

weight off. Attendances continue to rise as the obesity epidemic continues to spread across the Western world, with more than one billion people around the world now considered to be overweight.

Al Lippert died in South Africa in 1998, after a day of golf. Felice Lippert died of lung cancer in 2003. Nidetch lives in Las Vegas and is a generous philanthropist. Nidetch says that once she learned how to stop eating chocolate cookies, she could set her mind to achieving anything. For the once overweight housewife, the business was never about the money: “I’d do this for nothing on a street corner,” she once declared.

NOTES

“**We weren’t going to . . .**” Smith, Lyrysa. “Weight Watchers Turns 40,” *The Times Union*, 4.29.03, p. D1.

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“**Energizer bunny . . .**” Sajbel, Maureen. “Been There, Ate That,” *InStyle*, 6.97, p. 170.

“**I’d do this for . . .**” *PR Newswire*, 8.18.81 p 1.

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Quiksilver

Don’t underestimate surfer dudes

ONCE UPON A TIME IN THE LATE 1960S, TWO SURFER DUDES were living the good life around the legendary surf spot Bells Beach near Torquay in southern Australia. In between surfing sessions, beers, and tins of baked beans, Alan

Green and John Law began making board shorts. They wanted to rid their lives of the uncomfortable, impractical surfing shorts available at the time. The business was funded with a \$1,900 loan from Green's father. Word of mouth grew about these boardies and their little concern gained momentum. The pair also created sheepskin boots they called Ugg Boots (nice to wear after a surf in freezing conditions) and began selling those.

Green and Law got their timing right, arriving in the marketplace just as surfing culture was getting widespread mainstream attention. Following on from the 1959 movie *Gidget* and films such as *The Endless Summer* promoted the sun, sand, surf, and sex lifestyle, and a growing army of wannabes wanted to feel a part of this exclusive club, regardless of whether or not they surfed. Equipment and fashion for this market was primitive, so there was plenty of scope for new products and fashion. Quiksilver had a good idea of what their customers wanted because Green and Law wanted it too—a better wetsuit, a better surfboard, boardshorts with maximum movement, and a cool sweatshirt to wear after a surf.

In 1973, the company became known as Quiksilver, a business that has become the biggest surfwear brand in the world, valued at close to \$1.5 billion. For three decades the company has enjoyed annual growth of 25 percent.

A big key to the success of Quiksilver has been its roots in surf culture and its sponsorships of top surfers, snowboarders, skateboarders, and surfing events. Quiksilver has the likes of world-champion surfer Kelly Slater and skateboarder Tony Hawk on its sponsorship books. The company has also cleverly gone to great lengths to distance itself from mainstream retailing and advertising campaigns.

Initially, Quiksilver sold its products locally, then to surf shops in other parts of Australia. As the company grew, Quiksilver sold licenses to other parts of the world. In 1976, Quiksilver launched overseas when champion surfer Jeff Hakman took twenty pairs of

boardshorts back to the United States to sell. Hakman was so keen to get the U.S. license for Quiksilver he is reported to have eaten a paper doily, at Green's request, during a 1976 drinking-session dare in Torquay. He ate the doily and got the license. Hakman brought in his friend and fellow surfer Rob "Buzz" McKnight, now chairman of Quiksilver. "When Greenie first gave us the right to do Quiksilver in America, it was really just meant to be a summer project," says McKnight. "Live near the beach, chase girls, surf, have some fun. We didn't have a business plan, we didn't have this whole thing outlined and projected. We just took it as it came."

But is building a business that easy? You get the feeling that this laid-back ethos is an essential part of the brand strategy of a surfwear company. Surfers understand the importance of timing, patience, strategy, competition, and personal performance, but they tend to talk more about the metaphysical aspects of surfing than about the aggression, adrenaline, and multi-skilling needed to be a good surfer. Their natural competitiveness has surely been a part of the growth of the businesses, but the company spin is all about having board meetings on catamarans in exotic locations, opening hip new stores in Times Square with Malibu surfboards all over the ceilings.

Quiksilver listed on the New York Stock Exchange in 1986 and forged ahead. Green and Law keep their hand in the Australian operations, introducing hit lines such as Roxy, until 2002 when they sold the last of their rights to the Quiksilver name for \$125 million to the U.S. operations Quiksilver International, now based in Huntington Beach, California. Law and Green still retain a 6 percent share in the company and have profit share agreements in place.

Law and Green still live in Australia's surfing capital Torquay, at least for part of the year, when they are not off skiing or surfing around the world. At every stage, they have been quick to promote the fact that surfing still takes priority over work and, now that they are in their sixties, they are living every baby boomer's dream: surfing and skiing around the world with a combined fortune of more than \$400

million. Alan and John are still regularly seen at the Torquay Hotel sinking beers, thirty years later. “My first passion is not working,” says Green. “You are a long time dead, and I don’t want to spend my life waiting for it.” They can afford to relax—owning 6 percent of a company worth nearly \$1.5 billion leaves a person with plenty of options.

NOTES

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Kate and Andy Spade

It’s amazing what you can do with some
Scotch tape and white drawing paper

THE KATE SPADE COMPANY, WHICH NOW ENJOYS ANNUAL SALES of more than \$125 million, started with a dare at dinner. In 1991, Andy Spade and his girlfriend Kate Brosnahan were eating out in New York City. At the time, Kate was accessories editor for *Mademoiselle* magazine and was far from inspired in her \$14,500 a year job. Why not start something together, suggested Andy—with his vision, her innate sense of style and attention to detail they could make something work. The couple talked about what Kate could do. Andy suggested handbags. After all, she adored