

THE FOOTWEAR INDUSTRY REPORT

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INDUSTRY 10

Friday, December 15, 2006

YEAR 20

COMPANY SCORES : INVESTOR EXPECTATIONS STANDARD

Investors and company boards of directors have established annual targets for five key performance measures and the importance weighting of each: EPS (20 points), ROE (20 points), Stock Price (20 points), Credit Rating (20 points), and Image Rating (20 points). The score on a performance measure is equal to the percentage of the target that was achieved. Achieving higher than targeted performance results in bonus awards of 0.5% for each 1% overachieved (capped at 40% over the target). Thus, the Investor Confidence Index ranges from 0 to a max of 120 (if all targets are exceeded by 40% or more).

YEAR 20 INVESTOR CONFIDENCE INDEX

Company Name	Year 20 Index	Change from Y19
Jupiter	119	0
Clique Sports	118	+2
Funky Shoes	117	+1
Herrschaft AG	117	-2
Kris Kringle Shoes	116	+1
Even Tread	113	+1
Da Seahawks	110	+8
BeL eSpRiT !	77	+2
I N-THE-GAME	76	+2
A-Team	51	+12
Greatest Team	15	-3
L (deleted)	0	0

OVERALL INVESTOR CONFIDENCE AVERAGE

Company Name	G-T-D Index	Change from Y19
Jupiter	116	0
Even Tread	107	+1
Clique Sports	106	+1
Funky Shoes	102	+1
Kris Kringle Shoes	91	+3
Herrschaft AG	87	+4
Da Seahawks	75	+4
I N-THE-GAME	70	0
BeL eSpRiT !	55	+2
A-Team	52	0
Greatest Team	30	-2
L (deleted)	0	0

COMPANY SCORES : BEST-IN-INDUSTRY PERFORMANCE STANDARD

This scoring standard is based on how well each company performs relative to the best-performing company on EPS, ROE, Stock Price, Credit Rating, and Image Rating. In order to get a score of 100, a company must be the industry leader on all 5 measures, achieve the investor expectations on EPS, ROE, Stock Price, and Image Rating, and have an A+ Credit Rating. Scores of 70 and higher indicate strong overall performance; companies with low scores (<50) trail the industry leaders by a significant margin. Each company's annual and overall scores are shown on the next two pages.

YEAR 20 PERFORMANCE RANKINGS

Company Name	Year 20 Score	Change from Y19
Jupiter	100	+1
Funky Shoes	86	+12
Clique Sports	85	+12
Kris Kringle Shoes	78	+4
Herrschaft AG	74	-1
Even Tread	69	+6
Da Seahawks	61	+2
BeL eSpRiT !	46	+2
I N-THE-GAME	46	+3
A-Team	34	+8
Greatest Team	10	-1
L (deleted)	0	0

GAME-TO-DATE PERFORMANCE RANKINGS

Company Name	G-T-D Score	Change from Y19
Jupiter	100	+2
Clique Sports	83	+4
Funky Shoes	76	+6
Kris Kringle Shoes	71	+5
Even Tread	70	+2
Herrschaft AG	69	-1
Da Seahawks	60	+6
I N-THE-GAME	45	+2
BeL eSpRiT !	39	-3
A-Team	33	+1
Greatest Team	14	-2
L (deleted)	0	0

EARNINGS PER SHARE (\$)

