



Team Sherpa

Adam Dole

Ayano Hattori

Beth Berrean

Jason Hui

Sara Kozlowski

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beSpoke collection

topic areas

1. Introduction
2. Mission
3. Cycling Zeitgeist
4. Introducing beSpoke
5. Product offering
6. Service offering
7. Outreach
8. Corporate Objectives
9. SWOT analysis
10. Marketing Audit
11. Market Overview
12. Assumptions
13. Additional touch points
14. Expected results, alternative plans and mixes
15. Budget
16. First year implementation program



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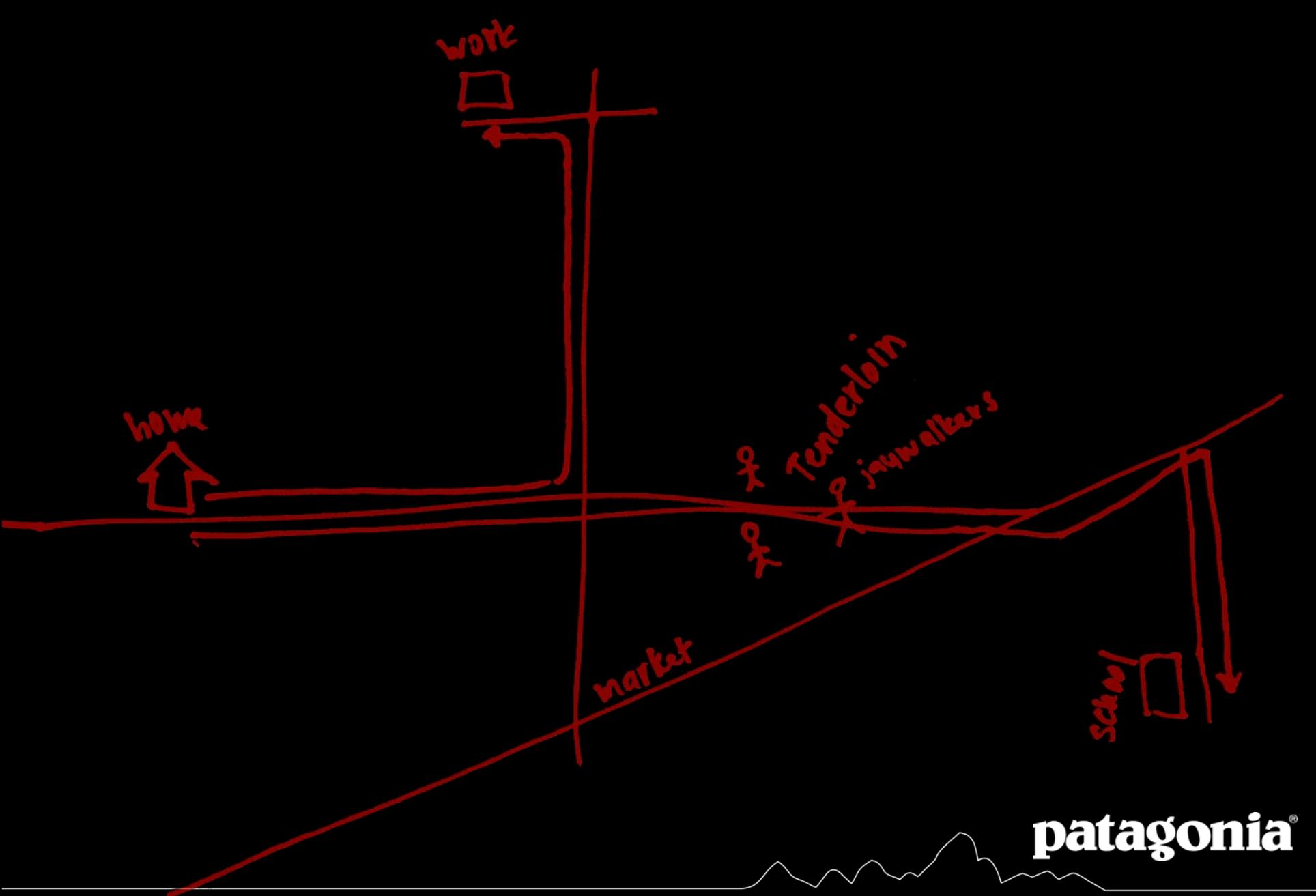
executive summary

- We are in the midst of a bicycling zeitgeist
- In line with Patagonia's mission, our new brand beSpoke will cater to the needs of bicycle commuters
- Bicycle commuters represent a financially significant subset of outdoor lifestyle
- beSpoke is a handcrafted, customized clothing and accessories line that can take you from bike to boardroom
- Key touch-points are through retail, catalogs, web site, tradeshow, partnerships, sponsorships, and events



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“Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.”

