzed and applied – via IoT-enabled advanced building automation – to promote energy cost reduction, improvements in environmental conditions, higher levels of sustainability, lowered operational and maintenance costs and an extended useful life of lighting, HVAC and other systems.

Benefits are based on the principals of the International Performance M&V Protocol, and Arkados says customers enjoy reduced energy consumption and maintenance costs of as much as 60 percent, as well as facility improvements from new and improved lighting, HVAC and other critical systems. The Environmental Protection Agency, for its part, estimates American businesses can reduce, on average, 30 percent of their energy use by targeting energy that is used unnecessarily or inefficiently. In the case of Arktic EM&V, granular, real-time data gathering provides verification of energy savings, says Arkados, and insights into additional ways to reduce energy consumption, some that may not otherwise be evident.

"In nearly every case, customers can experience all of the benefits of these efficiency improvements and automation with no upfront costs and use the savings to offset the entire subscription fee and still net a cost reduction," said Terrence DeFranco, Arkados Group CEO. "The revolutionary aspect of this partnership for Arkados is our ability to continue delivering new applications over time to our customers with this model, giving them flexibility, scalability and protection from obsolescence as their needs evolve."

# Gaining an Edge with Customers

## Knife robot provides outdoor retail value-add

Retail experts and consultant types often talk about adding value to the in-store shopping experience as a way to counteract the speed and convenience of online shopping. That could include, among other things, providing customers on-site, personalized services that simple can't be replicated in the digital world and give shoppers another reason to come through the door.

For outdoor dealers with healthy knife and cutlery sales, there's always the potential to provide customers with knife and blade sharpening services. Of course, knife sharpening has traditionally been a labor-intensive, specialized process. Thanks to 21st Century innovation and open source affordability, retailers now can offer knife sharpening services for free or near-free as a value-added service to purchases.

The Knife Robot is a portable, automatic knife sharpener in a box. According to Jim Kolchin, founder and company CEO, users simply insert a dull knife, walk away, return five minutes later and retrieve a sharpened knife. The device will produce a durable edge with less than 40-degree inclusive angle, said the company. And yes, the Knife Robot also sharpens serrated blades.

"... users simply insert a dull knife, walk away, return five minutes later and retrieve a sharpened knife."

"Finally, consumers won't have to guess about how long to sharpen their knives, because Knife Robot is not only automatic but also smart enough to achieve a perfect edge every time," said Kolchin.

The Knife Robot came about simply because Kolchin grew tired of manually sharpening knives. He made his first prototype using a cheap CNC machine and Arduino, an open source software and hardware project and community that designs and manufactures microcontroller kits for building digital devices and interactive objects that can sense and control objects in the physical world.

The Knife Robot features a built-in microscopic camera that it uses to detect the "burr" — a telltale sign that a knife has reached optimal sharpness, said the company. Belt angle, speed and pressure are all customizable.

It accommodates blades between 2 inches and 10 inches long, not including the handle. Maximum width is 4 inches and maximum thickness is 3/8-inch. Sharpening belts last through 100 uses, said the company, and replacements can be purchased on Amazon for about $1.

Knife Robot's technology currently has two implementations: a portable version targeted to consumers and a built-in kitchen version targeted to professional chefs, each with space inside the machine to store an entire knife collection.

Retail prices are consumer-friendly. The company just completed a successful round of funding on Indiegogo, in which it reached 556 percent of its goal of $20,000, raising $111,536. Buy-in on the Indiegogo campaign was $299 for the portable Knife Robot, though the company listed a retail price of $700.

The first orders of Knife Robot are scheduled to ship in October.

### SHARP IMAGES

Of course, the ultimate objective of an outdoor dealer providing knife sharpening service is selling more cutlery to loyal customers. With that in mind, here are some of the newest outdoor blades to cross our editorial desks.

### Ruger Muzzle-Brake by CRKT

The Muzzle-Brake has elements from a traditional Bowie design but is developed with the construction techniques of today. With its stout full-tang blade it can be used as a chopper in camp or fashioning a quick shelter in the forest if needed. Its clip point blade shape, featuring a blood groove, is perfect for making quick work of butchering an animal after a successful hunt. The handle is a glass-filled nylon construction that wraps around a thick blade tang. The Muzzle-Brake is part of the exclusive Ruger knife line; the line includes designs for everyday carry, hunting and self-preparedness. SRP is $99.99.

