



February 2, 2011

SDSI News

The time is here- Join SDSI and become an official member

SDSI is proud to announce the roll out of the official SDSI membership package. Join SDSI and support the mission to elevate and bring exposure to Southern California's sports industry which until now has had no trade association of this type to work on its behalf. Please contact Garrett Hale Ghale@connect.org or Renne Catalano Rcatalano@connect.org for more information.

SDSI partners with MIT Enterprise Forum to present: ElliptiGO Case Study- Setting the Pace for a New Global Industry

Since the sale of one elliptical bike in San Diego in February 2010, ElliptiGO has gone to selling nationwide in July as well as expanding internationally. The forum will spotlight on the best practices ElliptiGO can implement in order to overcome the challenges of their rapid expansion. ElliptiGO is currently the only company making a two-wheeled device that emulates the running experience without causing impact to your knees. This feature has allowed the company a competitive advantage as well as an opportunity to establish the brand as a leader in this emerging industry. The forum will be held Tuesday, February 22nd (5PM-8PM) details and registration [here](#).

Special Q&A with Sanuk and TaylorMade- a sneak peek at the upcoming FrameWorks Workshops: Everything you ever wanted to know about International Operations and more

SDSI got with upcoming FrameWork Workshop presenters, Ian Kessler Owner of Sanuk and Amit Kumar Associate General Counsel & Head of Licensing and Business Transactions at the TaylorMade Golf for a behind the scenes look at these massively successful international corporations. Register for this FrameWorks [here](#).

From a consumer products perspective are there any particular IP precautions to consider when going international?

Amit- *Even if a product does not violate any third party IP in the US, it is possible that it might violate the IP of a third party in a different country. TaylorMade has a process to clear product names and technologies in various jurisdictions before commercializing them in the US or abroad. Even with that process, we have still had isolated examples where products, cleared in the US, were problematic overseas. A local IP attorney should be able to advise you whether the product violates the intellectual property rights of a third party in that country.*

What are the pluses and minuses of running an internationally-distributed company.

Ian- The negative is that it is a lot of work. There are a lot of demands and expectations from the distributors and it is a lot of work monitoring distributors' performances to make sure the brand is being represented in a manner that is consistent with your desired image and development of the brand. The positive is that it is an amazing experience to be able to touch the lives of so many individuals around the world who are wearing your product, and to be able to generate income for hundreds of people around the world who are involved in the sale of your product.

How can a company looking to do business abroad mitigate the risk of litigation?

Amit- spend the extra money to invest in a good local council, it should save some headache later, especially in regards to setting up an international operation. Some countries have somewhat surprising protectionist laws for distributors or sales agents. Advertising claims that are OK in the US might not be OK internationally. Other countries have laws requiring local ownership or restricting the movement of money from local entities.

What was the best business decision you ever made at Sanuk?

Ian- We started as a sandal company which limits your business cycle to the warmer months. We needed to get into enclosed footwear to turn the business into a year round business. At the time skate was really hot and there was great temptation to jump in and launch a skate shoe. Instead we decided to wait until we could launch a product that was uniquely Sanuk. That decision-to wait on the launch of our enclosed footwear-was the best decision we ever made. It took a while, about four years, before my business partner and the creative brain behind Sanuk, Jeff Kelley, hit upon the idea of making a shoe out of a sandal. The result, the Sanuk Sidewalk Surfer, was completely aligned with who we are as a brand and was so unique it created a new category of footwear.

Where did the name Sanuk come from?

Ian- Sanuk in Thai means "fun". The Thai philosophy: if something is not 'sanuk', then why do it?

FrameWorks Workshop: International Operations – Sales, Distribution and Manufacturing

Everything you ever wanted to know about international operations straight from sport industry veterans themselves! Join Ian Kessler, CEO of Sanuk, and Amit Kumar, Associate General Counsel and Head of Licensing and Business Transitions at TaylorMade Golf, as they present aspects of international operations and the use of contract manufacturers, sales representatives and distributors. This highly interactive presentation will cover a range of topics including the initial process of taking your company international, to dealing with overseas disputes. Details and registration [here](#).