– patagonia's reason for being

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cycling zeitgeist

- Increase in bicycle commuting is an emergent behavior currently observed in US cities
- Bicycle culture is evident in blogs, and has recently been reported in established newspaper and magazine articles such as:

"Dress Codes: Riding the It Factor"

- The New York Times, April 16, 2009

"Sorry Portland; A Primer on the Best Burgeoning Bike Scenes in North America"

- Good Magazine; The Transportation Issue , #013



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“cycle chic”
european market



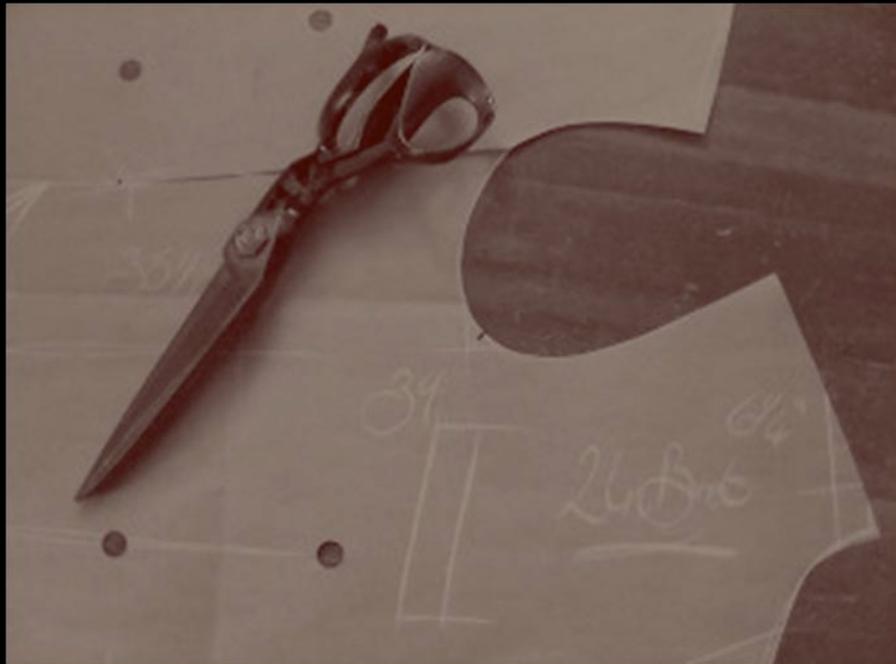
“It’s all an ensemble,” he said. “I try and put it together with some style to honor the quality of the bike.”

“not so chic”
american market



“Can the urban cyclist, he of the ragtag renegade clothes or shiny spandex, grow up and put on a tie?”

introducing beSpoke



In the spirit of traditional custom tailoring from Saville Row, beSpoke is a modern day elegant and functional offering designed especially for the urban bicycle commuter.

BeSpoke clothing and accessories are:

- made to order
- artisanal quality
- handcrafted
- customizable
- personalized service
- locally made

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continuum of customized clothing



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beSpoke strategy

*Patagonia's beSpoke label exists to provide **righteousness** to bicycle commuters.*

In doing so, Patagonia will deliver self expression, a sense of urban adventure and conscious consumption.