## Kansbol by Morakniv

An "all-around knife" and update to the popular Morakniv 2000, the Kansbol boasts a 2.5-mm thick semi-matte Swedish

stainless steel blade that is profile shaped for added precision, and the sharp 90 degree spine is ground for use with a fire starter. The symmetrical polymer handle enables both right and left hand use, while the traditional rhombus pattern provides enhanced grip. The optional Multi-Mount sheath takes the Kansbol to the next level by allowing the knife to be safely mounted virtually anywhere, then detached in seconds. SRP is $39.99, $59.99 with the Multi-Mount Sheath.

## Bear Swipe III by Bear OPS

The Bear Swipe III, a rugged, tactical quality assisted opener, now has a new model featuring a 4-1/4"-inch genuine India Stag Bone handle. It features a 2-3/4-inch modified drop-point blade made of premium 14C28N steel, which is corrosion-resistant, tough and holds an edge well. Heat-treated to a Rockwell hardness of 58-60, the hollow-ground blade has a satin finish. Complementing the stag bone scales is a nickel silver bolster, and the liners are black aircraft aluminum. SRP is $119.99.

## Bleja Knife by Helle Knives of Norway

The Bleja folding knife stays true to the brand's distinctive look and passion for functional knives. All the standard features

of a Helle fixed blade are tucked into this compact yet robust mid-sized utility knife for everyday carry. It features a 4.5-inch curly birch handle and a 3.4-inch drop point, triple-laminated steel blade. SRP is $229.

## Expedition Knife by Hultafors

The Expeditions is a dependable Swedish-designed survival knife made to dispatch any tough task faced along the journey. A 4-inch Japanese carbon steel blade has been hardened to 58-60 HRC and sharpened in several steps with attention paid to the grinding, honing and stropping. Featuring a Scandinavian flat grind for superior sharpness, versatility and easy maintenance, the 0.12-inch thick blade stands up to bending and striking for everyday use, without being unwieldy. SPR is $32.

# GreenGlossary

Buzz words like sustainability, compostable and cradle-to-grave are regularly bandied about by authorities and spin-meisters. Many use terms interchangeably or incorrectly. So Inside Outdoor decided to parse the greenwash lexicon and take a stab at a short glossary of definitions. The following definitions are as organic as the topics they address. They are more operative than definitive, with the underlying subtext being about the discourse that we hope to continue. Indeed, these definitions are "alive," and we expect them to evolve as new standards are set, technologies are developed and our industry grapples with the "sustainability" (see below) of our businesses. A la Wikipedia, we welcome anyone who would like to add, change or modify definitions to submit their insight to ernest@bekapublishing.com. The Green Glossary will continue to appear in future issues of IO.

## 3P (People, Planet, Profit)

See Triple Bottom Line

## Aerosols

Aerosols are solid or liquid nano-sized particles dispersed within another gas. Aerosols are of growing interest among climate scientist researching climate change. NASA concludes 90 percent of most aerosols are naturally formed by actions such as volcanism. The remaining 10 percent are anthropogenically produced by smog and coal, natural gas or oil fired-power generating plants. The effect aerosols play upon the earth's climate is not fully understood. However, it has been shown aerosols cool the atmosphere by reflecting or scattering solar radiation back into space.

## Biodegradable

Aerobic decomposition of a organic matter through the action of micro-organisms or aerobes. There are no standards for eco-toxicity or length of time before degrading to biomass and, in some cases, eco-toxins.

## Biodiversity

Biodiversity refers to the multiplicity of biological organisms within an interrelated environment. The scale of biodiversity ranges from the size of distinct ecosystems to the atomic molecular level. Anthropogenic climate change is often cited as a disrupting influence to biodiversity. The concern over these disruption centers around three essential services biodiversity brings to humanity. These ecosystem services are provisioning, regulating and cultural. Provisioning relates to the loop providing renewable resources such as food, water and air. Regulating services maintain equilibrium within the environment (e.g. population control, climate feedback loop). The cultural component refers to the value humanity places upon the environment.

