We celebrate 25 of the industry’s top independent outdoor specialty retailers.

The 2007 Outdoor Business Top 25 Retailers

Outdoor Industry Association reports that outdoor recreation generates $289 billion annually in retail sales and services. While industry retail giants such as REI, L.L. Bean and Eastern Mountain Sports are certainly instrumental in driving sales volume, as an industry we should not lose sight of the significant role that independent outdoor retailers play in sustaining the outdoor recreation market.

Here, we recognize and celebrate the passion, dedication and contributions of these independent businesses, featured in this listing of the 2007 Outdoor Business Top 25 Independent Outdoor Specialty Retailers.

According to OIA president Frank Hugelmeyer, “One of the core values of OIA states: ‘Specialty retail experiences are created from quality service, brands and knowledge.’ The board has spent a lot of time talking about that because a diverse specialty retailer infrastructure is important to the health of the industry.”

As one might expect, every company included on this year’s Outdoor Business Top 25 list consistently delivers top-notch specialty outdoor retail experiences to their customers. Just as importantly, these retailers have a solid business platform and are deeply connected to the communities in which they operate. From Southern CA-based Adventure 16 to Kittery Trading Post in Kittery, ME, the 25 retailers featured here are committed to the outdoor lifestyle.

The 2007 Outdoor Business Top 25 Independent Outdoor Specialty Retailers reflect best practices in selling outdoor apparel, footwear and equipment, and are taking leadership roles in local, regional and national environmental initiatives.

They clearly understand that industry growth comes from reaching out to their own communities and introducing new people to the thrills of camping, hiking, paddling, climbing, snow sports and other outdoor pursuits. In short, these 25 specialty retailers embody the best of our industry. Mike Wallenfels, president of Mountain Hardware and chairman of the OIA board of directors, also recognizes the importance of these retailers. “Specialty stores are where products first hit the market, where introductions are critically important to new trends, and where people who are established users can have a strong conversation in the store about the kinds of products they need,” he says. “It’s critical for the continued health and sustainability of the outdoor market to maintain strong specialty retailers.”

As competition from national retailers, vendor-owned stores and the Internet continues to increase, many independent specialty retailers have learned not only to survive, but to thrive. “The specialty side will drive trends. They are servicing a core part of the market that is driving product innovation,” says Bob Holding, a former Arc’teryx exec now serving as a principal of Waypoint Outdoor, a Seattle, WA-based sales agency that represents brands including Arc’Teryx, Keen, Solio, Suunto and Vasque in the Pacific Northwest. “Specialty retailers are always the first to address emerging markets, but they have to be more agile. Their opportunity is to present a retail experience that can’t be delivered in a big box environment.”

Wallenfels points out that although the outdoor marketplace continues to change, specialty retailers are adapting and improving their business skills. “People started shops back in the day when an outdoor store was the only place to buy fleece, a sleeping bag and a decent tent. Customers sought them out, there was a clear need and more demand than supply. It was a relatively simple straightforward and passion-oriented equation,” he explains. “Now fleece is ubiquitous, decent-quality gear is available in different places, and the dynamics of the customer have changed. It means that for specialty retailers to survive and thrive in many markets, they have had to learn to be merchants first and outdoor enthusiasts second.”

Jeff Katz, owner of Peak Sports in Corvallis, OR, and the newest member of the Grassroots Outdoor Alliance, observes, “You have to be fast on your feet. Mistakes are part of the game—you can’t run a business without making them, but you have to be able to identify them quickly and react. It’s the same with successes. If you can’t capitalize on successes, you are losing the specialty store advantage.”

Looking ahead, Hugelmeyer says, “The biggest challenge [for retailers] is to continue to evolve and be open to what the next generation of consumer is demanding.”

Without further ado, here are the 2007 Outdoor Business Top 25 Independent Outdoor Specialty Retailers, listed alphabetically. We invite you to help celebrate and honor their contributions.
ADVENTURE 16

Contact: 4620 Alverado Canyon Rd., San Diego, CA 92120; 619-283-2542; adventure16.com

Key Management: John Meade, president; Brenda McMullen, CFO; Dinah Kokuryo, DMM

Founded: 1962

Stores and Employees: 7 stores, 125 employees

First Brand(s) Carried: Woolrich

Most Recent Brand(s) Added: Topo Ranch

2006 Sales: $13 million

2007 Highlights: This year, Adventure 16 celebrated its 45th anniversary. Next year, the company will focus on operational efforts to improve employee training and marketing.

Environmental Initiatives: Adventure 16 is taking action within the company while also reminding customers to reuse, recycle, refill, and repair.

Community Outreach: Each store participates in at least two events per month in which staff members are guest speakers or are involved with a community outdoor event. The stores also hold several shows or events at each location every month. Through the Adventure 16 Donate-a-Pack Foundation, the company contributes new and used outdoor gear to Southern California outdoor programs that serve disadvantaged kids.