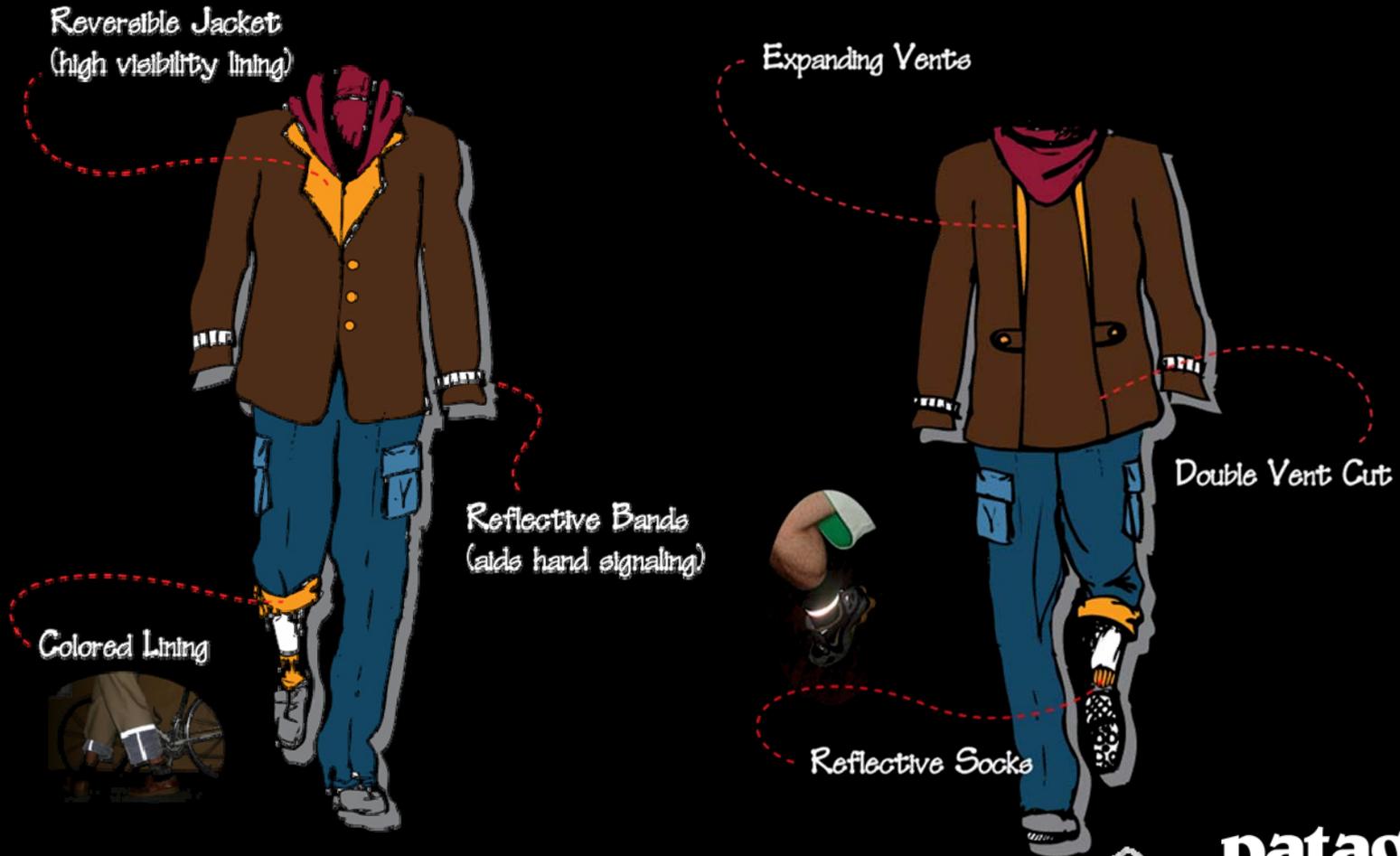
Towards that end, it offers functional, durable, customizable slow-fashion embedded with safety.



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product offering



(conceptual visualization)

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product offering



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(conceptual visualization)

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product offering

In-store kiosks provide personalized service

- Customer measurements taken by trained staff
- All orders made to order in nearby facility
- Alterations and repairs performed onsite
- Selection of sustainable and organic materials in seasonal colors
- Laser cut fabric allows for optimal reuse of material
- Made to order



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product offering

- Website and catalog share the beSpoke story
- Customer data stored in system for future use; or web orders
- Take back system at end of life as part of Common Threads program
- Portion of profits donated to eligible organizations as 2% for Humanity