## bluesign standard

Launched in 2000 as an initiative by Albers Group/Schoeller Technologies AG, among others, the bluesign standard is a certification scheme for textile ecology. Using OECD's (Organization for Economic Cooperation and Development) test methods for determining the various ecotoxicological data needed for the standard, it strengthened its global marketing and technical reach when 50% of bluesign was purchased by Société Générale de Surveillance in 2008.  SGS's business model is built around ocean-going cargo inspection, raw material testing and testing of products from exporting companies or governments worldwide.

## Cap and Trade

See Emissions Trading.

**SPI Resin Identification Code**

| Recycling No. | Abbreviation | Polymer Name | Uses |
|---|---|---|---|
| 1 | PETE or PET | Polyethylene Terephthalate | Recycled to produce polyester fibres, thermoformed sheet, strapping, soft drink bottles. |
| 2 | HDPE | High-Density Polyethylene | Recycled to become various bottles, grocery bags, recycling bins, agricultural pipe, base cups, car stops, playground equipment and plastic lumber. |
| 3 | PVC or V | Polyvinyl Chloride | Recycled to become pipe, fencing and non-food bottles. |
| 4 | LDPE | Low-Density Polyethylene | Recycled to become plastic bags, various containers, dispensing bottles, wash bottles, tubing and various molded laboratory equipment. |
| 5 | PP | Polypropylene | Recycled into auto parts and industrial fibers. |
| 6 | PS | Polystyrene | Recycled into a wide range of products including office accessories, cafeteria trays, toys, video cassettes and cases, insulation board and expanded polystyrene products (e.g. styrofoam). |
| 7 | OTHER | Other plastics, including acrylic, polycarbonate, polylactic acid, nylon and fiberglass. | PLA or Polylactic acid plastics at 100% content are compostable in a biologically active environment in 180 days. |

*Source: The Society of the Plastics Industry, Inc.*

## Carbon Neutral or Carbon Offset

To offset or neutralize net greenhouse gas emissions.
This can be achieved by planting trees, using renewable energy, energy conservation and emissions trading. Critics contend there is no definitive evidence that carbon offsets work since there are no models or standards that clearly demonstrate the equilibrium.

## (Carbon) Sequestration

See Uptake

## CERES (Coalition for Environmentally Responsible Economies)

CERES is a non-profit 501(c)(3) group of investors, corporations and public interest groups using sustainable prosperity as a byline to describe its work to promote change through capital markets. Its mission is "Mobilizing investor and business leadership to build a thriving, sustainable global economy." Among coalition group members are, the AFL-CIO, CalPERS (California Public Employees' Retirement System), Earth Island Institute, Friends of the Earth, Natural Resources Defense Council, Rocky Mountain Institute (RMI), the Sierra Club, the Union of Concerned Scientists, Walden Asset Management, World Resources Institute (WRI) and the World Wildlife Fund (WWF). www.ceres.org

## Compostable

The biodegradability of an organic material, mostly to biomass, water and carbon dioxide. Compostable environments include industrial settings and common garden or open space locations. All standards agree on a six-month period for the organic matter to degrade. Most standards support these tests:

- Does it biodegrade to carbon dioxide, water, biomass at the rate paper biodegrades?
- Does the material disintegrate leaving no distinguishable or visible residue?
- Are there any eco-toxic materials left, and can the remaining biomass support plant growth?

American Society for Testing and Materials (ASTM) D6400-99 says to be considered compostable, materials must undergo degradation by biological processes during composting to yield carbon dioxide (CO2), water, inorganic compounds and biomass at a rate consistent with other compostable materials, leaving no visible, distinguishable or toxic residue.

The EN (European Committee for Standardization or Comité Européen de Normalisation) standard is even more specific. EN13432 states that a material is deemed compostable if it will breakdown to the extent of at least 90 percent to H2O and CO2 and biomass within six months.

There are other standards as well with DIN V49000 from the German Institute for Standardization being the strictest in the allowance of heavy metals. Many might be familiar with DIN standards for their safe release ski bindings.

