



June 10, 2011

SDSI and CONNECT News

Game Changers - recap and photos

Game Changers Sports Networking, which kicked off SDSI's recent partnership with SDSU Sports MBA program, drew 230 top industry executives, entrepreneurs, business leaders and MBA students at the Hall of Champions in Balboa Park. After schmoozing over Wahoo's Tacos and Sapporos, Alex Striler, former President of Osiris Shoes and author of *X PLAY NATION of Action Sports Game Changers*, treated the audience to a keynote which set the tone for an inspiring panel discussion themed Game Changers: Inspiration + Innovation. The lively panel included leading entrepreneurs; Fernando Aguerre, president of International Surf Association; Steve Astephen, founder of THE FAMILIE & principal of Action Sports Management for Wasserman Media Group; Shaney jo Darden, executive director of the Keep A Breast Foundation and Jeff Kearn, CEO of Stance & chairman of the board, Skullcandy. Moderator, Kevin Flannagan, CEO of The People's Movement opened the panel by identifying the five attributes of an innovator: observing, associating, questioning, experimenting, networking and associating and reached out to the panelists for elaboration. Follow SDSU's blog for live event coverage [here](#). View event photos on SDSI Flickr page [here](#), complements of Bryan Otey Photography, Bwotey@gmail.com. Read event coverage at *Shop-Eat-Surf* and in the June 9 issue of *The San Diego Union-Tribune*.

Upcoming FrameWorks Workshops

Licensing Fundamentals for the Business Executive

This half-day workshop will present the fundamental concepts of licensing, including how these concepts are reflected in a contract, such as provisions regarding IP rights, royalties, exclusivity and technology transfer. Details and registration for this June 16 workshop [here](#).

LAUNCHING A WEBSITE: Protecting Yourself and Customers Online

Launching a new website can be a daunting process given the many commercial factors and legal implications that come into play along the way. From pre-launch to completion, what are the steps necessary to ensure a successful launch? This panel of experts will delve into the process and pitfalls most companies face when creating and launching a website. Details and registration for this June 23 workshop [here](#).

Anatomy of a Sports Company: From Birth to Liquidity - in partnership with SDSI, KPMG and Sheppard Mullin

In sports or business, when your goals are on the line, there's no time for second-guessing. SDSI, KPMG LLP and Sheppard Mullin Richter & Hampton LLP partner with CONNECT to bring you this half-day workshop including a panel discussion with early and late stage investors who will deliver practical advice on starting sport innovation companies. The discussion which will be a practical reflection on common

questions asked by the CEOs and CFOs of innovation companies, will focus on three stages of company development; start-up, revenue generating and liquidity. Details and registration for this June 29 workshop [here](#).

Community News

ShapeLogic/Firewire's online 3D customization system featured in Siemens PLM software case study

In 2009, ShapeLogic and Firewire Surfboards came together to develop a web-based customization solution allowing surfers to custom-design their own boards and view their designs every angle throughout the process. Through the use of ShapeLogic's patent-pending solution, ShapeLogic Design-To-Order Live! for NX, Firewire's Custom Board Design (CBD) system was created. ShapeLogic's Design-To-Order Live! is an interactive web application that combines an internet-enabled user interface with intelligent parametric models and advanced 3D computer aided design (CAD) tools. The Custom Board Design system is a direct-to-the-consumer customization system which enables customers to select models from Firewire's standard surfboards and alter the design with their own dimensions. "NX is an excellent 3D system for online customization," explains Bruce Pettibone, founding partner of ShapeLogic. "We embedded specific rules into the base parametric models that govern how the customer's dimensional changes affect the curves that define the board's shape." Surfers are now able to tailor boards to their preference by tweaking the length, wide point, nose and tail width, and thickness. "Before we developed the Custom Board Design system, most custom boards were ordered by submitting a piece of paper with various dimensions filled out," explains Mark Price, CEO of Firewire Surfboards. "There was no way to see a visual representation of any requested adjustments." Today, when a customer orders a board with CBD they are provided with 3D models, data and PDF files to ensure customers fully understand their design before they place their order. Read full case study [here](#).