Bold numbers indicate achievement of the investor expectation for EPS shown below each column head. Best-in-industry performers earn a score of 20 (a 20% weighting in overall score). Scores of other companies are a percentage of the industry-leading EPS performance. The overall best-in-industry score is based on a weighted average of the annual EPS performances.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Overall	Best-In-Ind. Score		
	(2.67)	(2.85)	(3.05)	(3.26)	(3.49)	(3.66)	(3.84)	(4.03)	(4.23)	(4.44)	(3.55)	Year 20	Overall	
A	2.44	2.09	0.16	0.81	1.16	0.68	-0.88	2.36	0.48	1.41	0.98	2	3	A
B	2.05	2.54	-0.25	-0.21	-0.40	1.25	1.44	1.31	2.12	2.44	1.17	4	3	B
C	2.51	4.09	3.51	2.56	5.29	5.88	5.46	6.94	7.06	9.45	5.15	14	14	C
D	2.44	2.04	0.50	0.88	1.72	2.69	2.70	3.36	4.79	4.70	2.44	7	7	D
E	4.15	4.24	2.00	2.08	4.23	5.42	4.84	5.25	6.38	7.31	4.50	11	12	E
F	3.24	3.96	1.64	2.58	2.97	3.94	3.87	4.44	7.16	9.99	4.25	15	11	F
G	1.42	1.57	-2.76	-9.61	-15.05	-12.49	-9.10	-20.63	-13.50	-16.45	-10.80	0	0	G
H	2.50	2.63	0.48	-2.33	3.50	4.44	4.15	3.68	6.13	6.29	3.13	10	8	H
I	4.80	3.09	1.05	0.38	-1.87	2.59	2.86	2.70	2.47	2.69	1.84	4	5	I
J	3.58	4.10	4.23	5.24	6.02	8.63	8.95	10.95	12.22	13.23	7.40	20	20	J
K	2.60	2.61	0.68	1.67	2.32	3.58	3.98	5.87	7.05	8.19	3.59	12	10	K
L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0	L

RETURN ON EQUITY (%)

Bold numbers indicate achievement of the investor expectation for ROE shown below each column head. Best-in-industry performers earn a score of 20 (a 20% weighting in overall score). Scores of other companies are a percentage of the industry-leading ROE performance. The overall best-in-industry score is based on a weighted average of the annual ROE performances.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Overall	Best-In-Ind. Score		
	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	Year 20	Overall	
A	16.3	18.2	1.6	6.4	8.8	4.9	-6.4	16.3	3.0	8.6	7.0	7	6	A
B	13.0	14.5	-1.3	-1.1	-2.2	6.9	7.8	7.0	9.9	13.7	6.5	11	6	B
C	15.5	21.9	20.2	13.0	22.5	20.7	16.9	18.7	17.7	23.5	18.5	19	17	C
D	14.9	11.0	2.5	4.3	8.1	11.3	9.7	14.0	17.1	14.8	10.5	12	10	D
E	24.9	23.2	9.7	9.1	17.7	20.4	15.8	15.2	16.4	16.7	15.9	14	15	E
F	19.3	19.8	7.8	11.7	12.2	14.4	13.1	13.5	19.1	22.8	15.2	19	14	F
G	9.2	9.8	-18.4	-108.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	G
H	15.2	14.1	3.4	-17.7	25.6	25.4	19.1	14.9	22.7	21.5	15.7	18	15	H
I	30.0	18.5	4.7	1.5	-10.3	13.1	12.9	15.3	12.6	12.6	9.0	10	8	I
J	21.1	20.4	18.7	19.7	19.5	24.1	22.9	26.2	25.0	24.3	21.6	20	20	J
K	15.8	13.7	3.3	7.6	9.7	12.9	13.0	17.9	21.1	21.7	13.6	18	13	K
L	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	L

STOCK PRICE (\$ per share)