SDSI welcomes new member SnowFab

SDSI is proud to announce its newest member SnowFab. Founded by SDSI board member Ludo Boinnard, SnowFab designs, manufacturers, sells, markets and licenses snow hardgoods. The company concentrates on adding progression, as well as self-expression, in addition to meeting the expectations of modern snowsport consumers. Today, SnowFab offers products from their house brand, KLINT, along with product lines from two licensed brands, Paul Frank Industries and Rockstar Energy Drink. Read more about **SnowFab**.

SDSI Community News

SDSI board member Ludo Boinnard launched new brand at SIA in Denver

KLINT celebrated its brand launch at the SnowSports Industries America (SIA) trade show this past weekend in Denver, CO. The KLINT debut included the unveiling of its inaugural collection of eight styles of progressive all-mountain skis. Ludo Boinnard CEO of KLINT and SDSI advisory board member said, "We're excited about the KLINT launch. We've been working behind-the-scenes for quite some time and are pleased to finally unveil KLINT to the market." Read full **press release** and more about **KLINT**.

World's first surf arena debuts in Peru featuring the American Wave Machines' SurfStream

American Wave Machines, Inc. (AWM), the leading wave technology innovation company, announced the debut of the world's first surf arena featuring the AWM SurfStream® model SS5024 at the grand opening of the 'Ola Movistar' surf arena in the Boulevard de Asia outdoor mall, near Lima, Peru. With programmable controls and modular inserts, the SurfStream® model SS5024 creates multiple wave types in one machine. For experienced surfers the signature wave is the single 5' barreling wave with 20' of face to carve on. This set of wave modules can be assembled in both right and left breaks accommodating goofy and regular foot riders. For broad appeal, the system also has training and intermediate waves which operate at lower power. American Wave Machines is a CONNECT Deal Network presenter. Read full press release **here**.

Surf Diva's Surf School scores Sunset magazine cover

Sunset magazine declares that the happiest people live in San Diego and play at Surf Diva Surf School, proudly to be located in beautiful San Diego, California; one of Sunset Magazine's '37 Best Places to Live'. "Being featured on the cover of Sunset magazine as an icon of San Diego is a huge honor," said Izzy Tihanyi, founder and co-owner, "We are stoked to represent the best towns to live your dream." Surf Diva's iconic logo appears on the cover of the magazine with one of their many gorgeous top-notch surf instructors. As you open to the article, Surf Diva is featured in a full page opener with their picturesque backdrop of La Jolla Shores, California. Read full article on **Surfersvillage** and preview the cover **here**.

SDSI board member and CEO of SnowFab signs exclusive multi-year global license with Paul Frank

"Forming a partnership with a top manufacturer such as SnowFab will only add to the anticipation of this launch," said Ryan Heuser, the Chief Creative Officer of Paul Frank Industries. SnowFab has announced the signing of a multi-year licensing agreement with Paul Frank Industries to market and sell fashionable skis and snowboards worldwide. SDSI advisory board member and CEO of SnowFab, Ludo Boinnard says, "We consider Paul Frank a dynamic lifestyle brand and we are excited about introducing skis and snowboards to the distinctive label." The initial line of Paul Frank skis and snowboards was debuted at the SIA show in Denver this past weekend. All products will be available worldwide at progressive winter sports shops and premium lifestyle retailer's winter 2011. Read full press release on **Shop-Eat-Surf** and **SnowFab.com**

Active.com goes mobile and unveils iPhone application

Active.com, a media property of the Active Network, introduced a new iPhone application and technology for all web-enabled mobile devices. This application allows users to sign up for events and activities from the palm of their hand. The technology will make it easier to search and register for thousands of events and activities including running races, tennis tournaments, triathlons, and much more. "For events that sell out quickly, this is a game changer," added Brian Enge, SDSI advisory board member and VP of strategic projects at Active Network. "Individuals can now access events with their mobile devices as soon as registration becomes available." The mobile-friendly version of Active.com can now be accessed on

any mobile browser and the iPhone application can be downloaded for free at the iTunes store. Read full press release on **Active Network**.