THE BASE CAMP

Contact: 1730 Grand Ave., Billings, MT 59102; 406-248-4555; thebasecamp.com

Key Management: Scott Brown, owner and president; Dianne Morgan, manager and buyer; Tim Lynch, manager and buyer

Founded: 1975

Stores and Employees: 2 stores; 39 employees

First Brand(s) Carried: Swix, Patagonia

Most Recent Brand(s) Added: Keen

2006 Sales: $5 million to $5.5 million

2007 Highlights: The Base Camp purchased the old Gas Light Theater in Billings, MT, renovated the building and moved all Billings retail operations to the new location. The company is also developing a new computer system that will facilitate and automate ordering.

Environmental Initiatives: While renovating its new store, the company replaced all of the insulation, windows and the HVAC system with high-efficiency products to cut the building's energy use in half.

Community Outreach: The Base Camp offers climbing, paddling and Nordic skiing lessons to its customers and sponsors the Banff Film Festival when it comes to Billings and Helena each year. In addition the company is involved with fund raising for the Prickly Pear Land Trust, which works to preserve open space throughout Montana.

THE ALPINE EXPERIENCE

Contact: 608 Olympia Ave, NE, Olympia, WA 98501; 360-506-1099; alpinex.com

Key Management: Joe Hyer Jr., co-owner; Steve Hyer Jr., co-owner

Founded: 1996

Stores and Employees: 1 store, 34 employees

First Brand(s) Carried: The North Face

Most Recent Brand(s) Added: Kiss My Face, Aerola Freisius, Kavu

2006 Sales: $2.9 million

2007 Highlights: The Alpine Experience is on track to meet its goal of generating $3 million in gross sales in 2007 and 2008 with a 10 percent net margin.

In addition, the company is developing a private stock program for management employees to vest as employee owners.

Environmental Initiatives: The Alpine Experience has incorporated several energy efficiency programs. In 2008, the store will introduce initiatives focusing on waste reduction and diversion.

Community Outreach: Community outreach is The Alpine Experience’s single greatest marketing expense. The largest program includes fundraising for the Park, Arts & Recreation foundation of Thurston County, for which the company raised more than $30,000. In addition, the company raises $10,000 to $15,000 annually for the Washington Capitol Land Trust.

Environmental Initiatives: The Greenfields Community Service program for new kayak customers called “Jump Start Your kayak” program for new kayak customers called “Jump Start Your kayak.”

THE ALPINE SHOP

Contact: 440 N. Keelwood Rd., St. Louis, MO 63122; 314-962-7715; alpineshop.com

Key Management: Holly Hollenbeck, co-owner; Lisa Hollenbeck, co-owner

Founded: 1973

Stores and Employees: 5 stores, 45 employees

First Brand(s) Carried: Oakley, Patagonia

Most Recent Brand(s) Added: Mountain Khakis, Green Label Tee Shirts, Nordica Skis, Heritage Bats

2006 Sales: $8 million

2007 Highlights: The company is renovating and moving its Chesterfield location and is working to reach $9.5 million in sales in fiscal 2008.

Environmental Initiatives: On its sales floors, The Alpine Shop offers products made of renewable or recycled resources and that come from earth-friendly companies across categories including footwear, apparel, sleeping bags, packs, kayaks, food and roof racks. Such items are identified in-store with “Alpine shop approved for the environment” signage.

Community Outreach: The Alpine Shop dedicates a considerable portion of its marketing budget to community outreach each year through race sponsorships, education and other outdoor-oriented events such as the Banff Film Festival. Race sponsorships include the Conquer Castlewood adventure race, the Berryman Adventure race, and the Tour De Cure.

BLUE RIDGE MOUNTAIN SPORTS

Contact: 1125 Emmett St., Charlottesville, VA 22903; 434-977-4400; hrmostore.com

Key Management: Jeff Smith, president

Founded: 1972

Stores and Employees: 12 stores; 240 employees

First Brand(s) Carried: The North Face

Most Recent Brand(s) Added: Mammut

2006 Sales: $17.2 million

2007 Highlights: Operations were the focus this year. The company revamped its employee training program, created an operations department, implemented a new POS system, and redesigned its IT infrastructure. Looking ahead, Blue Ridge has signed leases for two new stores scheduled to open in 2008.

Environmental Initiatives: The Greenfields Community Service program gives company employees an opportunity to spend a week working with a nonprofit organization of their choice. While away, Blue Ridge pays the employee’s salary and benefits.

Community Outreach: The retailer expanded its community education programs to include Backpacking 101 and 201. A program for new kayak customers called “Jump Start Your kayak” was also launched.

