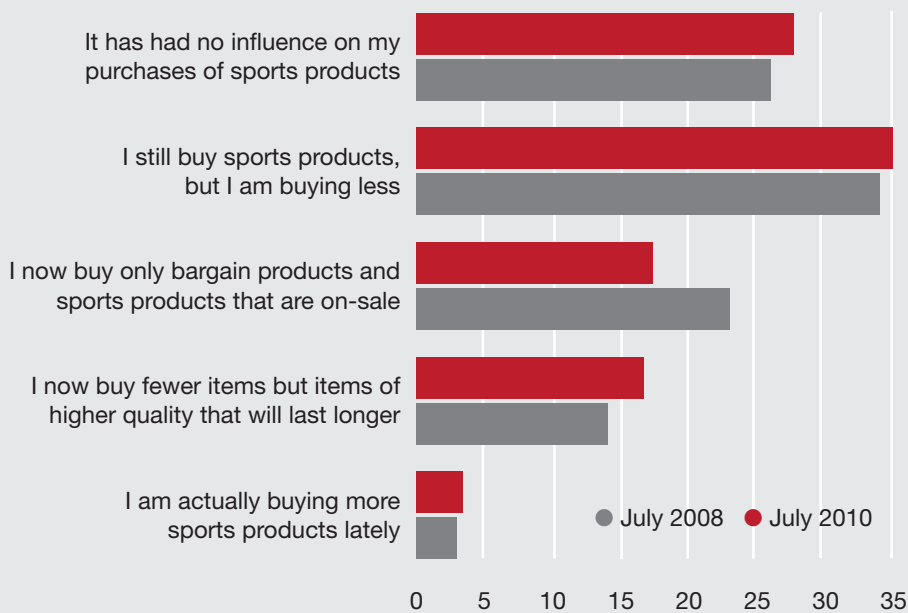


Consumers Plan to Spend this Fall & Winter

Leisure Trends Group Survey Paints Optimistic Picture for Fall Retail Sales



Impact of Economy on Spending (% Responding)



Active Americans are looking forward to the 2010/2011 winter season, according to a recent study by Leisure Trends Group, with almost half (48 percent) of survey respondents reporting that they plan to spend the same or more on sports-related gear, clothes and shoes this winter season than they did last year. This is up from 33 percent who gave the same answers in 2008. The survey, conducted in late July among Leisure Trends Group's proprietary Most Active Americans Panel™, paints a more positive picture for retailers this fall than was indicated in July 2008, before most of the bad economic news began to hit. Only a third of Active Americans indicate that they plan to spend less than last year, compared to 40 percent who answered similarly in 2008. So far in 2010, this optimism has translated into gains at the cash register in the chain and Internet channels with outdoor retail dollar sales showing increases over last year in the outdoor equipment, equipment accessories, apparel and footwear categories. Survey results suggest that momentum gained in first half of the year will to continue throughout the fall.



TREND INSIGHT

THE NUMBERS



17%

Only buy bargain products and sports products that are on sale.

39%

Would spend the additional funds on sports-related travel.

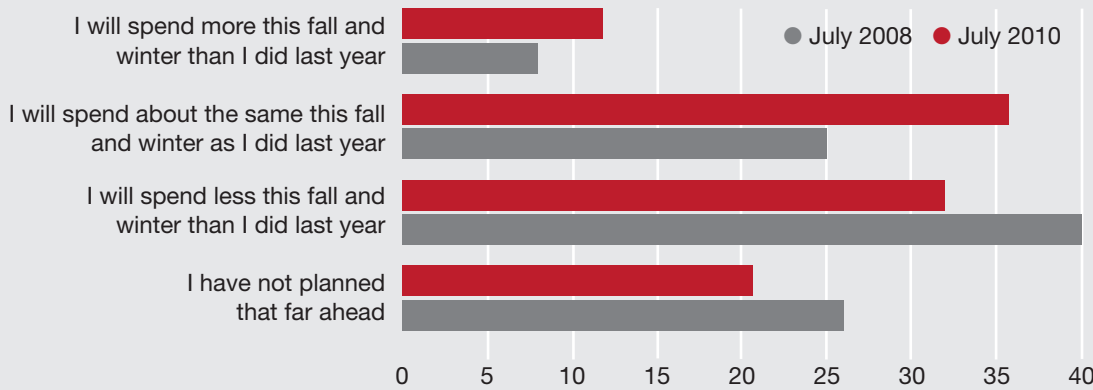
48%

Plan to spend the same or more on sports-related gear, clothes and shoes.

