

One track minds

A focused approach and a carefully chosen staff have helped Nike Golf make huge inroads in Canada. Having Tiger Woods and Stephen Ames in your stable doesn't hurt either BY RICK YOUNG

Thirty-six months ago, Nike Golf's business presence in Canada was almost non-existent. Granted, you could find Swoosh-brand product in green-grass shops and off-course retail outlets across the country. Print ads were still making their way onto the pages of Canadian golf publications and Nike's parent company in Beaverton, Oregon was on record suggesting they would ideally like to add a Canadian-based presence to its global touring staff.

But in a grassroots business sense, you could not classify Nike as a company "ingrained" into our national golf consciousness. Clearly that was problematic. For Canadian golf consumers seeking specifics about Nike Golf and its product lines and services, it was like following a trail of dead-end streets. Pricing, dealer locations, warranty, custom fitting and other well-intentioned customer queries, for the most part, went unanswered.

Equally frustrated with Nike was the national golf media. Trying to procure information specific to the Canadian marketplace proved time-consuming and, at times, an exercise in futility. About the closest thing Nike Golf had to any sort of Canadian con-

PHOTOGRAPHY BY CHRIS GALLOW

Riding the rails together at Nike Golf Canada are (L to R) General Manager Mike Kelly, Marketing Manager Vitalis Gomes, Golf Coordinator Victoria Bunag and PR consultant Tim O'Connor.

nection was when the company's director of product creation, Tom Stites, came north for his annual fall hunting expedition on the Alberta/Saskatchewan border.

"We weren't relating to the market here," says Nike Golf Canada's marketing manager, Vitalis Gomes. "There was no commitment on our part to speak to golfers, and that was a huge problem for us. Golf is a completely different business from mainstream sport. It's more detailed. You have to be accountable, and as Nike Canada, we could not build the kind of relationships we needed to in golf. To do that, it was important for us to get on our own."

That declaration of independence came in June 2004. Armed with a set of criteria necessary for the relationship building Gomes spoke of, Nike Golf President Bob Wood successfully lobbied the board in Beaverton to rubber-stamp the establishment of an autonomous Canadian division. Wood has no regrets about going to bat for the cause.

"For a long time we were under-penetrated in almost every category of business there," says Wood, a frequent visitor to the Nike Golf Canada headquarters in Thornhill. "But the team has done a fantastic job. The growth has been tremendous to the point where we've established ourselves as a dominant brand in several categories. If you think about it, we haven't been at it that long in Canada, which speaks to our products and our brand strength. We're on this mission to build a great golf company in Canada, and this early in the process I feel we've had a great start."

Of course, as Wood suggests, that mission would not be possible without product. According to Nike Golf Canada's Mike Kelly, who took the general manager reins two years ago from Mike Francis, the company is not necessarily interested in being number one in any single category. Instead, it seeks to be "the number one brand in golf," both in Canada and around the world.

"Of the four major categories—apparel, golf balls, clubs and footwear—we sub-segment our business down to 15 different categories," says Kelly. "We have had growth in each one of those 15 categories in Canada for the last three years. Nike has a history of entering markets and performing average to below average. Each year, though, it gets better and better to where it becomes a dominant player in that particular business over time. That's the path we're on here in Canada with golf."

According to Gomes, Nike Golf Canada is a solid number three or four in overall retail

sales across the country (based on the strength of products like the SUMO and SUMO?driver and fairway wood franchises, Slingshot irons and hybrids, CCI irons and Nike's new line of Unitized putters), and Nike apparel is in the number one position coast to coast. "At the end of the day, product is king and the consumer decides," Gomes attests. "Some people say we're a marketing company. Well, you can only fool consumers once with marketing. That's it. In the beginning there was a perception that we slap a Nike logo on product and throw it out in the market. Golfers are savvy. They're sophisticated today. They're going to see through the marketing spin. We also had to prove ourselves in the green-grass (pro shop) network. Someone like Warren Crosbie (Canadian PGA president and long-time head pro at Thornhill's Bayview Country Club) was

Mike Kelly was the company's second golf employee following the hiring of Nike club designer Tom Stites.

critical of us being part of the golf industry when we first came to market. Now, Nike Golf is his biggest account."

Crosbie, renowned for his merchandising expertise amongst his CPGA brethren, is glowing in his tribute to the brand that dominates his pro shop. "The company is moving forward in a serious fashion," Crosbie notes. "In developing business relationships with suppliers, I look at companies that will deliver the greatest products, credibility and after-sales service to my business. Nike Golf Canada has delivered that to me on all counts."