NOVEMBER 2007 OUTDOOR BUSINESS 13
BUFFALO PEAK OUTFITTERS
Contact: 115 Highland Village, Jackson, MS 39211; 601-366-2557; buffalopeak.net
Key Management: Bob McCain, owner
Founded: 1986
Stores and Employees: 2 stores, 30 employees
First Brand(s) Carried: Marmot
Most Recent Brand(s) Added: Ulu
2006 Sales: $4 million to $6 million
2007 Highlights: Buffalo Peak opened a new distribution center and owner Bob McCain's service to the Retailers of the Outdoor Industry was instrumental in the organization's name change from ROI to the Grassroots Outdoor Alliance.
Environmental Initiatives: The company supports the Coastal Conservation Association, has worked with the local Natural Science Museum to protect a local trail system, and contributes to the Conservation Alliance. Buffalo Peak also increased efforts to recycle at its stores and distribution center.
Community Outreach: The retailer donates products to local schools and organizations such as HAND and inner city group Mission First. The company was also instrumental in relief work after Katrina, and is involved with the local Stewpot ministry.

THE ELEPHANT'S PERCH
Contact: 280 East Ave., Ketchum, ID 83340; 208-726-3497; elephantperch.com
Key Management: Bob Rosso, co-owner; Kate Rosso, co-owner; Lisa Wilson, GM
Founded: 1996
Stores and Employees: 1 store, 18 employees
First Brand(s) Carried: The North Face, Marmot, Patagonia
Most Recent Brand(s) Added: GoLite Footwear, Sanuk
2006 Sales: $2.8 million
2007 Highlights: Although not exactly a highlight, a major forest fire in August led to a six-figure decrease in sales revenues (sales over the last weeks in August through Labor Day were lost).
Environmental Initiatives: The Elephant's Perch offers employee incentives for commuting on bicycles and pays for free public transportation for all employees. The store is in the process of changing over to high-efficiency lighting fixtures and is launching community education services targeting sustainability.
Community Outreach: Most of the company's marketing budget is used to support local events, including several bike races, a trail running race, a cross-country ski race (owner Bob Rosso is a top-ranked Masters cross-country ski), and a triathlon.

HALF-MOON OUTFITTERS
Contact: 1084 East Montague, North Charleston, SC 29405; 843-853-3338; halfmoonoutfitters.com
Key Management: Breezer Molten, owner; Don Longenecker, CFO
Founded: 1995
Stores and Employees: 5 stores, 1 online store, 75 employees
First Brand(s) Carried: Patagonia
Most Recent Brand(s) Added: Mission Playground, Kears, Karmont Polarized
2006 Sales: $7.4 million
2007 Highlights: In July, Half-Moon's new corporate office and warehouse received the U.S. Green Building Council's Leadership in Energy and Environmental Design Platinum rating. Half-Moon is the nation's 25th new construction or major renovation to receive the LEED Platinum rating—and is the first to do so using the newest, more stringent LEED NC version 2.2. It is also the first LEED Platinum project in SC. The 9,600-square-foot building, located in North Charleston, occupies a formerly unadorned concrete building that has been transformed with photovoltaic panels on the roof, rainwater collection tanks in back, extensive native vegetation, and a brightly lit interior. The building was renovated almost entirely with locally harvested wood, salvaged materials, and rapidly renewable agrifiber boards.
Environmental Initiatives: Half-Moon Outfitters' retail and office locations are operated completely on wind power. The company prints all materials on Forest Stewardship Council certified paper, and all of its area. Also in 2007, Hudson Trail Outfitters' online operations became its largest warehouse and tripled the staff of its web department.
Environmental Initiatives: All of Hudson Trail Outfitters' retail and office locations are operated completely on wind power. The company prints all materials on Forest Stewardship Council certified paper, and prints in FSC-certified print shops. This fall, the company is launching a green benefits package that will help employees purchase sustainable appliances for their homes.
Community Outreach: The company hosts several programs each month, ranging from lake donation drives and sponsorship of 5K runs, to local river clean-up projects.

GREAT OUTDOOR PROVISION COMPANY
Contact: 2017 Cameron St., Raleigh, NC 27605; 919-854-2916; greatoutdoorprovision.com
Key Management: Tom Valone, owner
Founded: 1970
Stores and Employees: 9 stores, 280 employees
First Brand(s) Carried: The North Face
Most Recent Brand(s) Added: Ahnu
2006 Sales: $17 million to $19 million
2007 Highlights: For the past 16 years, the company has donated 10 percent of receipts earned on National Trails Day (held the first Saturday of June) to local land trusts. Since its inception, donations have reached several hundred thousand dollars. The retailer also donates 5 percent of sales from the first Saturday of December to Habitat for Humanity's Habitat Day.
Environmental Initiatives: Great Outdoor Provision supports the Land Trust Day, Mountains To Sea Trail and local area river clean up efforts.
Community Outreach: All eight stores are involved in Annual and Everyday Scout Benefits, Habitat For Humanity, and annual coat drives for local rescue missions.