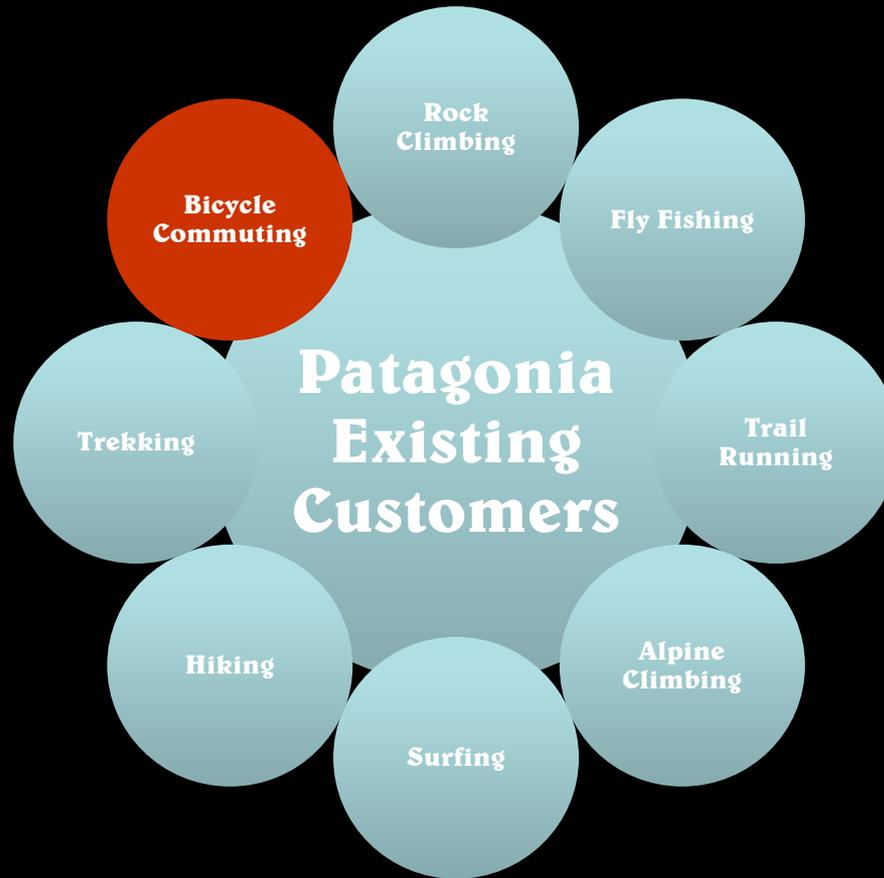
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patagonia existing market segments