Kelly maintains there is no magic formula for what the Canadian branch has been able to accomplish in a short time. Fundamental business practices, communication and leveraging brand strength have all factored into the equation, as have the more than 30 dedicated employees who understand and have bought into the company's business philosophy.

That investment in human capital has been especially significant. Kelly was positioned in Beaverton as category manager of golf clubs for Nike before coming north to oversee Canadian operations. An industry veteran with a long history of success, he was the company's second golf employee following the hiring of Stites as Nike's key club designer. Gomes is quick to point out what Kelly has brought north of the border. "He has a tremendous mind for the golf busi-

ness," Gomes says. "Mike came on board and brought with him a great background from (Nike) corporate, which he's instilled into our group."

The gravelly-voiced, fun-loving Gomes has enjoyed a long career with Nike Golf. A one-time goaltender with the Weyburn Red Wings of the Saskatchewan Junior Hockey League, he was integral to the launch of the Nike/Bauer Hockey business in Canada ten years ago before moving to the golf side in 2003. Seemingly someone who knows everyone in the industry, he was influential in convincing Tiger to come to Toronto two years ago to play a Nike Golf Canada-sponsored event at Magna Golf Club for Tiger's charitable foundation. It is expected to evolve into a biannual event.

"The idea for the TW Invitational started in the summer of 2000 at the Altamira Celebrity

Challenge," Gomes relates. "I thought to myself, 'We have Tiger Woods sponsors such as TAG watches, General Motors and American Express all here. Why not bring them all together and take ownership of an event with Tiger?' IMG (Tiger's management company) liked the idea since it was the first time something was done with all of his partners. And Magna Golf Club did a great job of hosting it."

The 2005 event raised \$250,000 for the Tiger Woods Foundation and an additional \$50,000 for junior golf in Canada. The format has since become a staple of Woods' worldwide corporate and fundraising events. Due to the timing of the expected delivery of Woods' first child this summer, this year's planned tournament has been bumped to 2008, with an East Coast venue likely.

"Vity brings a lot of energy to everything he does. He always seems to have a lot of well-conceived ideas that have been developed through a 10-year history with Nike," says Tim O'Connor of O'Connor Golf Communications, whose services were engaged in a savvy move after Nike Golf Canada became an autonomous division. An award-winning journalist himself with extensive golf industry connections throughout North America, O'Connor is arguably an ideal media liaison for Nike as it continues to forge relationships with press across the country.

Also on the marketing side, Victoria Bunag

has proven to be a unique talent in delivering the company's message while adeptly catering to the demands of clients and national media in the process. After an ice storm closed Pearson International in March, the infectious-ly charismatic Bunag showed off her organizational skills at the Dallas/Fort Worth Airport

fied with the world's most famous athlete, as well as the 2006 Players Championship winner, who just happens to be Canadian. In Tiger Woods and Stephen Ames, Nike Golf Canada has a prolific Tour endorsement presence nationally, one that continues to pay annual dividends for the brand.

to, but also a Canadian like Stephen, who's a tremendous player and someone who is doing something important in Canada. It's great to have a one-two punch like that."