HUDSON TRAIL OUTFITTERS LTD.
Contact: 8525 Atlas Dr., Gauthersburg, MD 20877; 301-840-0650; hudtrail.com
Key Management: Sandy Cohen, GM; Susan Strain, CFO; Hask Cohen, GM
Founded: 1971
Stores and Employees: 8 stores, online operations, 550 employees
First Brand(s) Carried: Vasque, Patagonia, The North Face
Most Recent Brand(s) Added: Giant, Lafuma, Arborwear, Saucony, Brooks
2006 Sales: $29.5 million
2007 Highlights: After a year of planning, Hudson Trail Outfitters entered the specialty running market in Spring 2007. This category extension is part of the company's 10-year plan to allow its merchandise assortment to change along with the active outdoor recreation market in its area. Also in 2007, Hudson Trail's online operations became its largest retail channel, surpassing every brick-and-mortar location in the company. To support this growth, the retailer has doubled the size of its warehouse and tripled the staff of its web department.
Environmental Initiatives: All of Hudson Trail Outfitters' retail and office locations are operated completely on wind power. The company prints all materials on Forest Stewardship Council certified paper, and prints in FSC-certified print shops. This fall, the company is launching a green benefits package that will help employees purchase sustainable appliances for their homes.
Community Outreach: The company hosts several programs each month, ranging from lake donation drives and sponsorship of 5K runs, to local river clean-up projects.
TOP 25 SPECIALTY RETAILERS

Large national and regional retailers play an integral role in fueling the growth of the outdoor industry. They wield tremendous influence and financial clout.

For example, this fall in Boulder, CO, REI is opening its first prototype store to test new retail concepts and the performance of green building features, including state-of-the-art technology and environmentally friendly materials. The prototype was constructed using the U.S. Green Building Council’s LEED (Leadership in Energy and Environmental Design) standards. Eastern Mountain Sports, which operates more than 80 retail stores in 12 states, turned 40 this year and is now engaged in a strategic expansion plan.

**WAL-MART**

With $345 billion in total sales last year (including Sam’s Club), 3,331 stores, and a footprint measured in the hundreds of millions of square feet, Wal-Mart undoubtedly moves more outdoor merchandise than any other retailer in the U.S. According to the company, roughly 5 percent, or $17.2 billion, of its annual sales come from sporting goods and toys. SGB’s Retail Top 100 (May 2007) estimated that $8 billion of this is derived from athletic merchandise. Of this, an estimated $2 billion to $3 billion is derived from outdoor.

**L.L. BEAN**

While many consumers know L.L. Bean primarily from the company’s catalogs, the retailer is looking at some relatively aggressive brick-and-mortar expansion plans. In 2006, L.L. Bean reported $1.54 billion in retail sales through its 20 stores and its direct retail business.

**REI**

With three-million-plus active co-op members and 90 stores, REI reported $1.18 billion in sales last year. So far in 2007, the company has rolled out several new initiatives, including a plan to implement a new eco-sensitive label that will designate items manufactured with a high percentage of recycled, rapidly renewable and/or organic fibers. REI has also opened a new prototype store in Boulder, CO, that is described as “a testament to the potential of green building.”

**CABELAS**

With more than $2.1 billion in annual revenues, 18 stores, and one of the largest online retail presences of any retail company, Cabela’s is one of the largest big-box retailers specializing in outdoor merchandise. Even when removing the hunting, fish and marine (power sports) businesses from the equation, the company sold more than $1.1 billion in outdoor merchandise last year.

**BASS PRO SHOPS**

This 41-store big box retail chain logged $2.08 billion in total sales in 2006. That figure becomes roughly $1.1 billion if the hunting, fish and marine (power sports) categories are removed.

**TARGET**

This 1,482-store mass retailer reported roughly $3.5 billion in athletic retail sales last year, including an estimated $750 million in outdoor merchandise sales.

**DICK’S SPORTING GOODS**

Industry analysts estimate that roughly 17 percent—$527 million—of the company’s business is derived from outdoor equipment, apparel, footwear and accessories. The retailer operates 294 stores.

**GANDER MOUNTAIN**

With 98 stores and 2006 sales surpassing $290 million in categories other than hunting, fishing and marine (power sports), Gander’s extremely aggressive expansion plans continue to boost the top line. Now that the “everyday low price” outdoor retailer has won its direct retail trademarks back from Cabela’s, Gander should be able to grow its online presence.

**THE SPORTS AUTHORITY**

This 400-store coast-to-coast sporting goods chain had an estimated $2.6 billion in sales in 2006. Industry analysts feel that roughly $250 million of that total comes from outdoor equipment, apparel and footwear.

**EASTERN MOUNTAIN SPORTS**

With an estimated $210 million in sales last year, EMS has nearly finished its restructuring efforts and is ready to start opening new stores at a much faster rate. So far in 2007, the chain, with 80 stores and counting, has opened five new locations in the Northeast.