Bold numbers indicate achievement of the investor expectation for stock price shown below each column head. Best-in-industry performers earn a score of 20 (which equals a 20% weighting in overall score). Scores of other companies are a percentage of the industry-leading stock price. The overall best-in-industry score is based solely on the most recent year's stock price.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Avg Annual Change	Best-In-Ind. Score		
	(32.00)	(34.25)	(36.75)	(39.25)	(42.00)	(44.25)	(46.25)	(48.75)	(51.25)	(53.50)		Year 20	Overall	
A	26.99	21.82	12.79	8.29	11.10	7.19	4.70	26.76	15.40	18.98	-5 %	1	1	A
B	21.23	23.84	13.44	7.94	4.80	17.06	20.08	18.54	28.51	33.28	+1	2	2	B
C	29.15	59.43	40.73	27.46	63.97	79.22	87.57	111.52	116.98	194.35	+21	14	14	C
D	24.41	20.24	11.54	8.10	16.08	31.82	31.75	38.44	58.14	73.51	+9	5	5	D
E	83.44	81.29	36.40	20.18	53.67	103.33	75.70	72.29	85.27	128.61	+16	9	9	E
F	47.41	53.64	26.99	26.69	31.39	63.88	50.81	62.67	129.63	210.35	+22	15	15	F
G	16.66	14.49	8.56	5.96	4.80	5.05	4.70	5.66	4.60	4.61	-17	0	0	G
H	27.91	27.02	15.66	9.30	47.37	60.72	54.52	42.62	104.56	104.36	+13	8	8	H
I	77.23	34.79	19.48	12.00	7.16	32.82	34.70	32.46	24.57	28.03	-1	2	2	I
J	50.55	56.77	54.50	76.51	87.69	146.79	130.14	224.63	238.64	271.57	+25	20	20	J
K	28.61	26.82	14.82	16.04	23.25	49.05	56.47	97.04	130.50	160.04	+18	12	12	K
L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0 %	0	0	L

CREDIT RATING

Bolded credit ratings indicate meeting or beating the B+ investor expectation shown below each column head. For the best-in-industry scoring, companies with an A+ credit rating earn a score of 20 (which equals a 20% weighting in overall score). Lesser credit ratings earn lower scores. The overall best-in-industry score is based solely on the most recent year's credit rating.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Default Risk	Best-In-Ind. Score		
	(B+)	(B+)	(B+)	(B+)	(B+)	(B+)	(B+)	(B+)	(B+)	(B+)		Year 20	Overall	
A	C+	C	C-	C+	B-	C	C-	B-	C	C	High	4	4	A
B	C+	C+	C-	C-	C-	A	A-	A	A-	B	Medium	14	14	B
C	B	B-	C+	C+	B+	A	A	A+	A+	A+	Low	20	20	C
D	B-	C	C-	C	C+	B	B-	B-	B	A	Low	19	19	D
E	A-	A	A-	A	A+	A+	A	A+	A+	A+	Low	20	20	E
F	A	A	A-	A	A-	A	B+	A-	A+	A+	Low	20	20	F
G	B-	C+	C-	C-	C-	C-	C-	C-	C-	C-	N/A	0	0	G
H	B	C	C-	C-	C-	C	B	B	A	A-	Medium	18	18	H
I	B+	B	C+	C+	C-	A+	A	A-	A-	A+	Low	20	20	I
J	B+	B+	B+	A	A	A	A-	A	A	A+	Low	20	20	J
K	B	B	C	B	B	A	A-	A-	A-	A	Medium	19	19	K
L	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	L

IMAGE RATING

Bolded image ratings indicate meeting or beating the 70 target image rating shown below each column head. Best-in-industry performers earn a score of 20 (equal to a 20% weighting in overall score). Scores of other companies are a percentage of the industry-leading image rating. Overall best-in-industry scores are based on the average of the image ratings in Y18, Y19, and Y20.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Overall	Best-In-Ind. Score		
	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)	(70)		Year 20	Overall	
A	67	67	70	71	71	72	83	81	90	94	88	20	19	A
B	62	60	64	56	54	53	60	64	66	70	67	15	14	B
C	71	76	74	79	86	82	86	85	84	85	85	18	18	C
D	70	87	91	86	91	90	88	84	90	86	87	18	19	D
E	79	83	79	82	63	65	62	65	65	69	66	15	14	E
F	70	66	74	66	70	69	68	70	77	79	75	17	16	F
G	59	60	81	92	94	91	86	88	56	47	64	10	14	G
H	81	91	100	93	100	98	100	86	95	93	91	20	20	H
I	63	63	58	54	45	48	50	47	45	45	46	10	10	I
J	83	77	86	82	85	94	86	89	98	92	93	20	20	J
K	75	76	70	75	81	78	77	76	79	80	78	17	17	K
L	0	0	0	0	0	0	0	0	0	0	0	0	0	L