## Consumer Product Safety Commission (CPSC)

The Consumer Product Safety Commission is a U.S. Federal agency in charge of public safety associated with consumer products. The CPSC Web site states "Deaths, injuries, and property damage from consumer product incidents cost the nation more than $1 trillion annually. CPSC is committed to protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard." For example, the Consumer Product Safety Improvement Act of 2008 (CPSIA) was enacted to protect children from lead and phthalates 12 years of age or younger. www.cpsc.gov

## Cradle-to-cradle

The life cycle of a product from manufacture to re-manufacture.

## Cradle-to-gate

The life cycle of a product or process from manufacture to end user. Also known as environmental product declarations (EPD).

## Cradle-to-grave

The life cycle of a product from manufacture to end-of-use disposal (see table on page 41).

## Degradable

A material that undergoes chemical change and a loss of original characteristics due to environmental conditions. There are no requirements for time, process or toxicity for this method.

## Emissions Trading (Cap and Trade)

A practice in which businesses are given an emissions cap, in the form of credits, that allows them to pollute up to a maximum credit level. Businesses that exceed their cap must purchase (or trade) credits from a company that has not exceeded its cap or from trading platforms such as the Chicago Climate Exchange (CCX), the European Climate Exchange (ECX) and/or Montreal Climate Exchange (MCeX).

Problems with the Cap and Trade concept include where to set the initial levels of the caps, retiring old credits, resetting caps and regulatory/compliance standards.

## Environmental Product Declarations (EPD)

The life cycle of a product from manufacture to end user. Also know as cradle-to-gate.

## Forest Stewardship Council (FSC)

The FCS's mission is to encourage sustainable development (see Sustainable Development) practices among the world's forests. Ten principles and 57 criteria define forests certified by the FSC. There are two certifications awarded by the Forest Stewardship Council: a Forest Management and Chain of Custody certification. Both certifications use FSC's principles and criteria to obtain a certificate of compliance. Manufacturers such as Armstrong (flooring) are among a growing number of manufacturers adopting the Forest Stewardship Council's shared vision. us.fsc.org/index.htm

### Gate-to-grave

The life cycle of a product from the end user to end-of-use disposal.

### Global Reporting Initiative (GRI)

The Global Reporting Initiative, based in Amsterdam the Netherlands, is a registered, not-for-profit organization. It is funded by donations from all over the world including the Bill and Melinda Gates Foundation, the International Finance Corporation (IFC) and the Organizational Stakeholders. Considered the de facto world standard in sustainable development reporting, the GRI uses a global network of stakeholders to form a consensus-based process in shaping and revising its accounting structure. GRI encourages reviewing of the report outcomes by third-party assurance providers. However, there is no mechanism in place requiring these audits.

### Greenhouse Gas (GHG)

A greenhouse gas is an atmospheric gas which absorbs and/or emits radiation within the infrared light range, which causes a greenhouse effect. The Kyoto Protocol identifies six atmospheric gases as key greenhouse gases: carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), perfluorocarbons (PFCs), hydrofluorocarbon (HFCs) and sulfur hexafluoride (SF6). Each compound has a different global warming potential (GWP). GWP is based on the difference between incoming and outgoing solar radiation energy (radiative forcing). With carbon dioxide used as one unit of GWP, also known as the carbon dioxide equivalent, GHGs have had their GWP calculated in terms of their carbon dioxide equivalent.

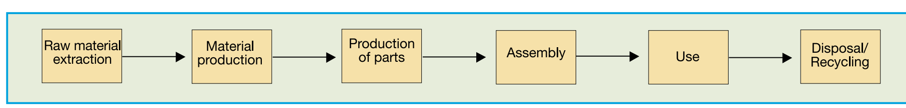
### Higg Index

The Higg Index is a self-described "Holistic self-assessment tool used for educational purposes that allows the user to benchmark performance over time. It's a starting place for engagement and understanding of sustainability impacts. Further it encourages continuous improvement and promotes collaboration and transparency." Introduced in 2012, The Higg Index targets the apparel and footwear industries' environmental and social performance. Since this is an educational, self-help tool, there is no mechanism in place for verification or validation of the outcomes derived by its use.