**THE JERSEY PADDLER**

Contact: 1756 Route 88 West, Brick, NJ 08723, 732-458-8777; jerseypaddler.com

Key Management: John Durrua, owner

Founded: 1973

Stores and Employees: 1 store, 18 employees

First Brand(s) Carried: Old Town Mad River Canoe

Most Recent Brand(s) Added: Mson

2006 Sales: $3.4 million

2007 Highlights: The Jersey Paddler School is now focusing on high-end kayak and paddling products to meet the needs of experienced participants. The company has also expanded its kayak fishing outreach and is partnering with adventure travel companies to offer a wider range of experiences to consumers.

Environmental Initiatives: The staff at Jersey Paddler actively participates in town and river clean-up and restoration projects.

Community Outreach: The company supports Clean Ocean Action, the Point Pleasant Foundation and Save Barnegat Bay.

**JESSE BROWN’S OUTDOORS**

Contact: 4752 Sharon Rd., Charlotte, NC 28210; 704-556-0029; jessebrown.com

Key Management: Bill Bartee, owner and president

Founded: 1979

Stores and Employees: 2 stores, 20 employees

First Brand(s) Carried: The North Face

Most Recent Brand(s) Added: Patagonia Footwear

2006 Sales: $4 million

2007 Highlights: Jesse Brown’s moved its UNCC store to a new location south of the city. The company also re-vamped and re-launched its website, which will go live with a limited e-commerce presence later this year. Jesse Brown’s owner, Bill Bartee, hired a marketing consultant to help with a comprehensive re-branding and marketing initiative that is already paying dividends.

Environmental Initiatives: Most of Jesse Brown’s environmental initiatives are through vendor partnerships. The company is also active with the Carolina Climbers Coalition, the Southeast Climber Coalition and Trout Unlimited.

Community Outreach: Through a partnership with W.L. Gore, Jesse Brown’s supports OneWarmCoat.org, an organization that collects new and in good condition coats for distribution to the homeless through the NC Crisis Assistance Ministry. Bartee and his key employees also host a local radio show that educates consumers about local outdoor recreation opportunities, from fly fishing to climbing.

**KITTERY TRADING POST**

Contact: 501 U.S. Route One, Kittery, ME 03904; 888-587-6246; kitterytradingpost.com

Key Management: Kevin Adams, president; Kim Adams, VP; David Llabre, SVP finance

Founded: 1938

Stores and Employees: 1 store, online operations, 375 employees

First Brand(s) Carried: Woolrich, Sorel, Minnetonka, Levi’s

Most Recent Brand(s) Added: Evolved Habits, Ross, Black Hawk, Cisca, Under Armour

2006 Sales: $46 million

2007 Highlights: Kittery Trading Post is on track to break $50 million in sales this year, which includes an 8 percent rise in retail sales. Online sales are also picking up, and are expected to grow in the double-digits annually for the foreseeable future. The company has doubled its in-store event and seminar schedule.

Environmental Initiatives: The company’s new green initiatives include the use of an Astrogel exterior lighting timer that automatically adjusts the on and off times for lighting based on the rising and setting of the sun. The HVAC systems have economizers and use outside air for cooling.

Community Outreach: Initiatives include the launch of a non-profit organization called KODA Kittery Outdoor Academy, a partnership between Kittery Trading Post and school districts in Southwestern Maine and Southeastern New Hampshire. KODA provides environmental education, environmental service learning, and healthy outdoor recreation programs to K-12 students in the participating districts.
MASSEY’S PROFESSIONAL OUTFITTERS

Contact: 3553 Severn Ave., Metairie, LA 70002; 504-885-1144; masseys.net
Key Management: Mike Massey, owner
Founded: 1972
Stores and Employees: 3 stores, 50 employees
First Brand(s) Carried: Patagonia
Most Recent Brand(s) Added: Icebreaker
2006 Sales: $6 million to $7 million
2007 Highlights: Early in the year, Massey’s completed an overhaul of three websites — MasseyOutfitters.com; TheFlipFlopper.com for specialty surf/lifestyle; and 800-SKI-SHOP.com for specialty alpine. The company also launched a specialty backpacking and outdoor site called WeGotYourPack.com. Massey’s is also opening a new 28,000-square-foot distribution center, warehouse, and company offices in a restored turn-of-the-century warehouse. This building will also house the company’s fourth retail store and a new paddle sport demo center. The building is located in an area of New Orleans that was flooded during Hurricane Katrina. Owner Mike Massey is currently serving as chairman of Grassroots Outdoor Alliance.

Environmental Initiatives: Massey’s is a primary sponsor for many local environmental groups such as Save The Lake and Sierra Club. This year, the company worked with Patagonia to host the Waterkeepers Alliance meeting in New Orleans.

Community Outreach: Massey’s is the principal sponsor of the Louisiana Adventure Racing (laadventureracing.com) series that will end this year with an urban adventure race in New Orleans. The retailer also sponsored Big City Mountaineers this year.