INVESTOR CONFIDENCE INDEX

The degree to which a company meets or beats the annual targets for each performance measure drives investor confidence in management's ability to deliver good results. An index score below 70 indicates subpar achievement of the annual performance targets. Index scores of 100 or more reflect consistently excellent or superior performance in meeting investor expectations.

	Y11	Y12	Y13	Y14	Y15	Y16	Y17	Y18	Y19	Y20	Average Index	Overall Confidence	
	A	83	73	30	46	56	38	24	78	39			
B	71	76	25	20	17	62	66	65	75	77	55	Subpar	B
C	93	105	95	76	114	117	114	116	116	118	106	Excellent	C
D	85	67	35	41	60	83	76	86	102	110	75	Fair	D
E	115	117	89	80	109	115	109	110	112	113	107	Excellent	E
F	112	113	79	88	90	107	97	104	116	117	102	Excellent	F
G	62	57	27	26	25	25	24	25	18	15	30	Subpar	G
H	94	80	41	28	89	98	106	93	119	117	87	Good	H
I	110	97	49	33	16	84	84	81	74	76	70	Fair	I
J	113	113	112	116	116	118	116	118	119	119	116	Superior	J
K	95	89	40	65	75	102	102	113	115	116	91	Very Good	K
L	0	0	0	0	0	0	0	0	0	0	0	N/A	L

FOOTWEAR PRODUCTION (000s of pairs)

	N.A. Plant	E-A Plant	A-P Plant	L.A. Plant	Industry Total
Total Year 20 Production	15,600	15,360	54,720	16,920	102,600
– Pairs Rejected	379	401	1,446	509	2,735
Net Y20 Production (after rejects)	15,221	14,959	53,274	16,411	99,865
Superior Materials Usage	39.7%	25.6%	52.2%	28.8%	42.5%
Capacity Utilization (branded + P-L prod.)	74.6%	111.3%	101.3%	120.0%	99.8%

MATERIALS PRICES (\$ per pair)

	Base Price	Year 20 Price Adjustments for		Year 20 Price
		Materials Usage	Capacity Utilization	
Standard Materials	7.00	+ 1.05	0.00	8.05
Superior Materials	14.00	- 0.53	0.00	13.47

BRANDED WAREHOUSES (000s of pairs)

	N.A. Market	E-A Market	A-P Market	L.A. Market	Industry Total
Ending Y19 Inventories	991	2,295	3,700	935	7,921
– Pairs Cleared (inventory clearance)	472	878	375	339	2,064
Beginning Y20 Inventories	519	1,417	3,325	596	5,857
+ New Production (shipped from plants)	24,480	23,251	22,446	24,186	94,363
Pairs Available for Sale in Y20	24,999	24,668	25,771	24,782	100,220

BRANDED DEMAND & SALES (000s of pair)

	N.A. Market	E-A Market	A-P Market	L.A. Market	Industry Total
Projected Y20 Demand (see Y19 FIR)	24,539	25,134	23,623	23,425	96,721
Actual Year 20 Demand	24,805	25,025	23,929	23,700	97,459
Branded Pairs Sold	24,193	23,790	23,924	23,437	95,344
Required Y20 Ending Inventories	695	723	729	654	2,801
Inventory Surplus (Shortfall)	-1,405	-1,443	944	-488	-2,392

COMMENTARY

- Pairs produced before rejects
- Average reject rate = 2.7%
- Available for shipment to warehouses
- % usage up by 1.4 points over Y19
- % utilization up by 1.3 points over Y19

Lower than normal (42.5% industrywide) superior materials usage led to superior materials prices that were 3.8% below the base and standard materials prices that were 15.0% above the base.