### LEED Green Building Rating System

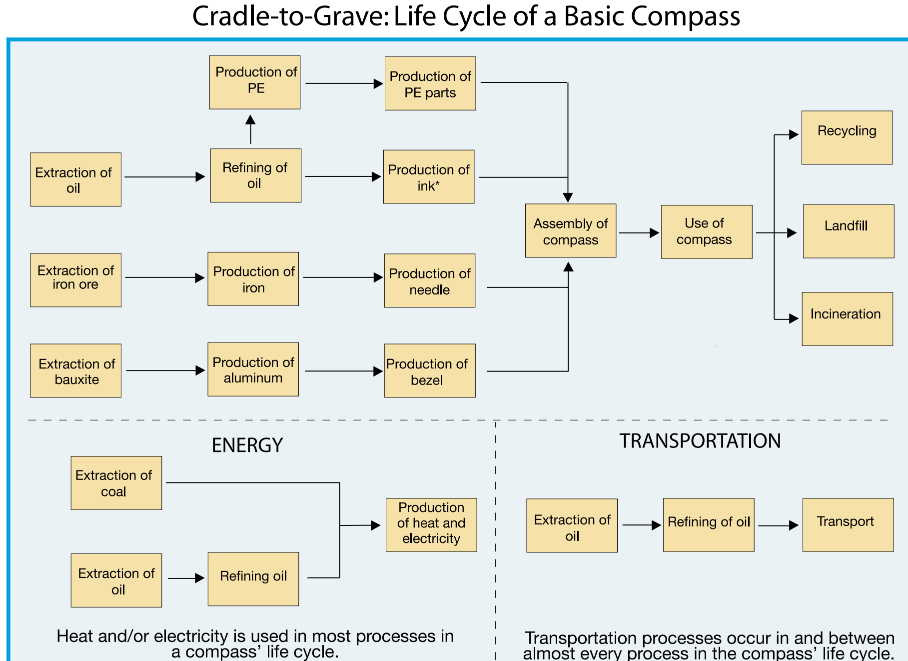
Leadership in Energy and Environmental Design (LEED) is a certification rating system for structures designed and built with the goal of water efficiency, good indoor air quality, energy savings and an overall reduction in its carbon footprint. LEED is an open source tool created by a 501 (c) (3) non-profit, the US Green Building Council (USGBC). The USGBC, headquartered in Washington D.C., finances its activities by conducting educational programs for builders, designers, suppliers and operators, selling publications, accepting donations and sponsoring

#### Cradle-to-Grave Product Life Cycle Stages




All products pass through different stages in their life cycles. This chart illustrates the primary life cycle stages of a basic compass.

#### Cradle-to-Grave: Life Cycle of a Basic Compass




*Source: Adapted from the Asian Institute of Technology. *Based on solvent-based paint.*

conferences. This allows the USGBC to revise LEED and conduct research. Third-party verification to assure compliance on commercial and institutional projects as of 2008 has gone to the Green Building Certification Institute (GBCI). Regardless of the LEED project, all must undergo third-party verification in order to receive LEED ratings of certified, silver, gold and platinum.

### Life cycle assessment (LCA)

A comprehensive environmental assessment of the impact of a product or process, from inception to the end of its "life." The assessment includes transportation of raw materials to the manufacturer, manufacturing of materials, transportation of materials to the product manufacturer, manufacturing of product, transportation of product to end users, impact of product by end user including disposal of product at its end of life.

The assessment has been used as a tool to evaluate a product's or company's eco-performance, which in turn can be used to improve it.

There are three different methods used in lifecycle analysis:

1. process or bottom-up LCA using ISO 14040-2006 and 14044-2006 protocols;
2. economic input output or EIO-LCA; and
3. hybrid LCA, a combination of process LCA with economic input output LCA.

LCAs are used as a tool to evaluate a product or company's eco-performance, which in turn can be used to improve it.

### Life Cycle Management (LCM)

An integrated approach to sustainable production and consumption through the management of a product's or process' life cycle.