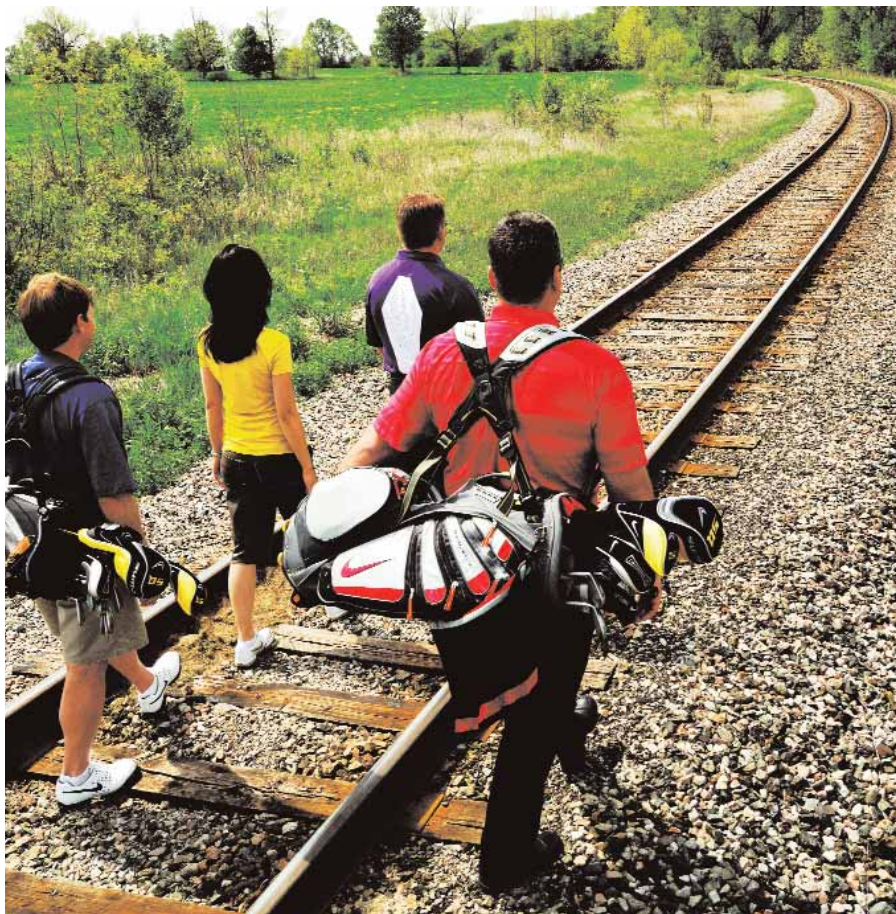
Dealing with such luminaries can be trying for most, but Gomes' experiences have been nothing of the sort.

"I got a true appreciation of how professional Tiger was at the TW Invitational in 2005," Gomes says. "Tiger asked for a personal bio of every player (in the pro-am) so that he could talk about their careers, their family. To put in that much thought and consideration is incredible. Even though he is the sports icon of his generation, the people who played with him said he was just one of the guys.

"And we've had a great relationship with Stephen. He's never said no to any request I've made of him," says Gomes, whose father, fate would have it, went to the same Trinidadian boarding school as Ames.

"What Stephen gives back to junior golf should not be taken lightly," adds Gomes. The list includes work with the Canadian Junior Golf Association and the Ames Cup, which features eight top junior golfers from Canada and Trinidad & Tobago, Ames' native country in a three-day Ryder Cup-style event. "Stephen recently phoned me up and ordered 20 full sets of Nike clubs to be shipped to juniors in Trinidad."

Big-name players and notable tournaments aside, as Bob Wood and company have been preaching for some time, this is a marathon, not a sprint for Nike Golf. As it continues to find new footholds in the mar-



by quickly and efficiently delivering guests home by alternative routes.

"She's always upbeat and has a lot of passion for what she does," says Gomes. "We'd be hard-pressed to keep up in the marketing division without her."

Given the momentum of the Nike feel-good story, it's easy to forget how early in the game it still is.

"What's interesting is we're only eight or nine years into this globally, but really only three years from a Canadian point of view," Kelly says. "Along with our people, one of the keys to our success is listening to the customer. We need to adopt the attitude of saying, 'I need to listen to guys like Warren Crosbie. If I listen to what he's saying and make changes to my product line or my programs each year, I'll get better.'"

It also doesn't hurt to have a brand identi-

The TW Invitational format has become a staple of Woods' worldwide corporate and fundraising events.

"When you partner yourself with the best player in the world, that resonates with authenticity. And authenticity creates greater demand," says Kelly. "Tiger has a huge following in Canada, and that's not going to change. At the same time, Canadians want their own heroes, and you've seen that with various sports over the years, not just golf. Mike Weir comes immediately to mind. Stephen Ames winning the Players Championship last year was a huge event at Nike Golf Canada. We've heard nothing but positives from that. His brand strength has been growing with us every year since we signed him. Canadians love to have an international icon like Tiger to relate

ketplace, the company has sought to ramp up its image of growing authenticity, from media tours of its Fort Worth R&D facility to financial support in three events hosted by the CJGA in 2007.

"We look at it this way," Wood says. "If we disappear tomorrow, no one cares. Rounds don't go down, people don't stop playing golf. The game would go on without us, which means we have to get better. We've got to improve and we have to compete. This team in Canada is incredible. They're very knowledgeable and very passionate. They want to win. We're going to support that because we're very bullish on the Canadian market."