- Average inventory clearance of 26.1%
- 2.8% higher than Y20 demand
- Actual demand in Year 20 was 0.8% greater than expected.
- Needed to achieve delivery times
- { Low in N.A. Low in E-A
Okay in A-P Low in L.A.

DEMAND FORECAST (000s of pair)

	Year 21	Year 22	Year 23	Year 24
Branded — North America (internet + wholesale)	25,797	26,829	27,902	29,018
Europe-Africa	26,026	27,067	28,150	29,276
Asia-Pacific	25,365	26,887	28,500	30,210
Latin America	25,122	26,629	28,227	29,921
Total	102,310	107,412	112,779	118,425
Private-Label — North America	5,159	5,159	5,159	5,159
Europe-Africa	5,170	5,170	5,170	5,170
Asia-Pacific	5,214	5,214	5,214	5,214
Latin America	5,159	5,159	5,159	5,159
Total	20,702	20,702	20,702	20,702

GLOBAL SUPPLY / DEMAND ANALYSIS FOR YEAR 21

Supply — Beginning Year 21 Inventory (000s)	3,745
Potential Production (at max OT)	123,360
Potential Global Supply	127,105
Demand — Branded Sales Forecast (000s)	102,310
Private-Label Sales Forecast	20,702
Expected Global Demand	123,012
Conclusion:	Even at full overtime production, capacity is shy of what's needed to meet future demand. Opportunistic companies should consider building new capacity or purchasing used capacity.

PLANT CAPACITY (000s of pairs w/o overtime)

	Capacity at Beginning of Year 20				Capacity Purchased (Sold)				Capacity Available for Y20 Production					Construction Initiated in Year 20	
	N.A.	E-A	A-P	L.A.	N.A.	E-A	A-P	L.A.	N.A.	E-A	A-P	L.A.	Total		
A	0	0	9,800	0	0	0	1,500	0	0	0	11,300	0	11,300	0	A
B	2,000	1,000	1,000	1,000	0	0	0	0	2,000	1,000	1,000	1,000	5,000	0	B
C	0	0	4,000	3,000	0	0	800	0	0	0	4,800	3,000	7,800	0	C
D	2,000	0	6,000	1,500	0	0	0	0	2,000	0	6,000	1,500	9,500	0	D
E	0	0	5,300	2,000	0	0	0	0	0	0	5,300	2,000	7,300	0	E
F	2,900	2,200	3,800	1,800	0	0	400	0	2,900	2,200	4,200	1,800	11,100	0	F
G	7,900	1,000	8,400	0	0	0	0	0	7,900	1,000	8,400	0	17,300	0	G
H	2,000	2,000	4,000	0	0	0	0	0	2,000	2,000	4,000	0	8,000	0	H
I	0	1,000	0	1,000	0	0	0	0	0	1,000	0	1,000	2,000	0	I
J	0	3,600	5,200	3,800	0	0	0	0	0	3,600	5,200	3,800	12,600	0	J
K	4,100	3,000	3,500	0	0	0	300	0	4,100	3,000	3,800	0	10,900	0	K
L	0	0	0	0	0	0	0	0	0	0	0	0	0	0	L
Total	20,900	13,800	51,000	14,100	0	0	3,000	0	20,900	13,800	54,000	14,100	102,800	0	

INCOME STATEMENT DATA (\$000s)