### Life Cycle Energy Analysis (LCEA)

The total life cycle energy input. Criticism in utilizing LCEAs include the argument that different energy sources have different potential value (exergy). Additionally, critics contend that LCEAs' energy currency cannot supplant economic currency as the determinant in business.

### Methane

Methane is a colorless odorless gas at room temperature and standard pressure. It is the main component of natural gas. One of the greenhouse gases, methane is of interest because of its abundance on earth and its continually growing, climate-changing potential. Its carbon dioxide (CO2) equivalent over a 100-year period is 34, revised up nine units of equivalence with the newly released 2013 Fifth Assessment Report of the Intergovernmental Panel on Climate

Change. In other words, $CO_2$ is the base unit of equivalence or one (for one metric ton). So over 100 years, one ton of methane is equal to 34 tons of $CO_2$.

As the earth continues to heat up, more permafrost, methane clathrates under the ocean floors and the Antarctic Ice Sheet continue to melt, adding $CO_2$ at an accelerating rate.

## Montebello Agreement (see REACH)

The Security and Prosperity Partnership (SPP) also is known as the Montebello Agreement, so named for the city in Quebec where the summit was held. The SPP Web site states that this is a Bush Administration, White House-led initiative to increase security and economic prosperity in North America. Part of this voluntary framework is to establish risk characterization by 2012 of over 9,000 chemical substances produced in the U.S. in quantities over 25,000 pounds per year. By 2020, Canada, Mexico and the U.S. will "strive to achieve…inventories of all chemical substances in commerce." Many view the Montebello Agreement as a North American reaction to REACH, the European Union's Registration, Evaluation, Authorization and Restriction of Chemicals, which went into EU law last June.

## National Resources Defense Council (NRDC)

A not-for-profit 501(c)(3), the NRDC is an international environmental advocacy group based in New York City. Membership tops more than 1.3 million people, with an operating budget exceeding $120 million and employing more than 400 people including attorneys, policy experts and scientists. The NRDC policy focus is on climate change, clean air, clean water, nuclear proliferation, urban quality-of-life, habitat preservation and a host of related sustainable development (see Sustainable Development) concerns. Robert F. Kennedy, Jr., is a Senior Attorney at NRDC. www.nrdc.org

## Net Zero Building (NZB)

The National Renewable Energy Laboratory's Paul Torcellini, et al, define a net zero building as "…a building with greatly reduced energy needs through efficiency gains such that the balance of the energy needs can be supplied by renewable technologies." Torcellini, et al point out there is no commonly understood definition or understanding of NZB. Factors such as net-zero site energy, net-zero source energy, net-zero energy costs and net-zero energy emissions shape the evolving definition of this building concept. A working definition of NZB is building construction designs that produces zero annual carbon emissions or nearly zero energy consumption. Net zero building is also referred to as, net zero energy building, zero net building and zero net energy building.

## Non-Renewable Energy

Non-renewable energy is an energy source that cannot renew itself at a rate commensurate with economic demands within human lifetimes. Fossil fuels such as petroleum, coal and natural gas are not renewable as the timeframe to renew what has been consumed takes hundreds of millions of years. Such is the case with petroleum where plant matter undergoes catagenesis on its way to becoming fossil fuels. Uranium, aluminum, gold and other elements or compounds extracted from the earth are also non-renewable. Uranium, a non-renewable fuel for nuclear power generation, according to OECD's Robert Vance, reached its Hubbert Peak (i.e. peak uranium – similar to peak oil) in the 1980s.

## Oeko-Tex

International Association for Research and Testing in the Field of Textile Ecology or Oeko-Tex, was established in 1993 by the Austrian Textile Research Institute, the German Hohenstein Research Institute and the Swiss Textile Testing Institute Testex. Today it has evolved into a group of 14 test institutes throughout Europe and Japan. Its certification programs, Oeko-Tex 100, Oeko-Tex 100plus and Oeko-Tex 1000 focuses on what they term the four parts of textile ecology: production, human, performance and disposal ecology. Verification of Oeko-Tex 100, 100plus and 1000 submissions are achieved through the ISO 14000 suite of environmental protocols, ISO laboratory testing protocols, DIN EN, and IEC standards. Oeko-Tex's standards also exceed the current best practices as defined by the EU's REACH (see REACH). The testing institutes forward their results to the Oeko-Tex Secretariat, which evaluates the applications, issues certificates to passing applications and tests for compliance during the issued period.

