



# The Brands to Beat

In an exclusive study, NPD Group tracks the top 10 footwear brands with the best sales in 10 major categories.

By JOCELYN ANDERSON

**NEW YORK** — The proven winners continue to deliver.

A new, exclusive *Footwear News*/NPD Group study shows that, for the most part, the high-visibility labels — from Skechers to Nike to Ugg — are dominating key categories across the footwear market.

“Sometimes the surprise is the absence of change,” said Marshal Cohen, chief industry analyst for The NPD Group. “Brands don’t come and go, and trends don’t disappear. They may rise and fall, but they don’t go away.”

The study ranked the top 10 brands in 10 major footwear categories, including comfort, juniors’, contemporary, athletic-performance, outdoor and skate, among others. The lists were compiled by NPD from dollar sales data

from select department stores, national chains, athletic footwear retailers and specialty stores for the 12-month period ended April 2008. (High-end brands, smaller boutique names and store-specific private labels were not part of the study. NPD determined the category breakdown and brand mix. For a complete list of participating retailers, see page 15.)

It’s been a difficult time for the footwear industry, so it’s no surprise that most market segments have lost ground in the past year. In fact, the outdoor category was the only one that managed to eek out overall sales gains for the period.

“You can’t just rest on the laurels of good sales,” said Cohen. “You have to go out of your way to keep the product top of mind. And these numbers bear out that’s not what the industry did. Footwear is not going to sell itself.”

## Women's Brands Show Little Shift

Jones Apparel Group and Brown Shoe remain on top of the women's contemporary market. Jones owns four of the bestselling brands on the list, while Brown controls three, including Naturalizer, which once again ranked No. 1.

The category racked up \$2.7 billion in sales for the 12-month period, a 2 percent decline from year-ago levels. (That includes all fashion footwear with a \$60 price point or less.)

"Naturalizer being available in Famous Footwear, one of the largest retailers, and across department stores, chain stores and specialty stores allows them to top the list," said Cohen. "Does it mean they are the most popular? Not necessarily, but people are buying them, because they are the most available."

### WOMEN'S CONTEMPORARY

Brands	2008	2007
Naturalizer	1	1
Nine West	2	2
LifeStride	3	3
Bandolino	4	4
AK Anne Klein	5	6
Liz Claiborne	6	5
White Mountain Footwear	7	7
Franco Sarto	8	9
Mootsies Tootsies	9	10
Nina Footwear	10	11

Source: NPD Group/Retail Tracking Service

Others said the brand has managed to reinvent itself recently. Hawley Lane Shoes in Shelton, Norwalk and Stamford, Conn., will begin stocking Naturalizer in the fall.

"Naturalizer is changing," said GM Bobby Lozier. "They have a lot of nice, sexy shoes with good price points."

At Alec's Shoes in Nashua, N.H., buyer Wendell Palmer said the dress shoe business has slowed, and his shop is focusing more on casual brands. As a result, sales of brands such as Liz Claiborne have gone down. However, Franco Sarto is an exception. "They are hitting the younger, professional woman," said Palmer.

## Traditional Brands Lead Men's Mainstream

Most male consumers are creatures of habit, so it's no surprise that the men's mainstream market continues to be domi-

nated by familiar names such as Dockers and Sperry Top-Sider.

"Men are the least likely to brand shift out of anybody," said Cohen, who noted that children, women and teens are all more likely to branch out with new brands. Overall, the men's category experienced a 1 percent drop from last year, reaching \$760 million in sales.

### MEN'S MAINSTREAM

Brands	2008	2007
Dockers	1	1
Sperry Top-Sider	2	3
Nunn Bush	3	2
Timberland	4	4
Stacy Adams	5	5
Giorgio Brutini	6	6
Wolverine	7	9
Columbia	8	8
Streetcars	9	11
Deer Stags	10	7

Source: NPD Group/Retail Tracking Service

But while the big names aren't changing, fresh styling is becoming increasingly important for brands, according to men's retailers. "Giorgio Brutini is the best," said Mohammed Asad, owner of Shoe Palace in Pompano Beach, Fla. "They have nice, beautiful styles, and they keep coming up with new ones at

the right price points."

