

GEARTRENDS

POWERED BY SNEWS

»» WINTER OUTDOOR 2008

» CREATING COMMUNITY THROUGH COMMUNICATION » GEARTRENDS.COM

on the

BACKCOUNTRY SKIING PRIMED AND READY FOR GROWTH



- O Going Natural

 Can outerwear be eco-friendly?
- The Right Blend

 Coffee suppliers look to stir up business
- Tomorrowland

 Explore the future of retailing
- Tamily Affair

Industry daughters emerging as leaders

TAILER SURVEY
TED HINE
318 SOUTH PL
LOUISVILLE CO 80027-1648

PRSRT STD US POST PD PERMIT #67 LONG PRAIRIE MN P2 8/8

Haldhallmaldhalmlldhalalhdaallhalaldd

CATEGORY REPORTS



industry trailelazers Part IV

The late 1960s and early 1970s drew more innovators to the Outdoor industry—some intrigued by design aesthetics, Others drawn by the hopes of monetary rewards.

hrough the late 1960s and early 1970s, the increasing popularity of hiking, climbing and backpacking generated an influx of creative talent into the outdoor gear manufacturing and retailing communities. People decided to enter the industry for a variety of reasons, and they brought a wide range of skills. Some came to the outdoor business with strong climbing resumes, while others came to the business simply because they were interested in the aesthetics of outdoor gear and its

form and function. Still others joined because the market was growing and the opportunities for profit were thought to be outstanding.

GREG AND TED HINE

With a father who ski-raced for Yale in the 1930s and later owned an alpine ski area in northern New Jersey, it was a sure thing that the Hine brothers, Greg and Ted, would be introduced to the outdoors at an early age. The brothers recalled big family outings to alpine ski. In prep school, Greg became an avid cross-country ski racer, while Ted stuck to his alpine skiing roots.

In the summer of 1964, Ted drove to California with a prep school buddy, and when that friend decided to stay in Berkeley, Greg flew out to drive home with his brother.

Driving back through Colorado, they both fell in love with it and ended up attending the University of Colorado, Boulder.

Ted graduated in 1969 with a degree in business administration, and a year later, got what he called his first real job ever as the computer operator at Alpine Designs in Boulder.

Greg graduated from the University of Colorado, Boulder, in 1971 with a degree in environmental biology and went to work as a seasonal ranger with the U.S. Park Service. In 1971, he was a summer ranger at Mount Rainier and, the following year a cross-country ski ranger at Yosemite National Park

year, a cross-country ski ranger at Yosemite National Park. While Greg settled in at Yosemite National Park, Ted was laid off at Alpine Designs and decided to visit his brother with a few friends in tow.

"During the week they stayed with me, Ted brought up the idea about the two of us starting an outdoor gear-making company," Greg said. Shortly after, in the spring of 1972, the brothers were in the throes of setting up shop in Boulder.

They carefully researched the gear that was currently on

the market and decided to focus exclusively on packs. Their first pack sales were to Neptune Mountaineering in Boulder in the spring of 1973, not long after Gary Neptune opened the store for business.

From then until 1986, the Hine brothers designed and produced three pack lines at their Boulder facility: Hine-Snowbridge backpacks, Kirtland (originally Tour Pack) cycling bags, and Atan camera bags.

They also made a conscious decision to produce everything in Boulder—which would come back to haunt them later.

"At the start of the '80s, we realized that our decision to stay in Boulder and not go off-shore like everyone else in the business was

really hurting us," Greg said. "Add to that the fact that the SLR camera pack business was being eroded by the rise in popularity of point-and-shoot cameras and that mountain biking was killing bicycle touring, and we were in trouble."

The brothers sold their company to ski bag maker Quality Sports Products of Old Saybrook, Conn., in 1986. Greg 1



became a consultant in the bicycle industry, while Ted worked on supermarket ad displays.

In 1990, Greg helped Quality Sports shutter its operations. That done, he and his brother turned their attention to developing a continuation of their old partnership, now under the HSI Industries moniker.

"Greg did importing and contract work for the outdoor and bike businesses, while I continued to work on the ad display business," Ted said.

On Greg's side of the business, he had a contract with REI for cycling packs and later REI-branded backpacks. Eventually, the business expanded into private label packs, socks and sleeping bags for brands like Lands' End, Eddie Bauer, Trek Bicycles and Specialized Bicycle Components. In 2005, REI took over HSI Industries.

Today, Greg Hine, 60, stills lives in Boulder, is semi-retired and totally out of the outdoor business. Ted, 62, lives in nearby Louisville, Colo., where he is working on several entrepreneurial projects and researching his family's genealogy.

LARRY PENBERTHY

Like so many of those who helped shape the early years of the outdoor business, Larry Penberthy was a talented and inventive engineer. His inventions ranged from deep-sea diving gear to industrial safety products. One particular invention—glass that protected workers from the affects of radiation—left him well off and free to tinker at will.