## Organic

In textile technology, organic refers to standards ensuring sustainable practices during all phases of fiber production. Beginning with every aspect of cultivation under the National Organic Program (NOP) guidelines, post-harvest wet processes such as dying and bleaching, textile fabrication, manufacturing of goods, transportation, worker environment, labeling/compliance, packaging, exportation and importation are comprehensively addressed.

Presently, there are no processing standards for organic fibers from the U.S. federal government beyond cultivation ending with the consumer.

For standards related to organic food, please see: http://www.ams.usda.gov/nop/indexIE.htm.

## Oxo-biodegradation

A two-step process that begins with degradation by oxidation, followed by biodegradation.

A variation of this developed for polymers, such as polyethylene, add a degradability component during the material's manufacturing. The added component allows the polymer to thermo- (heat), photo- (light) or hydro- (water) degrade within 90 days in a commercial composting environment.

It is purported that in non-commercial composting environments, the biodegradation will take place but at a much slower rate.

## The Precautionary Principle

The EEB (European Environmental Bureau 1999) defines the Precautionary Principle as follows:

2.1 The Precautionary Principle justifies early action to prevent harm and an unacceptable impact to the environment and human health in the face of scientific uncertainty
2.2 Precaution places the burden of proof on the proponents of the activity.
2.3 Precaution applies the substitution principle, seeking safer alternatives to potentially harmful activities, including the assessment of needs.
2.4 Precaution requires public participation in decision-making.

## REACH (See Montebello Agreement)

Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)

The European Union's REACH EC 1907/2006 regulation was established on December 18, 2006 and became law on June 1, 2007. The regulation's intent "should ensure a high level of protection of human health and the environment as well as the free movement of substances, on their own, in preparations and in articles, while enhancing competitiveness and innovation. This Regulation should also promote the development of alternative methods for the assessment of hazards of substances."

This law is the most comprehensive legislation ever completed regulating all chemical substances. A full 401 pages of this 849 page document are 10 appendices that mostly call out carcinogens, mutagens and substances toxic to reproduction. The rest of the document outlines and defines the requirements of compliance.

REACH will affect chemical industries worldwide by requiring testing and registration with the European Chemicals Agency on any imported chemical substance over 1,000 kg in weight. Chemical substances manufactured in the European Union are subject to the same regulation.

## Recycling

The U.S. Department of Energy defines recycling as "the process of converting materials that are no longer useful as designed or intended into a new product."

## Renewable Energy

The U.S. Department of Energy defines renewable energy as "energy derived from resources that are regenerative or for all practical purposes cannot be depleted.

"Types of renewable energy resources include moving water (hydro, tidal and wave power), thermal gradients in ocean water, biomass, geothermal energy, solar energy and wind energy.

"Municipal solid waste (MSW) is also considered to be a renewable energy resource."

## Reservoir

The Intergovernmental Panel on Climate Change defines reservoir as: "A component of the climate system, other than the atmosphere, which has the capacity to store, accumulate or release a substance of concern, for example, carbon, a greenhouse gas or a precursor. Oceans, soils and forests are examples of reservoirs of carbon. Pool is an equivalent term (note that the definition of pool often includes the atmosphere). The absolute quantity of the substance of concern held within a reservoir at a specified time is called stock." For example, uptake or (carbon) sequestration, adds greenhouse gases to rainforests (reservoir) and their soils (reservoir).

## RoHS

An acronym for Restriction of Hazardous Substances Directive (the lead-free directive).

Although not a law, the European Union passed this directive in 2006, limiting the use of six materials in any part of electronic and electrical products. The six materials limited by RoHS are: lead, mercury, cadmium, hexavalent chromium (chromium VI or Cr6+), polybrominated biphenyls (PBB) and polybrominated diphenyl ether (PBDE). PBB and PBDE are flame retardants used in some plastics.

Similar standards have been adopted in China, Japan, Korea and California. The U.S. federal government currently has no plans to adopt a similar directive.