On the casual side, Sperry Top-Sider, Streetcars and Wolverine all saw improvements in their rankings. And though Columbia appears stuck at No. 8, Steve Stoutjesdyk, a buyer at Mieras Family Shoes in Grand Rapids, Mich., said his store has done well with the brand. "Columbia has taken on strong and should be good for next fall too," he said. "They had a great summer sandal season."

## Opportunities Abound For Women's Comfort

The competition is heating up in the women's comfort market. Though the category saw a 4 percent dip from last year, retailers report a surge in sales of comfort brands. The category pulled in \$798 million in revenues for the period.

"Our bestsellers are not dress shoes," said Palmer. "Comfort shoes are doing well. People are doing a lot of walking, buying a better shoe and hoping it lasts longer."

Crocs, which garnered a seventh place ranking on the list, has been the fastest-growing comfort brand of the past three years.

Cohen, however, isn't sure the enthusiasm for the brand will last. "Crocs must

### WOMEN'S COMFORT

Brands	2008	2007
Clarks England	1	1
Børn	2	3
Easy Spirit	3	4
Aerosoles	4	2
Merrell	5	5
What's What	6	7
Crocs	7	8
Ecco	8	6
Sofft	9	10
Hush Puppies	10	9

Source: NPD Group/Retail Tracking Service

find a way to diversify its product to be embraced by its core customer and continue to find new customers," said Cohen. "Not everybody wants to wear that shoe."

Lozier said the brand is already finding success at his shop with more diverse styles. "They're coming up with new stuff. We couldn't keep the wool ones in the store last winter. We totally sold out of them."

## Little Change in Men's Comfort

On the men's side, comfort saw no percentage change in sales from last year, holding steady at \$341 million in ▶



## MEN'S COMFORT

Brands	2008	2007
Rockport	1	1
Ecco	2	2
Clarks England	3	4
Børn	4	3
Crocs	5	5
Merrell	6	6
Margaritaville	7	8
Hush Puppies	8	7
Birkenstock	9	9
Sebago	10	11

Source: NPD Group/Retail Tracking Service

revenue. But in this category, smaller names took advantage of a growing market and worked their way up the list.

"Emerging brands put comfort into the message in a bigger, better way, and it resonated with consumers," said Cohen.

On the other hand, an established name is helping to keep some companies competitive. "Clarks and Hush Puppies are good, but I would rank them after Rockport," said Asad. "Their styles are generally good for our older customer base."

In men's, Crocs remained in the No. 5 spot for another year. "They are doing better in women's," said Lozier. "On the

men's side, I still have a whole rack full. Few guys wear them."

## Juniors Continue To Favor Style

Trendy is the name of the game in the women's juniors' category. Despite a 2 percent slide from last year, the segment took in \$949 million. [Both juniors' categories were determined by price points and NPD brand lists.]

"Style is No. 1 [in juniors' shoes]," said

## MEN'S JUNIORS

Brands	2008	2007
Skechers	1	1
Steve Madden	2	2
Dr. Martens	3	4
Dr. Scholl's	4	5
GBX	5	3
Lugz	6	6
Gotcha Int'L	7	8
Rocket Dog	8	11
Ocean Pacific	9	9
Unlisted by Kenneth Cole	10	12

Source: NPD Group/Retail Tracking Service

## WOMEN'S JUNIORS

Brands	2008	2007
Skechers	1	2
Steve Madden	2	1
Mudd Footwear	3	3
Rampage	4	4
Rocket Dog	5	5
Chinese Laundry	6	10
Unlisted by Kenneth Cole	7	8
Report	8	9
Mia	9	6
Dr. Scholl's	10	15

Source: NPD Group/Retail Tracking Service

Cohen. "But it has to be affordable style. So when Skechers and Steve Madden are under \$100, that becomes acceptable to the parent. [These brands have] recognized who their core customer is, and they've said, 'We're going to dominate in these categories.'"