BNET.com exclusive interview with John Sarkisian on winning over skeptical retailers

BNET.com, an online magazine dedicated to issues of business management, sat down with John Sarkisian, SDSI advisory board member and CEO of SKLZ, for insight on overcoming resistance and marketing your product to retailers. "By listening to retailers' needs and by sharing the risks and marketing responsibilities, we eventually won over the skeptics and landed in dozens of major athletic retailers across the country," says Sarkisian. In this article, Sarkisian discusses the efforts he made to improve relationships with retailers including: co-marketing, guarantees and bringing retailers into the development process. Read full article [here](#).

Hookit featured on Fox 5 News

The Hookit.com RV hit the road to kick off their nationwide Spots and Sessions tour to visit nearly 150 skate, motocross, BMX, wake and surf spots all across the country. Fox 5 San Diego captured Day One of the tour, which kicked off at the Krause Family Skatepark in Clairemont. Hookit.com, the largest social network for action sports which now claims over 700,000 members in 137 countries, helps amateur athletes market themselves by connecting with sponsors and other athletes. "It's like a Facebook for action sports," said Parker Heath, the No. 2 ranked BMX rider from San Diego. "Basically you build your own profile and you put your own updates, get friends. It's really cool." The tour was developed in conjunction with Hookit partner, Monster Energy, to enlist athletes into their Monster Army program while also promoting the Hookit website and launch of Hookit's new mobile application 'Spots and Sessions' available for iPhone and Android. The application provides a location-based deal and promotion service to brands and local businesses. "Because there is GPS in the phone, we can now figure out where our members are and figure out local spots for them to go to," said Hookit.com CEO Scott Tilton. "At the same time, let them know about deals down the street at the local skate shop." Watch Day One footage and

read full article at Fox5sandiego.com. Read full press release [here](#). Ongoing Tour updates will be broadcasted throughout the summer by Hookit media partner Planet X TV.

John Hoeflich featured on THP radio show

The Hacker's Paradise (THP) Radio, a media sector of THP and the place to hear the latest and greatest from the golf industry every week, aired a new episode this week featuring John Hoeflich, legendary club maker and active mentor for CONNECT Springboard program. In this interview Hoeflich discusses a range of topics concerning the industry, including the ongoing debate of cast vs. forged, where technology will go from here and if forgiveness and workability can coexist. Listen to the full episode [here](#).

Overload and Red Bull unite for Red Bull Triple Set

Red Bull Triple Set is a one day skateboarding competition that will showcase 50 of SoCal's most talented professional and amateur skateboarders who will battle it out for first place on a triple set staircase feature. The often searched for and challenging skateboarding obstacle is a staple in the sport and has inspired some of the greatest tricks known to the community. On June 19, a custom-built triple set will be brought to the Del Mar Arena for Red Bull Triple Set. Read more [here](#).

ElliptiGO expands C-Series lineup with introduction of the ElliptiGO 8C

ElliptiGO, the creator of the world's first elliptical bike, announced the availability of the ElliptiGO 8C, a new eight-speed elliptical bike equipped with features for taking on steep hills and delivering a robust workout experience on flat or inclined terrain. By combining the best elements of cycling with the natural strides of the running motion, the 8C delivers a high-performance, low-impact workout for active adults seeking to amp up the intensity factor of their exercise programs. After last month's launch of the ElliptiGO 3C, a new three-speed elliptical bike, the introduction of the 8C completes ElliptiGO's release of its 2011 C-Series lineup. Read ElliptiGO's full press release [here](#).

LocoX.com names Stephen Merrick President & COO

LocoX.com, a branded motocross and life-style e-commerce site, has announced the appointment of Stephan Merrick as president & COO of Loco-X, Inc. Merrick's appointment to take over day-to-day operations will allow Dave Scilabro, CEO of LocoX.com, to focus on building the Loco-X brand through marketing and promotion. Scilabro plans to specifically focus on "raising the capital needed for long term growth and developing the new opportunities for growth into the horizontal sports platform." Merrick is a seasoned senior executive with 10 years of experience in the e-commerce space. He was formerly the EVP & CFO of KEH.com, a used camera e-commerce company in Atlanta. Prior to KEH.com, Merrick spent over 10 years managing the operations of several private, NYSE and NASDAQ inventory based companies. Visit LocoX.com.