## Sink

"Any process, activity or mechanism that removes a greenhouse gas, an aerosol or a precursor of a greenhouse gas or aerosol from the atmosphere" is considered a sink, according to sources at the Intergovernmental Panel on Climate Change. A sink removes a greenhouse gas, for example, from the atmosphere, then by uptake or (carbon) sequestration, the greenhouse gas is added to a reservoir (see Reservoir and Uptake/Sequestration).

## Stakeholder(s)

The online Business Directory describes this as, "Person, group or organization that has direct or indirect stake in an organization because it can affect or be affected by the organization's actions, objectives and policies. Key stakeholders in a business organization include creditors, customers, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions and the community from which the business draws its resources. Although stake-holding is usually self-legitimizing (those who judge themselves to be stakeholders are de facto so), all stakeholders are not equal and different stakeholders are entitled to different considerations. For example, a firm's customers are entitled to fair trading practices but they are not entitled to the same consideration as the firm's employees."

## Sustainable development

Economic, social (political) and environmental development that is harmonized for the good of all interests.

Many, including the United Nations, use the definition from the

Brundtland Report Our Common Future that "sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Others contend that this is not an operational definition and that the concept is best defined as "a socio-ecological process characterized by ideal-seeking behavior on the part of its human component," which is adapted from the work of Russell Ackoff and Fred Emery, among others.

Nevertheless, there are some that consider the phrase a greenwash oxymoron. To many, the concept of growth and depleting non-renewable resources are mutually exclusive.

## Triple Bottom Line (TBL or 3BL)

The addition of social and environmental metrics within full cost financial reporting. In 1994 John Elkington coins the phrase and in his 1997 book, Cannibals with Forks, he elucidates this concept. "The idea behind the TBL idea was that business and investors should measure their performance against a new set of metrics – capturing economic, social and environmental value added – or destroyed – during the processes of wealth creation." He also authored the term 3P for people, planet profit.

## Uptake (Sequestration)

"The addition of a substance of concern to a reservoir. The uptake of carbon containing substances, in particular carbon dioxide, is often called carbon sequestration," says the Intergovernmental Panel on Climate Change. Most trees and certain crops such as potatoes, rice and soybeans, uptake more CO2 than other plants and crops.

## Volatile Organic Compound (VOC)

VOCs as they relate to environmental concerns refer to compounds with high vapor pressures (a vapor at room temperature and pressure) that can be potentially harmful and therefore regulated. VOCs occur naturally but can also be synthesized. In recent years, the roll of VOCs in new home or building construction and their contribution to sick building syndrome has heighten awareness of indoor air quality. The Environmental Protection Agency maintains a list of regulated VOCs.

## Zero Waste

An approach to the cradle-to-cradle concept that includes reduction of product or process waste and consumption, plus advancing the notion of reuse, repair or return to the environment.

Film Festival Flix

MOUNTAIN & ADVENTURE FILM FESTIVAL

## ATTRACT CUSTOMERS TO YOUR STORE AND INCREASE SALES
# BOOK A MOUNTAIN & ADVENTURE FILM SERIES!


## CHALLENGES FACING RETAILERS TODAY

Road traffic is inconvient and time is valuable, so the precentage of consumers who purchase online increases daily. Online demos from brands are now a trusted resource, while many big box sports retailers are going bust.

## OVERCOMING OBSTACLES

Events attact people! Engage your community by hosting a Mountain & Adventure Film Series in your store with Film Festival Flix and our supporting outdoor industry brands.

## HOW IT WORKS

**Book:** Monthly | Quarterly | One Night | Custom Designed

**Curate:** You choose from our available titles.

**Contact:** Get in touch with us for complete booking and event assistance!

## BOOK YOUR SERIES

Visit us online at www.FilmFestivalFlix.com

Click on "**M.A.F.F. Live Events**"

Then click on "**Book an in Store Film Series**"

**FILM FESTIVAL FLIX** | 4730 Woodman Ave. Ste #304 | Sherman Oaks | CA
818.232.7005 | boberman@mousetrapfilms.com | www.filmfestivalflix.com