MIDWEST MOUNTAINEERING

Contact: 509 Cedar Ave.So., Minneapolis, MN 55404; 612-339-5422; midwestmntn.com
Key Management: Rod Johnson, owner
Founded: 1970
Stores and Employees: 1 store, 68 employees
First Brand(s) Carried: Patagonia
Most Recent Brand(s) Added: Mountain Khakis
2006 Sales: $4.6 million
2007 Highlights: Midwest holds two Outdoor Adventure Expos annually. This year’s April weekend event featured 100 programs, 75 exhibitors and drew 10,000 people. The company inducted polar explorer Lonnie Dupree into its Explorer’s and Adventurer’s Hall of Fame.

Environmental Initiatives: Midwest donates 10 percent of pre-tax profits to wilderness and environmental causes including the Conservation Alliance. The store recycles tons of cardboard and paper each year.

Community Outreach: In addition to the Expos, Midwest holds 12 instructional clinics and demos each month.

NEPTUNE MOUNTAINEERING

Contact: 633 South Broadway, Suite A, Boulder, CO 80305; 303-499-8886; neptunemountaineering.com
Key Management: Gary Neptune, owner
Founded: 1973
Stores and Employees: 1 store, 50 employees
First Brand(s) Carried: Patagonia
Most Recent Brand(s) Added: Rab
2006 Sales: $4.5 million
2007 Highlights: The company is currently adding e-commerce capabilities to its website. The upgrade features a limited selection of products and will avoid heavy price discounting.

Environmental Initiatives: Neptune is participating in Prana’s Windpower initiative and is championing a recycling program in the shopping center in which the store is located.

Community Outreach: The store holds clinics every weekend and twice weekly during winter months. Attendance consistently ranges from 50 to 200 people.

OUTDOORS, INC.

Contact: 618-B National Ave., Minneapolis, MN 55412; 901-324-2506; outdoorsinc.com
Key Management: Joe Royer, owner
Founded: 1974
Stores and Employees: 5 stores, 65 employees
First Brand(s) Carried: Patagonia
Most Recent Brand(s) Added: Icebreaker, Patagonia Footwear, Sanuk
2006 Sales: $6.1 million
2007 Highlights: Outdoors Inc. hosted the 26th annual Canoe & Kayak Race on the Mississippi river. Participants included two-time Olympic gold medalist Greg Barton and 10-time World Surf Ski champion Oscar Chalupsky. The company is hosting The Cyclocross Champions in November. Outdoors Inc. received the Memphis Business Journal’s 26th Annual Small Business Award in the 40-65 employee category in 2006. Outdoors Inc. is among the four retailers that founded the Retailers of the Outdoor Industry, forerunner to Grassroots Outdoor Alliance.

Environmental Initiatives: An active event promoter, Outdoors Inc.’s staff and volunteers work with race competitors and participants to promote environmental stewardship messages.

Community Outreach: The retailer has sponsored a duathlon, a 24-hour mountain bike race, kayak races and bicycle tours. The company is also active in local environmental clean-up projects.
PINE NEEDLE MOUNTAINEERING
Contact: 835 Main Ave., Durango, CO 81301; 970-247-8728; pineneedle.com
Key Management: Keith Rosush, owner
Founded: 1976
Stores and Employees: 1 store, 15 employees
First Brand(s) Carried: Royal Robbins, Woolrich, The North Face, Patagonia, Fischer, Rossignol, Vasque, Asolo
Most Recent Brand(s) Added: Mission Playground, Trab Ski, GoLite Footwear
2006 Sales: $1.5 million to $2 million
2007 Highlights: In terms of sales, 2006 was the best in the company’s 30-year history, up 11 percent from 2005, up 11 percent over its previous best year, and up 23 percent over the company’s previous seven-year average. Pine Needle launched a sustainable business platform in 2007 that includes supporting local grassroots initiatives and developing sustainable business practices to minimize the company’s carbon footprint. Pine Needle carries and promotes products such as Patagonia’s organic cotton and Capilene recycling program, Moons low-waste footwear, and Osprey’s ReSource backpacks.
Environmental Initiatives: Pine Needle became a flagship member of Prana’s Natural Power Initiative in 2005. Through the initiative, all of the company’s power needs are offset through Green-E certified renewable energy credits. Recent initiatives include a paper, glass and electronics recycling program. The store also re-uses packaging in shipping for the web aspect of its business.
Community Outreach: Pine Needle is an active supporter of such organizations as Trails 2000, San Juan Mountains Association, Silverton Avalanche School, Center for Snow and Avalanche Studies, and Durango Nature Studies.

