



NO POT OF GOLD

Thousands queued up for the event, many rising early to secure a place in line. Were they waiting to meet President Obama? Was this a casting call for *America's Got Talent*? Perhaps they were eager to enter a job fair? No, no, and no. The line, which snaked through three floors at Jakarta's Senayan City shopping mall, was for . . . shoes.

Now, five-hour queues to buy shoes aren't unprecedented—collectors eagerly line up for a shot at the latest limited-edition designer sneakers or sample-sale Jimmy Choos. But the Jakarta shoppers were after more prosaic footwear. When Maria Margaretha made it to the front of the line, she snatched seven pairs—of Crocs. That, she insisted, was a modest haul. “A guy in front of me even bought a big sack of shoes and slippers” worth \$800, she told *The Jakarta Post*. “That’s insane.”

Of course, it wasn't many months ago that millions of Ameri-

cans and Europeans exhibited a similar insanity, strutting about—in public!—in neon-colored rubber clogs they deemed “comfortable” (fashionspeak for “garish”). In the inevitable backlash, two years after Crocs Inc.'s hugely successful 2006 IPO, sales crashed. The company lost \$185 million in 2008 and \$22.4 million in the first quarter of 2009, and its share price plummeted from a \$75 high in October 2007 to around \$3 today. Auditor Deloitte & Touche recently expressed “substantial doubt” about the shoemaker's ability to stay in business.

Revenue from Asian sales has held up better than elsewhere, up 7 percent last spring over spring 2008. (European revenue fell 49 percent; U.S. revenue fell 37 percent.) But before company execs begin jumping out of their Crocs about all the Indonesians queuing for their products, they should take note: The shoes at the Senayan City mall were on sale.

—VADIM LIBERMAN