C4 Waterman partners with GreenWater holdings

C4 Waterman, a company recognized worldwide as the innovator and pioneer of stand-up paddle (SUP) surfing and racing and as the premier brand for SUP boards, paddles and related accessories, has announced their partnership with GreenWater Holdings, an investment and brand development firm out of Newport Beach, California. "This will be a very exciting growth phase for C4 Waterman with the expansion of the brand well beyond the stand-up paddle equipment that we are best known for," said Todd Bradley, co-founder and CEO of C4 Waterman. C4 continues to break new ground with innovation inflatable SUP ("iSUP") and surfboards, water rescue equipment and related soft goods. Read full article on **Transworld Business**.

Flat Fitty partners with Brazilian distributors

Flat Fitty/Lavish Headwear revealed that they would be partnering with Montage Group Ltd, a Brazilian distribution company that has previously worked with Osiris and C1RCA. Flat Fitty has appointed the Montage Group to be in charge of the distribution of standalone products, artist and athletes, as well as collaboration projects with Brazilian brands. Montage has also arranged to open a flagship Flat Fitty store in San Paulo in 2011. Read full article on **Transworld Business**.

Skullcandy to go public

Skullcandy announced its plans to raise at least \$125 million in initial public offerings. The company, known for its stylish and colorful headphones, grew from \$9.1 million in 2006 to \$118.3 million in 2009. The company's motto, "Every revolution needs a soundtrack," coincides with the brands expression of the combination of music, fashion, and action sports lifestyle. Skullcandy attributes their expectation of business growth to the popularity of "action sports" as well as the dominance of mobile devices. Skullcandy plans to list its shares on the Nasdaq under the ticker symbol "SKUL". Jeff Kearn, the company's Executive Chairman, is an active SDSI advisory board member. Read full press release on **Shop-Eat-Surf**.

Newton Running names Keith Simmons president

Newton Running, the leading natural running footwear brand, has appointed Keith Simmons, former founder and CEO of XTERRA Wetsuits, as the company's new president. "We're confident in Keith's ability to lead the company into the future," states Jerry Lee, CEO and co-founder of Newton Running. Simmons will be responsible for administering the company's sales and marketing efforts. Simmons has more than 20 years' experience in the sporting-goods industry, working in retail, sales, marketing, design and manufacturing. In 2001, Simmons founded XTERRA Wetsuits and built the company from start-up phase to a leading market position. Read full article **here**.

Job openings

Malakye latest industry job round up for late January

President & Chief Executive Officer at Street Surfing LLC -Responsible for providing strategic leadership of the Company by working with the Board of Directors and the executive management team to establish, implement and oversee the short and long-range goals, strategies, plans and policies of the Company.

Lead developer at GOTRIbal.com – To create new functionalities to improve mobile and PC experience for users of GOTRIbal community (gotribal.com).

Engineer and mobile app developer/designer at GOTRIbal.com - To create GOTRIbal's first mobile app - due to launch in early spring 2011. Will be integral to the company's growing mobile technology offerings and the prime manager behind its website growth, administration and design.

SDSI and CONNECT events

Feb. 10 Frameworks Workshops presents: International Operations – Sales, Distribution and Manufacturing

Feb. 22 MIT enterprise forum in partnership with SDSI present: ElliptiGO case study- Setting the pace for a new global industry

Feb. 24 Frameworks Workshops presents: From Footnotes to Front Page News: How the New Accounting Rules for Leases will Impact You

Mar. 2 Frameworks Workshops presents: Raising Angel Capital: Tips and Tools to Navigate the Process

Mar. 10 Digital Life! Connect with CONNECT

Mar. 22 SDSI and San Diego Hall of Champions present: The Science of Sports in conjunction with the San Diego Science Festival

Mar. 26 SDSI presents: Board Science in conjunction with the San Diego Science Festival's Expo Day

Community events

Feb. 3 SIMA Image Awards ceremony

Feb. 8 Six Degrees San Diego Monthly Mixer- Prospect Bar & Grill

Feb. 11 Shop Eat Surf Executive Round Table - Live conversation with Hurley Founder Bob Hurley and CEO Roger Wyett

Feb. 13 SD UNITED Training Center presents: Parkour Clinic and Performance Session- Sponsorships available

Mar. 2 SoCal Action Sports Network presents: Network and Evening with A-List Author and Marketing Expert Seth Godin

Mar. 9 We're Going Public! Now What? Managing a Successful Initial Public Offering- Presented by KPMG

Mar. 9 Tech Coast Angels present: Meet the Angels

Mar. 21-26 San Diego Science Festival

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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