HDX hydration mix ready to quench consumers' "thirst for change", Shaun Murray joins team

HDX Hydration Mix has officially launched their groundbreaking natural beverage drink mix that is both made with natural ingredients and is environmentally friendly. As a diabetic and lifelong environmentalist, Vipe Desai, owner and founder of HDX, established his new company and product to take into account the health needs of the consumer as well as address the carbon footprint of traditional beverages and the associated waste of single use plastic containers. Desai took concepts from the action sports culture, as well as his lifestyle philosophy and applied them in the creation of HDX. "I believe that what is good for society can be good for business" said Desai. Made with electrolytes, vitamins, minerals and amino acids, HDX Hydration Mix is a healthy beverage alternative that comes in powder form and is ready to mix in a

reusable water bottle. Professional wakeboarder Shaun Murray, who has turned down offers to ride for other beverage companies, recently teamed up with HDX. The difference for Murray was that HDX is not an “energy drink”. HDX is an environmentally driven, healthy alternative beverage that puts the voice of the community, customers and the planet first. Read HDX’s full press release [here](#) and more about the signing of Shaun Murray [here](#).

Clarinova launches Facebook Application

Clarinova Inc., a SDSI 2010 Capital Forum participant and developer of FrontWindow Inc., announced the release of its FrontWindow Facebook application; a free tool that makes it easier for retailers to connect with consumers and provide them content from brands. "FrontWindow is a tool to enhance retailer/brand collaboration and to help both parties increase their sales," says Scott Yankton, president of Clarinova. "It's fast, easy and best of all, the more they use it, the better retailers will rank in local Google searches for brands and their products." In just minutes, retailers can browse, attach comments and post great content to their Facebook pages. "FrontWindow has been putting us on top of local searches...faster than we realized," explains Mike Jacot, buyer for Central Coast Surfboards. "It's creating a buzz on our website and Facebook because now people are looking at it and commenting." Read full article at [SurfersVillage](#).

Skullcandy sales rise 65.9 percent in first quarter

Skullcandy Inc., currently in the midst of raising up to \$125 million in an IPO, reported net sales surged 65.9 percent to \$36.0 million. Sales to its European distributor and big box retailers in the United States drove growth, allowing the seven-year-old company to become profitable for the quarter. According to an amendment Skullcandy filed last week to its IPO registration statement, net sales reached \$36.0 million during the quarter, up \$14.3 million from \$21.7 million for the three months. Read full article and in-depth look at Skullcandy's filing statement at [SportsOneSource.com](#).

Active Network CEO Dave Alberga

Active Network is the fast-growing leader in online registrations for a range of outdoor athletic competitions, from marathons to other endurance sports. The 12 year old company, which generated revenue of \$289 million over the past year, recently launched an initial public offering and now has a market value of \$970 million. *USA Today* sat down with CEO Dave Alberga, to get the details on how he able to integrate his passion for competitive sports, with his desire to succeed at business into his career. The article gives insight on the growth and struggle Alberga and Active Network had to endure to become the small-business winners they are today. Read full article at [USAtoday.com](#).

Industry News

Senate introduces Affordable Footwear Act

Senator Roy Blunt and Senator Maria Cantwell, a longtime champion for the outdoor industry, have introduced the Affordable Footwear Act to the United States Senate. According to the press release, this legislation will lower costs for outdoor industry footwear manufacturers and their customers while supporting U.S. production of outdoor shoes and boots. The passage of the Affordable Footwear Act is top priority for the Outdoor Industry Association (OIA), with footwear being the fastest growing category in outdoor industry product sales. The act would create a four year suspension of many of the high import tariffs, some as high as 37.5 percent, that are assessed against outdoor footwear. "The Affordable Footwear Act is a win-win for everyone," said OIA President & CEO Frank Hugelmeyer. "The lower costs from this bill will allow footwear companies to invest in new product innovation and American jobs and will ultimately benefit their customers." Read full press release [here](#).