With time on his hands, Penberthy became an active mountaineer and climber in the 1960s. During his climbing exploits

with Seattle's Mountaineers climbing group, he began to question the reliability of the climbing gear available on the market at the time. That was the impetus to launch Mountain Safety Research (MSR) in 1969 with the specific purpose of testing existing climbing equipment and creating better gear when necessary.

The company's first product was the Eagle ice axe in 1970, followed by a helmet. In 1973, the Model 9 stove, the first pressurized fuel canister stove, hit the market—a result of Penberthy's research into high-altitude pulmonary edema (HAPE). He found that dehydration played a significant part in climbers becoming affected with HAPE and concluded if they had a reliable high-

altitude stove to melt snow for water, it would go a long way in helping them avoid illness.

A year later, MSR came out with the first-ever panel-loading pack. That was followed in 1975 with MSR becoming the first outdoor gear maker to use long-lasting lithium batteries in head-lamps. That year also saw the company introduce the first multifuel camp stove.

In 1976, Penberthy turned his attention to apparel and was the first to put underarm zippers into mountaineering jackets.

While MSR became noted for the seemingly constant flow of inventive product, Penberthy himself became somewhat of a cult figure among outdoor retailers and consumers for his regular MSR newsletters.

In his newsletters, which had the look and feel of an under-

ground publication, Penberthy shared test results and opinions. He also used the newsletter's pages to take jabs at REI, which just happened to be across the street on Seattle's Capitol Hill from the MSR retail store, as well as its president at the time—Jim Whittaker.

That was the beauty of the newsletters. For

all their technical dryness, there was

also all manner of very pointed and inadvertently funny material. Ironically, Penberthy would sell MSR to REI in 1981.

Larry Penberthy

Just having MSR and successful patents on your resume would be enough for most people, but not Penberthy. He ran for a seat in the U.S. Senate in 1982 and the U.S. House in 1990, and even ran for lieutenant governor of Washington state in 1992, on platforms that included the advocacy of nuclear energy. He was unsuccessful each time.

Penberthy passed away in 2001 at age 85.

DICK McGOWAN

Widely recognized for his contributions to the adventure travel

business as the managing partner and owner of Mountain Travel for many years, Dick McGowan was also a key figure in the early days of the outdoor business.

A serious alpine climber as a young man in the early 1950s, McGowan made numerous ascents of major peaks in Alaska and the Yukon Territory. His climbing notoriety got him hired by Jim Whittaker as REI's first employee and manager of the co-op's small retail store.

His retail career at REI was short-lived, ending in 1955 when he was invited to be a member of the International Mount Everest Expedition. On that expedition, no climber reached the summit, but McGowan became the first American to set foot on the mountain.

On returning to the Seattle area, he took over leadership of the Mount Rainier guide service and remained involved with the organization for 10 years.

Firmly ensconced in the climbing world and aware of the growing interest in backpacking and camping, McGowan opened the Alpine Hut chain of

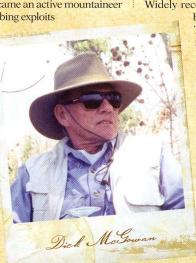
retail specialty stores in the Puget Sound area of Seattle in 1963. He followed that up a year later by getting into the outdoor gear manufacturing business with his Mountain Products company based in Wenatchee, Wash.

After selling Mountain Products in 1974, McGowan migrated into the adventure travel business, spending 20 years with Mountain Travel beginning in 1976. A year after retiring from Mountain Travel in 1996, he formed the Berkeley-based African safari company Next Adventure.

McGowan died in early 2007 after a long battle with leukemia.

BILL MOSS

Inspired by natural elements like drifting snow and rippling § waters, Bill Moss wasn't so much a tentmaker as a fabric artist. § A graduate of Michigan's Cranbrook Academy of Art, Moss



brought an artist's sensitivity to his design work at Moss Tent Works, and in the process turned the often-mundane world of tents into an exciting one of elegant curvilinear structures,

A man who called his tents "functional sculpture," Moss created his first tent, the freestanding Pop Tent, in 1955. It was way ahead of its time and from a designer who would later say of the beauty of tents: "who wants to look at a painting when you can live inside one."

It wasn't until 1975 that Moss officially got into the tent business when he and his wife, Marilyn, took out a \$200,000 Small Business Administration loan and opened Moss Tents Works in an old factory in Camden, Maine.

Their business chugged along nicely until 1979 when they came out with the Stargazer tent. Made with two overlapping arches (Vesica Piscis) in the same method that had been employed to create the dome roofs of the great European cathedrals, the tent and the Moss company caught the imagination of people, including many who didn't care much about tents let alone camping. That attention prompted magazines and newspapers, like Time and The New York Times, to do profiles on Moss.