Skechers took the top spot this year, knocking Steve Madden to No. 2. Mudd Footwear, Rampage and Rockdog rounded out the top five, as they did last year.

"Teen shoes do very well," said Palmer, calling out Mudd, Report, Rocket Dog, Steve Madden and Unlisted by Kenneth Cole as bestsellers in his store.

## Fickle Male Shoppers Push Juniors' Down

Though this category saw a 16 percent plunge from last year, for a total of \$302 million in sales, the top 10 brands all held steady or received bumps in position, with the exception of GBX, which tumbled two spots. Again, it's all a matter of style, according to store owners.

"The look is everything," said Rick Stuelpnagel, owner of Heel and Sole Shoes

in Chico, Calif. "No guy is going to buy some green polka-dot boots, no matter how comfortable they are."

And just like in women's juniors', Skechers and Steve Madden ranked highest in the category. Still, retailers have noticed the dip in sales.

"We carry Skechers for men, women and kids. Kids' [styles] dominate all the time. Men's is slow," said Lozier. "We are trying to get the tween and twentysomethings to buy them."

Stuelpnagel has noticed a similar decline in Steve Madden for men, while the women's side does much better. He said other men's brands do well in his small college town.

"There's still a big following for Dr. Martens," said Stuelpnagel. "And Dr. Scholl's have come back somewhat. They have captured a certain look this year, which is doing OK."

## Athletic Shoes Ring Up \$7.2 Billion

Although overall performance-athletic sales were down 3 percent in the period,

## PERFORMANCE

Brands	2008	2007
Nike	1	1
Brand Jordan	2	3
New Balance	3	2
Adidas	4	5
Reebok	5	4
Asics	6	6
Puma	7	7
Avia	8	9
K-Swiss	9	8
Skechers	10	10

Source: NPD Group/Retail Tracking Service



the category is still ringing up huge sales — to the tune of \$7.2 billion.

Athletic giant Nike topped this list for another year, thanks to a combination of fashion-forward styles and tech-savvy product.

Outside of Nike, some retailers said more specialized performance brands are doing well.

"Nike is very fashionable and marketed extremely well," said Jovan Zow, manager of Super Runners Shop in New York City. "They make good shoes, but more serious runners tend to stray away from Nike."

Asics is considered a top brand for runners; however, the brand's repeat ranking in sixth place might be explained by a lack of new product offerings. "The only problem with Asics is they really haven't made any drastic changes," said Mike Turner, manager of Swag's Sport Shoes in Louisville, Ky.

Retailers remain optimistic about the future of this category. "Even with gas prices as high as they are, our business is still doing very well because people still want to get out and try to keep in shape, try to keep the weight off, keep their heart healthy," said Turner. "They need to make sure they have the appropriate shoes and apparel to do that."

## Low Performance Sees Some Shifts

While not as hot as it once was, the low-performance athletic category is still delivering healthy results. The market posted a sales dip of 7 percent for the period, but overall retail sales totaled \$1.8 billion.

Names such as Skechers, Puma and Converse continue to lead the category. However, the biggest mover on the list was New Balance, up nine spots. Retailers across the board extol the virtues of the brand, mostly for its extensive selection of sizes and widths.

The huge jump in sales reported by the national chains has been seen by independent retailers, as well. At Hawley Lanes Shoes in Connecticut, where there is a New Balance shop, Lozier said sales of the brand are up 25 percent.

"New Balance is a very good brand," said Swag Sports' Turner. "At one point

**LOW PERFORMANCE**

Brands	2008	2007
Skechers	1	1
Puma	2	2
Converse	3	4
Nike	4	5
K-Swiss	5	3
Coach	6	10
Adidas	7	8
Reebok	8	6
Keds	9	9
New Balance	10	19

Source: NPD Group/Retail Tracking Service

we were selling 400,000 a year. It may be more now."