RIVER SPORTS OUTFITTERS
Contact: 2918 Sutherland Ave., Knoxville, TN 37910; 865-523-0066; gearpro.com
Key Management: Ed McAlister, owner and president
Founded: 1982
Stores and Employees: 1 store, 14 employees
First Brand(s) Carried: Sierra Designs, Perception, Old Town, Wilderness Systems, Merrill
Most Recent Brand(s) Added: Native Eyewear, Legacy Pack Sports, Vibram FiveFingers, Moos
2006 Sales: $2.5 million
2007 Highlights: The company has redefined its niche in the Knoxville area following the opening of several big box sporting goods stores. After resolving insurance issues, River Sports is re-launching a service-oriented instruction program for its customers this year.
Environmental Initiatives: The retailer uses a Patagonia environmental grant to build a new boat launch on the French Broad River, a local whitewater destination. River Sports is also partnering with Mountain Hardwear for other environmentally oriented outreach programs.
Community Outreach: Most of the retailer’s marketing and environmental initiatives are geared towards community outreach. River Sports has a different community outreach program going on every week of the year.

ROCK CREEK OUTFITTERS
Contact: 100 Tremont St., Chattanooga, TN 37405; 423-266-8290; rockcreek.com
Key Management: Dawson Wheeler, co-owner
Founded: 1987
Stores and Employees: 4 stores, 70 employees
First Brand(s) Carried: Vasque
Most Recent Brand(s) Added: Mammut
2006 Sales: $7 million to $10 million
2007 Highlights: In October, Rock Creek launched a new logo, color palette, and electronic recycling program. The store also re-uses packaging in shipping for the web aspect of its business.
Environmental Initiatives: Rock Creek helps fund various charitable foundations including the Southeastern Climbers Coalition, the Access Fund, the Cumberland Trail Conference, and the Lula Lake Land Trust. Rock Creek also hosts and sponsors several major outdoor events each year—including the StumpJump 50K Trail Race, the River Gorge Trail Race, and the Triple Crown Bouldering Series—in an effort to raise money for environmental and access initiatives. The company is a participant in Prana’s Natural Power Initiative—100 percent of the power used by Rock Creek OUTFITTERS is now offset by certified Green-E natural wind power.
Community Outreach: The company sponsors numerous paddling events that benefit Tennessee River Gorge Trust and involves the general public in educational and recreational opportunities in the Gorge. Rock Creek also supports Outdoor Chattanooga, a city organization charged with educating people about the outdoors and facilitating outdoor programs for the public.

DIRECT RETAIL CONTINUES TO Evolve
Direct retail has come a long way from the days of the twice-yearly catalog in the mail. Today, most online businesses are doing more volume through their online stores than through their catalogs. In addition, the Internet has started moving away from the off-price model that has sustained retailers such as Sierra Trading Post and Campmor for the past decade. While these two retailers are still major forces in the online and direct retail market, companies that are taking a true “specialty” approach to online retailing—selling at full-price and promoting only their best products and services—are showing strong growth.

L.L. Bean, known to many across the country as a direct retailer, is making a major push into brick-and-mortar retail expansion over the next several years. The ME-based retailer’s 2006 net sales of $1.54 billion set a new record for the company, representing a 4.6 percent increase from 2005. E-commerce grew almost 10 percent and became the company’s dominant sales channel for the year, surpassing catalog sales for the first time. L.L. Bean also contributed $2.5 million toward conservation, recreation, health and human services, education and the arts.

Sierra Trading Post’s catalog and online sales account for roughly 90 percent of its estimated $105 million in annual revenues. The company invested in its website in 2005 and saw a significant increase in web sales.

Campmor has kept a consistent, decades-long presence in the marketplace with its newsprint catalog. Earning roughly $88 million in sales this year, the retailer is pushing ahead with this same catalog strategy, to be complemented by an improved web presence.

Backcountry.com has been one of the biggest growth stories in the outdoor industry this decade. What started as a simple garage operation has matured into a successful direct retailer with $82 million in sales—a 56 percent increase from $52 million in 2005. The company has been generating 50 percent-plus sales growth for each of the past five years. This year, Backcountry owners Jim Holland and John Bresle sold a majority interest in their company to Liberty Media, the holding company that also owns QVC and Starz. The new ownership will provide more funding for growth going forward and, according to Bresle, Liberty Media will be giving the existing management team free rein over day-to-day operations.

Moosejaw has successfully transformed itself from a brick-and-mortar store into one of the largest, fully integrated, multi-channel independent outdoor specialty retailers in the country. Today, online sales account for the vast majority of Moosejaw’s revenue, but the brick-and-mortar business is still thriving. Moosejaw also recently brought in a new ownership partner, private equity firm Parallel Investment Partners. Moosejaw founder Robert Wolfe, along with his siblings, will maintain significant ownership in the company and continue in their current management positions. The partnership with Parallel should allow Moosejaw to expand its online, catalog, retail and private label businesses.
TOP 25 SPECIALTY RETAILERS