	Net Sales Revenues	Cost of Pairs Sold	Warehse Expenses	Marketing Expenses	Admin Expenses	Operating Profit	Interest Exp (Inc)	Income Taxes	Net Profit	Total Dividend Payment (\$000s)	Shares of Stock (000s of shares outstanding)	
A	630,240	418,752	39,848	113,837	13,717	44,086	18,373	7,714	17,999	12,750	12,750	A
B	325,553	199,251	27,847	58,352	7,421	32,682	6,511	7,851	18,320	17,625	7,500	B
C	501,804	240,821	35,852	114,505	10,220	100,406	-819	30,368	70,857	66,000	7,500	C
D	463,374	297,633	30,519	61,590	11,920	61,712	11,366	15,104	35,242	15,000	7,500	D
E	400,526	194,574	27,993	88,823	9,719	79,417	1,138	23,484	54,795	22,500	7,500	E
F	562,323	309,145	36,009	87,732	13,519	115,918	8,844	32,122	74,952	26,250	7,500	F
G	107,166	70,772	14,904	56,906	67,953	-103,369	209,257	0	-312,626	0	19,000	G
H	417,544	228,451	28,115	77,788	10,419	72,771	5,371	20,220	47,180	37,500	7,500	H
I	141,137	66,685	17,453	9,183	4,420	43,396	1,078	12,695	29,623	0	11,000	I
J	711,127	307,283	46,401	188,437	15,020	153,986	12,193	42,538	99,255	67,500	7,500	J
K	594,739	307,496	39,961	136,268	13,320	97,694	9,958	26,321	61,415	31,875	7,500	K
L	0	0	0	0	0	0	0	0	0	0	0	L
	441,412	240,078	31,355	90,311	16,150	63,518	25,752	19,856	17,910	27,000	9,341	

SELECTED BALANCE SHEET DATA (\$000s)

DIVIDEND DATA

	Cash on Hand	Current Assets	Total Assets	Current Liabilities	Long-Term Debt	Shareholder Equity				Year 20 Dividend (\$ / share)	No. of Changes (+ / -)	
						Beginning Equity	Stock Sales (Purchases)	Earnings Retained	Ending Equity			
A	2,300	176,905	488,733	163,697	114,000	205,790	0	5,247	211,036	1.00	2 / 3	A
B	8,150	98,411	230,534	28,948	68,000	132,891	0	694	133,586	2.35	3 / 1	B
C	10,278	143,825	327,357	23,029	0	299,469	0	4,858	304,328	8.80	7 / 2	C
D	17,076	143,267	368,868	37,051	83,300	228,272	0	20,244	248,517	2.00	1 / 1	D
E	32,058	137,068	360,195	16,153	0	311,746	0	32,296	344,042	3.00	5 / 1	E
F	28,226	182,381	452,203	35,549	63,000	304,953	0	48,701	353,654	3.50	4 / 1	F
G	0	50,666	398,136	1,656,945	15,000	-942,152	0	-331,657	-1,273,809	0.00	0 / 2	G
H	20,306	135,663	291,388	38,407	28,700	214,602	0	9,680	224,281	5.00	5 / 2	H
I	131,099	181,838	254,566	4,933	0	220,009	0	29,624	249,633	0.00	0 / 1	I
J	20,273	202,933	565,721	37,701	103,050	393,215	0	31,755	424,970	9.00	3 / 1	J
K	830	164,242	430,232	47,492	85,400	267,799	0	29,541	297,340	4.25	4 / 1	K
L	0	0	0	0	0	0	0	0	0	0.00	0 / 0	L
	24,600	147,018	378,903	189,991	50,950	148,781	0	-10,820	137,962	3.54	3 / 1	