The Stargazer was a classic example of Moss' design dictum that "nature doesn't work in straight lines."

Moss Tent Works followed up the Stargazer with countless other artistic and functional tents, sun shades and even branched out into convention space shelters and exhibits, many of which were inspired by Moss' deep interest in the work of architect Frank Gehry. Eventually, the company was sold to MSR.

Bill Moss died in 1994 at the age of 71.

DALE JOHNSON

Growing up in Colorado, Dale Johnson developed what he calls, "a tremendous enthusiasm for the outdoors." An enthusiasm that only grew greater when he got into rock climbing when he was a geology major at the University of Colorado, Boulder.

After graduating in 1954, Johnson was drafted into the Army and discharged two years later. He went into the oil exploration business, but soon tired of it.

"I saw an ad that Gerry Cunningham was looking for people to help at Gerry, and since I'd met him while at the university, that got me interested in getting into the outdoor business," he said.

Johnson joined Gerry in 1956. His first task was making the loosely formed company into a formal corporation. Next, he opened the Gerry Mountain Sports retail shop in Boulder in 1956. Then, he created Gerry's first production facility in Boulder. "Prior to that, all of Gerry's products were made by women in their homes," Johnson said.

During his tenure with Gerry, Johnson and Cunningham often talked about producing sewing kits of clothes, booties and gear for home sewers. The problem was, Johnson said, "that Gerry's idea of a kit was way too tough for people to deal with."

Eventually, Johnson would leave Gerry for a job with a Denver bank but, after three years, he decided corporate life wasn't for him. In trying to figure out something to do on his own, he came back to the sewing kit idea. "I decided to make kits and make them easy for people to work with."

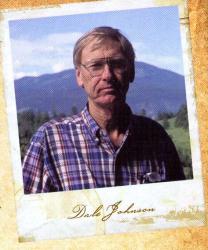
Johnson's Frostline company was born as a small catalog operation, which over time grew into a major mail-order business with an 18-store retail chain. Items like the company's down vest and down booties became incredibly popular during the "backpacking boom."

In 1978, the Gillette corporation purchased Frostline, and after a year working for the new owners, Johnson moved on to a private life filled with work for various environmental causes.

Looking back on his Frostline days, Johnson, now 76, said: "It

was a glorious time. It was so wonderful having customers sewing kits. It was like having everyone actively involved in the company. It was fun.

"I still meet people all over the world who, when they find out who I am, say, 'Oh, I made this or that from one of your kits.' It's very gratifying," he added.



GARY KIRK AND MARCIA BRIGGS

Caribou Mountaineering co-founder Gary Kirk became involved in the outdoors when he was in the Navy and stationed in Southern California. On shore leave, he'd head to Three Rivers in the Sierra where he fell in with a group of climbers.

Later, some of the group moved to Chico, Calif., to work logging jobs in the summer and be ski and climbing bums the rest of the year. That's where Kirk met Marcia Briggs, a native of Minnesota who was visiting friends in Chico. Within days, they hit it off and decided to become business partners, launching Caribou Mountaineering.

From the company's inception, Briggs did all the design and sewing, while Kirk did the purchasing and managed the finances. "Gary was also attending Chico State on the G.I. Bill at the time," Briggs said.

The company's first products were tents along with packs for the expedition minded. But it was two smaller packs, the Cricket and Skeeter, that really caught fire.

"Our rep, Bill Ford, got us into the college bookstore market with those two packs," Briggs said, "and it was the best thing we ever did. By 1976, our book packs represented 65 percent of our business."

Ford also played a key part in getting Caribou Mountaineering into the soft luggage business—a category many outdoor industry veterans say the company created. "Bill came into the office one day with this raggedy old briefcase under his arm, and I was so embarrassed that he'd be calling on customers with it that I sewed him up a fabric brief on the spot," Briggs said. "He loved it and that briefcase caught the eye of his customers. Soon they started ordering them, and soon after that we added duffels and all sorts of travel luggage and packs."

With the luggage business now solid, Briggs branched out designing a line of women's jackets that took off at retail.

"Even after our production was completely booked, we kept taking orders for the jackets. That was a big mistake and caused us to contract out the jacket production. The first contractor's efforts were horrible and we took back most of what we'd sent retailers," she said. "The second batch was better, but cost us way too much and that put us on the ropes financially."

In 1979, Caribou Mountaineering went looking for outside financing, which was provided by a Michigan group that bought half the company.

Kirk left Caribou Mountaineering that year, but Briggs stayed on. "They were some very exciting years during the next 11 years as the investment group trimmed the line to just those items that were making money. As a result, I was no longer struggling to make ends meet financially and had time to work on a catalog and improving our facilities."