## Outdoor Ranks Strongest Overall

This fast-growing outdoor category saw an 11 percent rise from last year, reaching \$1 billion in sales in 2008.

Ugg is fueling the majority of the results at retail, according to storeowners. The brand, famous for its shearling boots, moved up to first from the No. 2 spot last year. (The category includes all-weather shoes, such as snow boots.)

"We buy huge [amounts of] Uggs every year," said Lozier. "We're selling them now, and it's summertime. I don't think that fad is going to go away for a long time."



Hawley Lanes Shoes will add an Ugg shop in its Shelton, Conn., location this year, said Lozier.

Stoutjesdyk said his store in Grand Rapids still has a hard time meeting the demand. "We've got a list started for fall already for when they come in," he said. "We've got them scheduled as they come in. They seem to catch on even stronger every year."

The disappearance of some of Ugg's competition has also fueled the brand's

**OUTDOOR**

Brands	2008	2007
Ugg	1	2
Merrell	2	3
Timberland	3	1
Keen	4	5
Nike	5	4
Adidas	6	6
Columbia	7	7
Skechers	8	8
New Balance	9	15
Vasque	10	10

Source: NPD Group/Retail Tracking Service

success this year, said Cohen. "This past year, we didn't see the \$19.99 versions of imitation-shearling boots in Target or Payless as we had before," he said. "The trend waned a bit, but it didn't wane as much as everybody expected."

Outdoor brands also are working to achieve year-round status, creating new styles to attract more consumers during warm-weather months. For instance, Ugg makes flip-flops and Keen offers ballerina flats.

## Fashion and Function Fare Well in Skate

The skateboarding category remains hard to peg, as styles tend to vastly differ by region, according to Cohen. "I look at the national number with a different set of eyes than I would with any of the other categories," he said.

With \$459 million in sales, down 5 percent from last year, the category continues to be in high demand among trend-savvy consumers.

"A majority of our shoes never see a skateboard," said Frank Galland, manager of MIA Skate Shop in Miami Beach, Fla.

But his shop sees its share of serious skaters too. He ranks Nike SB as the store's top brand. Nike limits distribution of those shoes to specialty skate shops, which may also explain why the brand ranks No. 4, below DC Shoes, which is popular on

**SKATEBOARD**

Brands	2008	2007
Heelys	1	1
Vans	2	2
DC Shoes	3	3
Nike	4	6
Adidas	5	4
Etnies	6	5
World Industries	7	10
Converse	8	8
Sneaux	9	7
Skechers	10	9

Source: NPD Group/Retail Tracking Service

MTV, and Vans, a classic skate shoe.

One brand to watch in this category is Converse, which now offers a skate program. MIA Skate Shop will start carrying Converse going forward, said Galland.

And though the hardcore skateboarders aren't wearing Heelys, the brand hasn't lost momentum among the youngest consumers, who helped it grab the top spot on the list again this year. Still, some retailers have backed away from the product. "We don't carry them here because the owner and the kids' shoe manager are afraid somebody will get hurt on them, and they don't want to be liable," said Lozier.

**Retail Participants:** Department stores include Macy's East, Macy's West, Macy's Central, Macy's Florida, Bloomingdale's, Marshall Fields, Famous Barr, Nordstrom, Lord & Taylor, Dillard's, Gottchalk's, Belk and Bon Ton Stores. National chains include Kohl's, JCPenney, Sears and Mervyn's California. Shoe chains include DSW, Famous Footwear, Rack Room and Shoe Carnival. Athletic specialty and sporting goods stores include Foot Locker, Lady Foot Locker, Kids Foot Locker, Footaction, Champs, Finish Line, The Sports Authority, REI, Modell's, MC Sports, G.I. Joe's, Schuykill Valley, Hibbett's, Dunham's, Sports Chalet and Olympia.