RUTABAGA PADDLESPORTS
Contact: 220 West Broadway, Monona, WI 53716, 608-223-9500, rutabaga.com
Key Management: Darren Bush, owner
Founded: 1976
Stores and Employees: 1 store, 25 employees
First Brand(s) Carried: Wenonah Canoe
Most Recent Brand(s) Added: Native Watercraft, Mison
2006 Sales: $4.8 million
2007 Highlights: The 26th annual Canecopia event set sales and attendance records. Rutabaga Outdoor Programs—which include courses from beginning recreational kayaking to BCU and ACA certifications—continue to reach more than 1,000 children and 600 adults every year. In October, Rutabaga co-owner Jeff Weidman announced his retirement.
Environmental Initiatives: Rutabaga has converted all interior lighting from halogen to energy-saving compact fluorescent lamps. The company uses a diesel vehicle fleet and has joined the local bio-diesel co-op where it purchases the majority of its fuel.
Community Outreach: In 2007, Rutabaga trained three more instructors on adaptive paddling techniques. The company is working with the University of Wisconsin to reach more clients with physical disabilities and has purchased gear designed for adaptive paddlers. Rutabaga focuses its marketing efforts on beginning and novice paddlers while maintaining a service level that experienced paddlers expect.

SKINNY SKIS
Contact: 65 W. Delaney, Jackson, WY 83001, 307-733-6094, skinnyss.com
Key Management: Phil Leeds, co-owner, Jeff Crabtree, co-owner
Founded: 1974
Stores and Employees: 1 store, 15 employees
First Brand(s) Carried: Fischer (Skinny Ski was also one of Marmot’s, Gregory’s and Moonstone’s first five U.S. retailers.)
Most Recent Brand(s) Added: Patagonia Footwear
2006 Sales: $5 million to $4 million
2007 Highlights: Winter 2006/07 sales were good despite below-average snowfall. Spring and early summer sales have also been good.
Environmental Initiatives: Skinny Ski supports local environmental non-profit organizations including the Friends of Pathways, Jackson Hole Wildlife Foundation, Jackson Hole Land Trust and Jackson Hole Conservation Alliance.
Community Outreach: The retailer works closely with the Jackson Hole Nordic Ski Team, Grand Teton National Park climbing rangers and local guide services. The company’s annual Run N Ride for the Cure event, which raised $11,000 this year, benefits local cancer patients through the St. John’s Medical Center.

TRAILBLAZER
Contact: 102 Broad St., Guilford, CT 06437; 203-458-1639; trailblazerdirect.com
Key Management: Chris Howe, co-owner; Todd Raskin, co-owner; David Venables, co-owner
Founded: 1996
Stores and Employees: 3 stores, 50 employees
First Brand(s) Carried: Patagonia, The North Face, Vasque, Asics, Timbuk 2
Most Recent Brand(s) Added: Lole, Quiksilver Silver Edition, Element, Nike 6.0, Rexy
2006 Sales: $9 million to $11 million
2007 Highlights: This year, Trailblazer increased sales while substantially reducing standing inventory. The company installed a large-format concept shop for The North Face in the Uncasville location. A redesign of ShopTrailblazer.com will launch this November.
Environmental Initiatives: Trailblazer is using more LED and other alternative lighting products to reduce energy consumption in all store locations. Bio-diesel fuel is being used in the company’s delivery truck.
Community Outreach: Trailblazer is a major sponsor of road races, fundraisers and charity events that benefit the local community. The company also provides direct funding of local organizations that preserve local wetlands, waterways, trailheads and greenways.

UTE MOUNTAINEER
Contact: 308 S. Mill St., Aspen, CO 81611; 970-925-2849; utemountaineer.com
Key Management: Bob Wade, owner
Founded: 1974
Stores and Employees: 1 store, 25 employees
First Brand(s) Carried: Patagonia, Fischer (Skinny Skis was also one of Marmot’s, Gregory’s and Moonstone’s first five U.S. retailers.)
Most Recent Brand(s) Added: Kleen Kanteen
2006 Sales: $4.3 million
2007 Highlights: Cloudveil selected Ute Mountaineer as one of 10 “Inspired Mountain Retailers.” The store will receive customized consumer catalog mailings, special staff apparel and on-site training clinics. Ute has also installed an Icebreaker Touch Point concept store that includes wall panels, light boxes and fixtures.
Environmental Initiatives: Bob Wade, owner of Ute Mountaineer, is on the board of Independence Pass Foundation, an organization involved with preservation and restoration initiatives on Independence Pass. The company recycles all office pack, plastic, glass, newsprint, magazines and cardboard generated in the business. In conjunction with Patagonia, Ute Mountaineer recycles Capilene and sends customers’ used shoes to soles4souls.
Community Outreach: Ute Mountaineer uses events to give back to the community. The store hosts America’s Uphill in March, the Owl Creek Chase in February, and the Golden Leaf Half Marathon in September. The retailer also hosts the Best of Basf Film Festival and participates with Roaring Fork Outdoor Volunteers on open space and trail projects.