SELECTED FINANCIAL AND OPERATING STATISTICS

CREDIT RATING DATA

	Costs and Profits as a % of Net Revenues						Current Ratio	Days of Inventory	Interest Coverage Ratio	Debt to Assets Ratio	Default Risk Ratio	Default Risk	
	Cost of Prs. Sold	Whse. Expenses	Mktn. Expenses	Admin. Expenses	Operating Profit	Net Profit							
A	66.4 %	6.3 %	18.1 %	2.2 %	7.0 %	2.9 %	1.08	16	2.40	0.47	0.25	High	A
B	61.2	8.6	17.9	2.3	10.0	5.6	3.40	20	5.02	0.34	1.06	Medium	B
C	48.0	7.1	22.8	2.0	20.0	14.1	6.25	12	100.00	0.00	10.00	Low	C
D	64.2	6.6	13.3	2.6	13.3	7.6	3.87	15	5.43	0.26	3.75	Low	D
E	48.6	7.0	22.2	2.4	19.8	13.7	8.49	10	69.79	0.00	10.00	Low	E
F	55.0	6.4	15.6	2.4	20.6	13.3	5.13	18	13.11	0.15	10.50	Low	F
G	66.0	13.9	53.1	63.4	-96.5	####	0.03	125	-0.49	4.20	0.00	N/A	G
H	54.7	6.7	18.6	2.5	17.4	11.3	3.53	22	13.55	0.15	1.86	Medium	H
I	47.2	12.4	6.5	3.1	30.7	21.0	36.86	83	40.26	0.00	10.00	Low	I
J	43.2	6.5	26.5	2.1	21.7	14.0	5.38	6	12.63	0.20	5.45	Low	J
K	51.7	6.7	22.9	2.2	16.4	10.3	3.46	17	9.81	0.25	2.54	Medium	K
L	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0	0.00	0.00	0.00	N/A	L
	54.4 %	7.1 %	20.5 %	3.7 %	14.4 %	4.1 %	0.77	31	24.68	0.55	5.04	Low	

Bold = best in industry = needs management attention

PLANT AND PRODUCTION BENCHMARKS			Industry Low		Industry Average		Industry High	
			Year 19	Year 20	Year 19	Year 20	Year 19	Year 20
Materials Costs (\$ per pair produced)	Branded Footwear		7.23	7.06	9.57	9.55	13.77	13.87
	Private-Label Footwear		7.69	7.57	9.37	9.75	11.14	11.42
Labor	North America	Total Compensation (\$/year)	16,569	16,900	21,410	21,172	25,810	26,529
		Productivity (pairs/worker/year)	4,291	4,093	5,079	5,074	6,130	6,260
		Labor Cost (\$/pair produced)	0.00	0.00	3.41	3.34	4.67	4.62
	Europe Africa	Total Compensation (\$/year)	15,000	15,187	20,004	19,362	25,156	25,456
		Productivity (pairs/worker/year)	3,528	3,404	5,066	5,173	6,303	6,353
		Labor Cost (\$/pair produced)	0.00	0.00	3.32	3.28	5.02	5.24
	Asia Pacific	Total Compensation (\$/year)	3,087	3,149	5,626	5,851	11,266	11,691
		Productivity (pairs/worker/year)	2,356	2,300	3,156	3,304	3,687	3,884
		Labor Cost (\$/pair produced)	0.00	0.00	1.59	1.61	3.40	3.44
	Latin America	Total Compensation (\$/year)	3,255	3,549	4,777	4,735	6,904	7,474
		Productivity (pairs/worker/year)	2,605	2,627	3,297	3,305	3,756	3,950
		Labor Cost (\$/pair produced)	1.22	1.15	1.51	1.47	1.94	2.00
TQM / 6Σ Quality Expenditures (\$ per pair of capacity)	Year 20	0.50	0.48	1.44	1.32	2.50	2.38	
	Cumulative	0.50	0.50	1.34	1.32	2.41	2.40	
Reject Rates	Branded Production	1.7%	1.7%	2.9%	3.0%	7.4%	7.2%	
	Private-Label Production	2.3%	2.3%	2.9%	3.3%	3.8%	4.0%	
Total Manufacturing Costs (\$/pair produced)	Branded	N.A.	22.47	22.38	24.38	24.21	26.36	26.32
		E-A	19.23	19.06	23.53	23.15	29.62	29.91
		A-P	17.26	17.64	20.58	20.51	25.96	25.02
		L.A.	17.41	17.17	21.54	21.10	25.21	24.75
	Private-Label	N.A.	21.89	21.67	31.22	30.88	49.73	48.93
		E-A	18.54	22.75	29.07	39.21	45.96	55.66
		A-P	17.96	18.30	19.39	28.03	21.73	52.90
		L.A.	34.47	45.70	34.47	45.70	34.47	45.70