Nike focuses new campaign on actions sports

In an attempt to leave no sport unmarketed, Nike is embarking on a major evolution of its action sports strategy by fading away Nike 6.0 and most other subsets and becoming solely Nike. However, Nike SB will still exist as a skate collection at the core. "Instead of speaking through multiple voices, we will speak through one voice, which is Nike," said Sandy Bodecker, Nike Global VP of action sports. Nike began their largest effort to embrace the swoosh into action sports with the launch of its new campaign, "The Chosen", which features athletes such as skateboarder Paul Rodriguez (or P-Rod), surfer Laura Enever and snowboarder Danny Kass. The company plans to focus the most on surf, skate and snowboarding since they have the highest participation levels but will continue to support other sports such as wakeboarding, moto, BMX and skiing. Nike's latest effort to elevate the swoosh comes by renaming the widely attended, US Open of Surfing contest this year. The week-long festival and contest will be called the 2011 Nike US Open of Surfing. Nike's action sports product approach is also changing. Instead of producing multiple lines Nike will make one line for apparel, influenced mostly by surf and skate, one for footwear, driven by skateboarding and one for outerwear, focused on snowboarding. For an in-depth look behind the strategy changes at Nike Actions Sports, log into Executive Edition at ***Shop-Eat-Surf***.

Andy Irons autopsy report

Following two delays, the results of the autopsy of late surf champion Andy Irons, who passed away November 2, 2010, were released yesterday by his family. The results find that Irons died from a sudden heart attack due to severe hardening of the arteries. The autopsy also lists a second cause of death as "acute mixed drug ingestion." The family hired Dr. Vincent Di Maio, a prominent forensic pathologist in San Antonio, TX, who has consulted on many high-profile cases to review and explain the case.

Maio disagrees that drugs were a cause of death explaining, "This is a very straightforward case. Mr. Irons died of a heart attack due to focal severe coronary atherosclerosis, i.e., 'hardening of the arteries.' He had an atherosclerotic plaque producing 70%-80% narrowing of his anterior descending coronary artery. This is very severe narrowing. A plaque of this severity, located in the anterior descending coronary artery, is commonly associated with sudden death." Dr. Di Maio continues, "The only unusual aspect of the case is Mr. Irons' age, 32 years old. Deaths due to coronary atherosclerosis usually begin to appear in the late 40's. Individuals such as Mr. Irons have a genetic predisposition to early development of coronary artery disease. In about 25% of the population, the first symptom of severe coronary atherosclerosis is sudden death." He concludes, "There were no other factors contributing to the death."

The Iron's Family would like to thank everyone for their condolences and support over the last seven months. Read full report at ***Surfers Village***.

Get the Girls to Europe fundraiser

ESPN recently announced the elimination of the women's vert skateboarding event from the X Games. The news directly follows the announcement of the cancellation of the Dew Tour's women's street event. In light of this news, Donna Baker, Ana Paula Negrao and Micaela Ramirez have taken the initiative to put on a fundraising event called "Get the Girls to Europe". Proceeds will go toward the Poseidon Foundation to get Female Athletes on a European Tour to showcase their talents. The fundraiser will take place on June 18, at Rude Dogs in LA. Read full article at ***TransWorld Business***.

GRO celebrates 5th birthday

Girls Riders Organization (GRO) celebrated five years of providing free workshops and events for girls in actions sports this past week at Chelsea Piers Skatepark in New York City. GRO is a nonprofit group aimed to inspire, educate and support girls in actions sports. By touring the country each year, GRO sets up nonexclusive events to support current riders and bring new opportunities to girls of all ages and skill

level from coast to coast. On Saturday, June 11 GRO kicks off the GRO Experience tour from New York to Los Angeles. Read more on **GRO**.

SIMA Boot Camp registration deadline today!

Registration for the Product Innovation Boot Camp, presented by the Surf Industry Manufacturers Association (SIMA) closes today. The half day event will help foster creative innovation and teach how to build a creative business culture that will keep brands on the forefront of emerging trends. The event includes three seminars featuring lessons learned from the leading luxury automobile brand, BMW and the award winning design and innovation consulting firm, IDEO. Registration deadline for this June 14 event is June 10, 2011. Read full article at **SurfersVillage**.