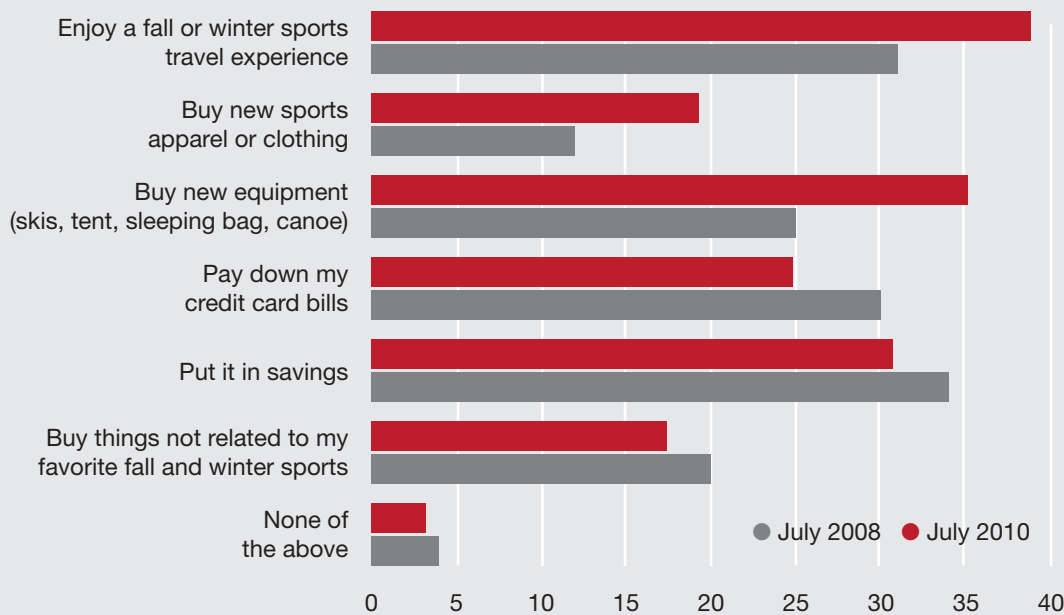
95%

Would pay more for a sports product that will last many years.

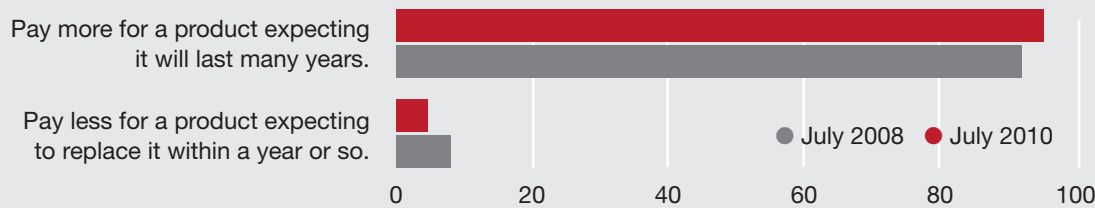
Planned Spending for Gear, Clothes & Shoes (% Responding)



If I had \$1,500 to Spend This Fall/Winter (% Responding)



Preferable Way to Select New Sports Product (% Responding)



Some Signs of Optimism

While the spending outlook for this fall is brighter than it was in 2008, the economy is still on consumers' minds. Thirty-five percent of Active Americans indicate that the current economic environment has caused them to purchase fewer sports products than they used to, roughly the same percentage as in the 2008 survey. An improved picture is still evidenced, however, by the number of respondents (17 percent) saying they only buy bargain products and sports products that are on sale compared to 23 percent who selected this answer in 2008. Twenty-eight percent of respondents report that the economy has had no impact on their sports-related purchasing.

A Search for Quality

Another positive sign is consumers' willingness to spend more for quality products. When asked how they prefer to select a new sports product, 95 percent of Active Americans say they prefer to pay more for a sports product that will last many years rather than pay less for a product that will need to be replaced in a year.

Inclined to Spend on Sports

Greater consumer optimism now versus 2008 is also seen in how consumers would use \$1,000 in additional income. Compared to 2008, Active Americans today are more inclined to spend the money and less likely to use it to pay down bills or put it into savings. Thirty-nine percent of respondents would spend the additional funds on sports-related travel, 35 percent on new sports equipment and 19 percent on new sports apparel — all notable increases. On the flip side, 31 percent of Active Americans would put money into savings and 25 percent would use it to pay down credit card bills, down from 34 percent and 30 percent. "Across the board, we are seeing a greater willingness to spend," says Jim Kelley, managing director of Analytical Services for Leisure Trends Group. "From the trends we are seeing in our RetailTRAK™ retail sales tracking data to the results of this consumer survey, the movement is all in the right direction. That should bode well for retail this fall." ●