



concluded that future jobs and economic growth lie in those parts of the supply chain where Europe is most competitive. In the footwear sector, it said, they lie in brand building, design, R&D, production technologies, logistics, retail and marketing, as well as the manufacture of top-fashion, high-end footwear.

Thus, the removal of the anti-dumping duties will provide "the right trade and regulatory environment to nurture all parts of the supply chain in which Europe is currently competitive," said the EFA, benefiting also European consumers and retailers.

Somnio will not close down in Europe

A recent press release on **Somnio**, the U.S. specialty brand of footwear with adjustable mid-soles that won the **Runner's World** Ispo Award at the latest **Ispo** fair, confused not only the trade press, but Somnio, too. Sent out by its German PR agency, the press release said that the brand would halt its European operations, which are run through a small office in Switzerland and include its own sales people in the U.K. and Spain.

Talking to SGI Europe, the recently appointed chief of European operations, Danny Orr, was himself surprised about that communication. He stated that it was possible that the business in Europe might be halted, but he did not confirm at this point. Orr was recently promoted from product manager to European chief, taking the place of Saskia Stock, who has become marketing director of Black Diamond Europe.

Further probed by SGI Europe, Orr's boss in the U.S., Sean Sullivan, denied that Somnio was planning to close its European operations. He said that the current Spanish salesman, José Luis Garcia Avilés, was going to be replaced by a distributor because that market needs to be covered by more than a single person. He also added that Somnio was looking for a lead person in Germany.

Declining to spell out its sales figures, Somnio has indicated that it hopes to double its turnover this year, with half of it coming from outside the domestic U.S. market.

ON is running fast

This new Swiss-based brand of running shoes, which came out as the overall winner of the Ispo BrandNew Awards in February 2010, is going to be sold in 300 specialist a premium sporting goods stores in 16 countries this spring, and the number of doors is expected to rise to between 450 and 500 by the end of this year, judging from initial orders.

The young company made its first shipments last July and the first production run was sold out in the first month. It the added two more production runs and sold about 10,000 pairs for its first season in the market. Working though a big sourcing agent to ensure deliveries on time from the Far East, the volume budgeted for this year is more than four times higher.

The new brand is in a testing mode in the new Footlocker Run stores and in 50 other Foot Locker stores in the U.S., where On has two employees now. It is offered by SportScheck and in many running stores affiliated with the German LEX group, as well as in specialist stores like those of Run2Day in the Netherlands and Löplabbet in Sweden.

They key is the radical new design of On's CloudTec system, which absorbs both vertical and horizontal forces. Developed by a six-time Ironman winner, Olivier Bernhard, it has been selected by a former Kenyan marathon record holder, Tegla Loroupe, and praised by many specialized magazine. Between 10 and 15 percent of On's customers have found out about the brand on Facebook, and the buzz is spreading quickly in the global running community.

Karhu teams up with Rono

Karhu, the Finnish brand specializing in running shoes, has teamed up with Run and Style, the owner of the Rono brand

of running apparel, to explore the German market. This is part of the European deployment of the brand, which was also introduced in the Netherlands and Italy in the last months.

After the issue of the Karhu brand's ownership was resolved with a settlement just over two years ago, its sales in Europe have focused on Scandinavia, working through agents supervised from offices in Sweden and Finland. **Carlo Cladon**, formerly with **Puma**, started working the Italian market in the second half of last year, focusing on retailers specializing in running. **Pascal Vergeer** joined as Karhu's agent for the Netherlands a few weeks ago.

This widening European distribution network is to be supported by heightened investments in point-of-sale material, including a web-based Karhu Academy. It will be accessible to retail staff in seven languages, providing them with information about the brand and its products in a playful way – including a test that gives them a chance to win a trip to Helsinki. In another web-based initiative, Karhu intends to launch an electronic sales platform in April.

At the same time, Karhu is preparing the launch of a lifestyle range inspired by the '70s and '80s, starting in trendy sneaker and fashion stores in Scandinavia, Italy and the Netherlands. The range is to be introduced with pop-up store launches and a partnership with **Sneaker Freaker**.

Vulcabras plans share issue to invest in an Asian factory

After a small dip in 2009, **Vulcabras**, the big, fast-growing Brazilian shoe company that markets brands such as **Azaleia**, **Olympikus** and **Reebok**, is working on a possible public offering on the stock exchange to help finance the establishment of a factory in a yet-unnamed Asian country other than China. The investment, for which the negotiations are very advanced, would allow the company to produce **Olympikus** football cleats and other