

was another founder, Phillip Knight, an athlete trained by Bowerman. Knight was a track and field star at the University of Oregon and went on to earn an MBA from Stanford University. Today Nike boasts more than 23,000 staff around the world.

THE PRODUCT

Since both the Nike's founders came from the sports world, sports shoes have become the core of Nike production lines.

In 1973, middle-distance runner Steve Prefontaine was the first track and field star to wear Nike shoes and create records. In 1979 the jogging shoe Tailwind, the first to be made with air mattress technology under Nike's patent, established the reputation of Nike in the field of running.

Nike followed its success in the area of running shoes with other products, starting with basketball and football shoes, and moving on to clothing and an entire line for women, Active Life. While sports items cater to the needs of those pursuing health and exercise, the new products integrated sports into lifestyles to convey a healthy attitude to life.

THE MARKET

In the streets of Beijing and Shanghai, just as in the streets of New York and Chicago, you will find young people with dreams and with sports heroes. And you will find Nike products helping to realise those dreams and to emulate those sports heroes.

Nike is the best-known sports brand in China, and with strong sales growth, brand awareness is still growing strongly.

China is a huge market, and now also a major global production base for Nike, which has 18 contract footwear manufacturers, 55 contract apparel manufacturers, and 64 equipment manufacturers.

Nike, which started with a handshake between two running geeks in sleepy Eugene, Oregon, is now the world's most competitive sports and fitness company.

ACHIEVEMENTS

Nike has developed from a small and unknown shoe-making company in 1972 into the leading sports brand in the world. Nike is now the dominant global brand in the field of sports shoes.

It entered the Chinese market in 1980 and over the years has become recognised as a strong brand name offering high quality sports products. In 2003 Nike was the only sports brand in China to be granted the title

Favourite Foreign Trademark Among the Chinese, in a competition for trademarks sponsored by the State Administration of Industry and Commerce, the National Trademark Association and CCTV. In the same year, the company's China operations bagged the Best Annual Prize within the group.

Nike donates part of its income to global charity organisations and local communities every year in the corporate spirit of dedication to public affairs.

HISTORY

One day in 1972, Bill Bowerman, the co-founder of Nike, was inspired by the lattice pattern of a waffle cake when he was having breakfast. He experimented with the waffle iron to create similar patterns, into which he poured rubber. The eventual result was a uniquely light sports shoe sole and compelling product for an ambitious sports products company.

Blue Ribbon Sports, the predecessor of Nike, was founded in 1962. Besides Bowerman, a track and field coach at the time, there



Philip H. Knight

RECENT DEVELOPMENTS

The Olympic year of 2004 provided an opportunity for Nike to further its ambitions in China. It signed an agreement with China's National Sports Bureau to sponsor the professional equipment for more than 20 teams taking part in 28 team-sports at the Athens Olympic Games. Nearly the entire Chinese Olympic team used the professional sports equipment and made a breakthrough by coming second in the gold medal rankings. Besides pursuing sales volumes, Nike lays emphasis on its brand image, which is what attracts loyalty

from its customers. As a sign of its accelerating global growth, Nike recently acquired Converse, a famous sports brand in the US.

PROMOTION

The company has a long record of successful brand promotion. In 1984 Nike signed a sponsorship deal with a bright young basketball prospect, a young star named Michael Jordan. The first TV advertisement with Jordan was aired in March 1985, and in less than 10 years, sales of Air Jordan shoes exceeded US\$100 million.

Nike brought Michael Jordan on a visit to China in 2004. During the visit some 300,000 Chinese fans chatted with him on line.

To consolidate its influence on the youth sports market in China, Nike undertakes extensive sponsorship of basketball and soccer at school, youth and professional level.



BRAND VALUES

The Nike mission is to bring inspiration and innovation to every athlete in the world. And according to Nike, if you have a body, you are an

athlete.

A lot has happened at Nike in the 30 years since it entered the industry, most of it good, some not so good. But through it all, Nike remained totally focused on creating performance opportunities for everyone who would benefit, and offering empowering messages for everyone who would listen.

Nike feels lucky to have a genuine, altruistic reason to be:

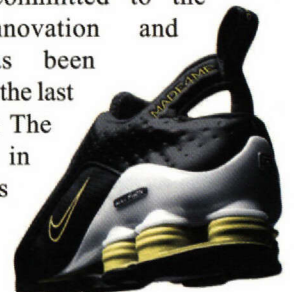
the service of human potential. That is the great benefit of sports, and Nike is glad to be in the middle of it.

What started with a handshake between two running geeks in sleepy Eugene, Oregon, is now the world's most competitive sports and fitness company. Nike employs about 23,000 people, and every one of them is significant to its mission of bringing inspiration and innovation to every athlete in the world.

Summarising the reasons for Nike's rapid growth, Phillip Knight, Nike's co-founder, said the brand's success was due to its trenchant insight. For instance, Nike came up with its famous tagline – Just Do It – in 1988. The saying is now known around the world.

Nike has, over the decades since its founding, always remained committed to the principles of innovation and inspiration.

It has been continuously listed in the last several years among The Best Global Brands in the Business Week's Annual Ranking of Top 100 Brands. The readers of the Far Eastern



Economic Review also voted it into the Top 10 of Multinational Companies in 2002 and 2003.



THINGS YOU DIDN'T KNOW ABOUT NIKE

- Nike was the Greek Goddess of Victory. Adoption of the name in 1972 for a fledgling sports shoe maker was suggested by Jeff Johnson, Nike's first full-time employee
- Jeff Johnson was later described by the company as "a first-class eccentric; a dreamer". He once famously ripped a customer's shoe apart and sewed it to a rubber shower thong. Once that shoe was refined, it won the Boston Marathon and gave rise to the whole concept of full-length midsole cushioning
- Caroline Davidson, then a design student, created the globally recognised Nike logo in 1972. It represents the wing of the Goddess Nike