OPERATING BENCHMARKS			Industry Low		Industry Average		Industry High	
			Year 19	Year 20	Year 19	Year 20	Year 19	Year 20
Branded Market Segments	Costs of Pairs Sold (\$/pair sold. Includes manufacturing, shipping, import tariffs, and exchange rate adjustments.)	N.A.	21.52	21.52	26.20	25.82	30.24	28.84
		E-A	21.54	21.06	29.39	29.23	36.38	35.92
		A-P	19.27	19.64	24.88	25.46	35.22	39.09
		L.A.	19.42	19.17	27.08	26.43	37.01	34.75
	Warehouse Expenses - Internet (\$ per pair sold)	Wholesale	10.36	10.30	10.88	10.95	12.63	14.07
		Wholesale	2.03	1.92	2.61	2.52	4.06	3.97
	Marketing Expenses - Internet (\$ per pair sold)	Wholesale	4.65	4.19	10.90	14.05	21.76	60.49
		Wholesale	2.96	3.95	9.71	9.88	12.50	13.04
	Administrative Expenses (\$/pair sold)		1.05	1.03	2.33	3.83	13.06	29.35
	Operating Profit (\$ per pair sold)	Internet	N.A.	#####	#####	10.07	#####	29.51
E-A			-3.23	-70.91	18.65	11.09	30.09	27.42
A-P			1.24	-16.24	22.75	20.46	32.12	32.64
L.A.			-1.75	-95.29	18.09	12.23	28.82	30.86
Wholesale		N.A.	1.61	3.03	6.59	8.00	13.08	25.20
		E-A	-14.71	-2.30	4.63	6.18	14.92	18.03
		A-P	-15.71	-31.34	5.02	6.16	11.40	31.09
		L.A.	-12.87	-1.56	3.09	8.19	15.21	31.33

CELEBRITY ENDORSEMENTS

CELEBRITY	CONSUMER APPEAL				CURRENTLY SIGNED BY	CONTRACT (\$000s/year)	YEAR SIGNED	CONTRACT LENGTH	MOST RECENT ROUND OF BIDDING				
	NA	EA	AP	LA					# of BIDS	HIGH BID	2nd BID	AVG BID	Low Bid
Payton Manyon	85	45	35	40	Company B	13,900	Y19	2 years	5	13,900	13,725	8,638	1,000
Oprah Letterman	100	70	65	75	[unsigned]	0	N/A	3 years	2	22,256	21,999	22,128	21,999
Annika Stockholm	70	100	70	55	Company J	15,785	Y16	5 years	8	18,256	15,785	9,408	500
Tiger Green	95	80	85	75	Company E	21,999	Y20	2 years	2	21,999	21,564	21,782	21,564
José Montaña	60	50	60	95	Company C	19,563	Y18	3 years	7	19,563	14,797	12,273	4,999
Karioki Footsu	55	60	95	90	Company C	18,563	Y20	4 years	2	19,999	18,563	19,281	18,563
Jaques LaFeet	50	90	50	85	[unsigned]	0	N/A	1 year	2	19,999	16,589	18,294	16,589
Serenus Willson	70	65	55	60	Company C	12,565	Y19	3 years	4	15,797	12,565	11,119	5,003
Natalie Kwan	75	80	95	50	Company J	16,589	Y17	4 years	6	20,601	17,900	14,594	6,003
Sergio Milano	45	85	60	100	Company J	20,637	Y19	2 years	4	20,637	18,999	14,800	2,003
Lance deFrance	80	85	75	70	Company C	7,852	Y20	3 years	2	21,999	7,852	14,926	7,852
Yao KungPao	60	35	100	50	Company J	13,107	Y18	4 years	7	14,128	13,107	10,460	3,999

BRANDED PRICE AND S/Q RATING TRENDS