TransWorld Media launches TransWorld.TV

TransWorld Media has officially launched TransWorld.TV, a user-friendly on-demand video platform, which offers relevant action sports content ranging from entertaining webisodes, creditable videos, trailers and live webcasts. TransWorld.TV is viewable across multiple media devices, including personal computers, e-readers and mobile devices. "We've finally delivered the perfect platform to service all of TransWorld Media's original content and exclusive partner videos," said Editorial Director Rob Campbell. "This makes TransWorld an immediate player in digital content delivery, capable of serving the best video programming whenever our audience demands it." Advertisers will now be able to connect to their audience in a more unique way, delivering a viable brand message to viewers who are captivated by their favorite action sports videos. Read full press release **here**.

World's first skateboard marathon tour

Adrenalina, an extreme sports and adventure-themed brand, launches the first-ever skateboard marathon. The Adrenalina Skateboard Marathon World Tour, will begin on July 30 in New York City and will be followed by events in Puerto Rico, Texas and Florida. Top winners will share \$30,000 in prize money including a grand prize of \$15,000. The 26.2-mile longboard race is designed to promote health, fitness and the action sports lifestyle. Each event is fully sanctioned and governed by The USA Distance Skateboard Association. Read Adrenalina's full press release at **TransWorld Business**.

TransWorld Business interview with Sanuk on recent deal

TransWorld Business sat down with Sanuk Founder Jeff Kelley to get a few more details of why the deal with Deckers made sense and what it means for the brand moving forward. Read full interview to learn how it will effect Kelley's role, the brand's global approach, how long a deal had been in the works and much more. Full interview **here**.

Job/Internship Openings

Malakye industry job round-up for early June - Catch Surf, Fox, Vans and DC Shoes

Management Operations Internship for Ludus Tours - Analyzing the macro-view business strategy, as well as helping to streamline day to day operations of this growing company. Will serve as "right arm" to the Director of Operations & Strategy as well as the Managing Director.

Executive Director for San Diego Coastkeeper– To lead the organization into its next decade of accomplishments. Building on Coastkeeper's strong foundation, this visionary will advance water quality and supply protection by blending education, community empowerment and advocacy.

Front end web developer at The Active Network - Responsible for supporting the existing infrastructure as

well as the development of new web projects, assisting in updating existing sites and working on other web-related projects within our online marketing team.

SDSI and CONNECT events

Jun. 15 MIT Enterprise Forum SD presents: How Do We Make "Made In San Diego" a Winning Business Model?

Jun. 16 CONNECT FrameWorks Workshop presents: Licensing Fundamentals for the Business Executive

Jun. 19 Survivor Beach

Jun. 23 CONNECT FrameWorks Workshop presents: LAUNCHING A WEBSITE: Protecting Yourself and Customers Online

Jun. 29 CONNECT FrameWorks Workshop presents: Anatomy of a Sports Company: From Birth to Liquidity in partnership with SDSI, KPMG and Sheppard Mullin

Jun. 29 Connect with CONNECT: Get into the Zone

Community Events

Jun. 10 Registration deadline for SIMA's Product Innovation Boot Camp

Jun. 11 Surf Museum's 4th annual Gala honoring SDSI's Peter 'PT' Townend

Jun. 14 Six Degrees San Diego Monthly Mixer

Jun. 14 SIMA Boot Camp: Product Innovation

Jun. 18 Get the Girls to Europe fundraiser at Rude Dogs

Jun. 19 Overload and Red Bull present: Red Bull Triple Set

Jun. 21 Go Skateboarding Day

Jun. 21 Six Degrees Member Reception

July 13 SIMA Boot Camp: New Advertising

July 28-31 Summer X Games 17

Aug. 3-4 Agenda, Huntington Beach

Aug. 4-7 Outdoor Retail Summer Market 2011

Opportunity to be included in the SDSI newsletter

Get your company's highlights and updates featured in the SDSI Newsletter, forward press releases and newsworthy information to Renne Catalano RCatalano@connect.org.

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