how bicycle commuting fits



patagonia corporate objectives

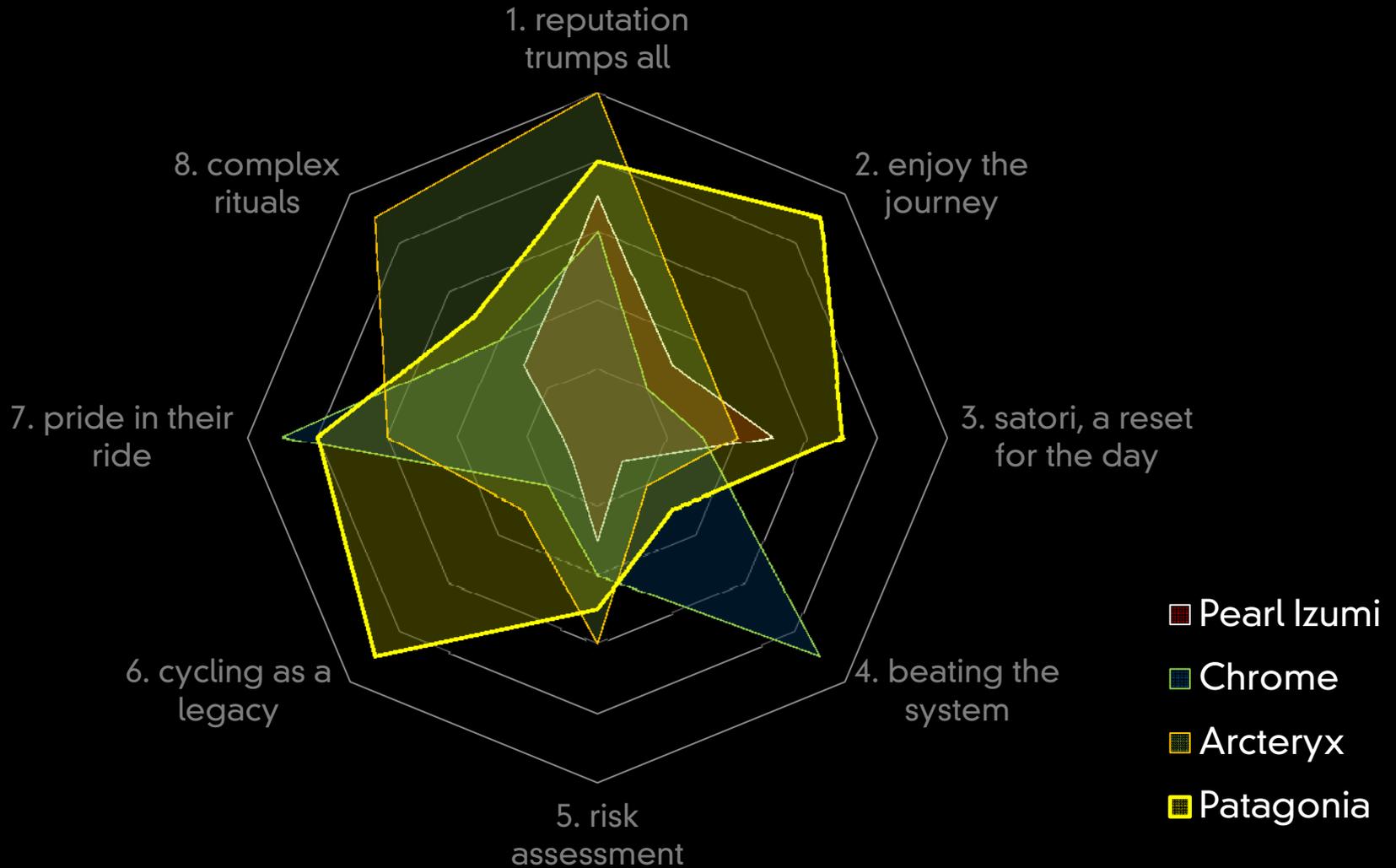
- Highest quality products / services
- Uphold CSR and environmental values
- Lead the industry in sustainability
- Encourage connection with the outdoors

The bottom of the slide features a dark, textured background image of a person in outdoor gear. A white line graphic resembling a mountain range or a topographic map line runs horizontally across the bottom. The Patagonia logo is positioned in the bottom right corner, above the tagline.

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market research findings



Righteousness (n)

1. the quality or state of being just or rightful
1. perfectly wonderful, fine and genuine

The Patagonia logo, featuring the word "patagonia" in a bold, lowercase, sans-serif font with a registered trademark symbol (®) to the upper right. The logo is positioned above a white line that depicts a jagged mountain range silhouette.

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beSpoke SWOT

Strengths

- Reputation for quality and sustainability
- Manufacturing and technology base
- Outdoor adventure lifestyle market share
- Bike commuters are existing customers

Weaknesses

- Bicycling industry, commuting, or professional garments
 - No experience
 - No visibility
 - No reputation
- High price point
- Little existing cycle chic culture in US

Opportunities

- Leverage existing retail space
- Potential to convert commuters to customers
- Capture market share in growth market
- Lead the trend of sustainable "bicycle chic" in the US

Threats

- Major outdoor and cycling brands
- European labels
- Mass market lifestyle brands

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- Cycling zeitgeist



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marketing objectives

- Appeal to existing Patagonia customers
- Convert existing bicycle commuters
- Capture market share
- Increase awareness and support for an environmental solution through a new Patagonia product line
- Leverage core competencies in materials technology, sourcing, supply chain, and manufacturing
- Explore new offerings in functional, customizable and locally made

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assumptions

- Desire to expand offerings that address a new market segment
- Willingness to compromise short term profits for long term brand value and social equity
- beSpoke can be cost effective
- Cycling will continue to experience increased growth
- Patagonia will remain a private company



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retail locations

Establish beSpoke in select Patagonia stores located in metropolitan bike friendly areas

- San Francisco
- Seattle
- Austin
- New York

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trade shows

Unveil Patagonia's beSpoke to the biking and outdoor industries at 2 key tradeshow

- Interbike
- Outdoor Retailer



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partnerships

Advocate for urban cycling

- Bike'topia, San Francisco's premiere bike sharing program
- Trek (customized bikes)
- Accessories in alignment with beSpoke's brand
 - Rickshaw bags
- Bicycling magazine on fully recycled paper
 - HP MagCloud distribution network



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sponsorships and events

Urbanize Your Next Adventure

Sponsored urban adventures coming to a city near you:

- Urban CycloCross Course Challenge
- Urban Scavenger Adventure
- Patagonia's City Buddy Challenge
- Red Bull & Patagonia Flu tag
- Urban bike polo leagues
- Critical Mass



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expected results

- By 2012, we expect bespoke to be profitable
- Gain presence within the bike commuter market
- Partner with bike'topia and inspire a biking cultural revolution
- Expand market share by 10%
- Increase revenue by adding beSpoke accessories
- Increase customer loyalty

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budget

- Coming soon to a calculator near you!



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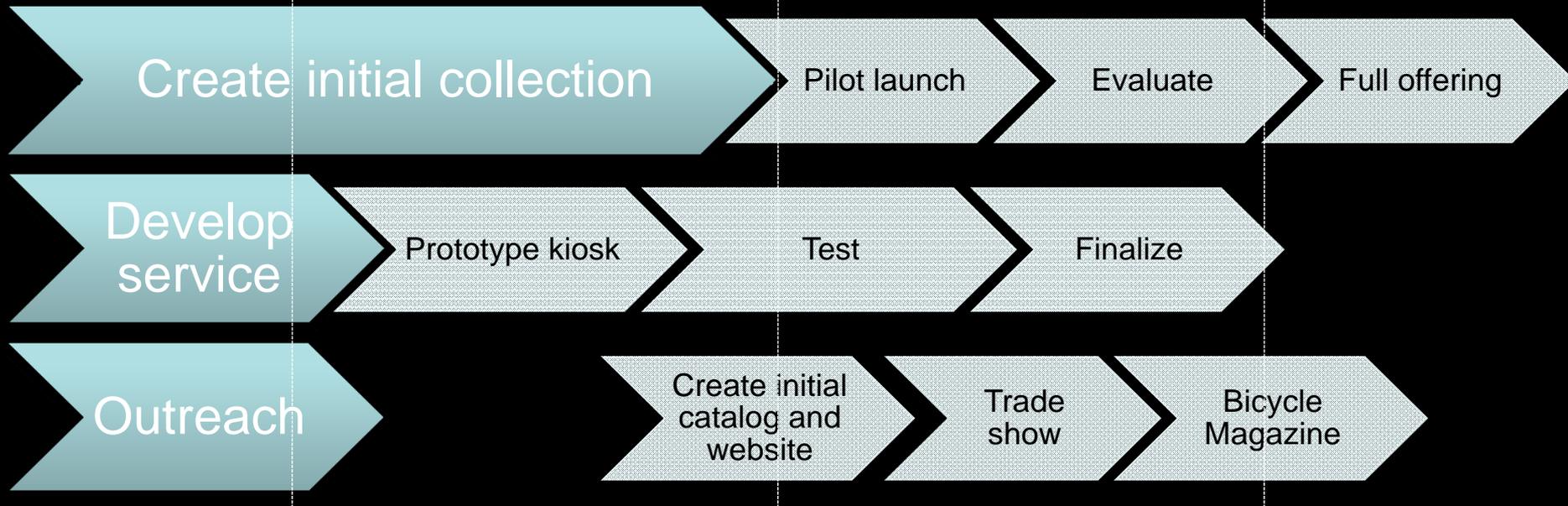
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implementation program

June 2009

Jan 2010

June 2010



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A photograph of the Golden Gate Bridge in San Francisco, California, taken from a low angle looking across the water towards the towers. The sky is a deep, vibrant orange-red, suggesting a sunset or sunrise. The bridge's steel structure is silhouetted against the bright sky. The water in the foreground is dark and reflects the light from the sky. The overall mood is serene and majestic.

thank you

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