

BRAND PROFILE: LIFE IS GOOD

Optimists only

By Shari Shallard



Jake is a cartoon with a conscience, and the company he represents aims never to lose sight of that. "Here are our core values," says Jim Laughlin, director of communications for Life is good, "We strive to have a positive impact on human culture; we promote optimism as a powerful, contagious force for positive change; and we recognise simplicity, humility, and a sense of humour as the central ingredients to our success."


This, perhaps surprisingly, is not an introduction to a charity or advocacy group. Mr Laughlin is speaking about Life is good (LIG), a \$100 million apparel company fronted by Jake, a

hand-drawn grinner who wears a beret and sunglasses. "We believe that in a world so filled with bad news, many people seek a counterbalance and wish to express a more Jake-like hopeful and positive outlook to live by," he says, "expressed even in their choice of clothes."

A smile is born


It was optimism that motivated brothers John and Bert Jacobs when, 20 years ago, they were designing and selling T-shirts to college students up and down the US East Coast. As they describe it, the experience consisted of living on peanut butter and jam sandwiches, sleeping in their van, and showering when the opportunity arose.

Apparel brand Life is good organises its own outdoor festivals in communities across the US to help it raise money for children's charities.

 Life is good



The brand's offering now goes beyond T-shirts, as these cooler bags show.

 Life is good

By the autumn of 1994, having accrued more good stories than money, they were ready for a new approach. That is when they first looked with new eyes at Jake, then just a drawing hanging on the wall of their apartment in Massachusetts. They printed up 48 Jake shirts, which sold out in just one hour at a local street fair, then took their idea to local retailers.

Revenue grew quickly, with the shirts earning \$2 million in 1999. In 2001, LIG began licensing some production and exclusive US distribution of its products to New Hampshire's The Shirt Factory; four years later LIG acquired The Shirt Factory. They relocated production and distribution to a more expansive facility nearby, where it continues to operate today with approximately 162 of the company's 210 employees.

Those brothers are now officially optimists. John Jacobs is chief creative optimist, a creative force involved in all aspects of evolving the brand for future seasons. Bert Jacobs is chief executive optimist, ensuring all business


decisions remain in line with the brand and its values. (He has also become a sought-after speaker who donates his fees to the LIG Kids Foundation, which supports charities devoted to children facing unfair challenges, such as violence and poverty.) The LIG line is now carried by approximately 5,000 diverse retailers in the US, and products are sold in about 30 countries worldwide—all resulting in 2007 sales of more than \$105 million. Consumers have embraced the brand that's about more than branding.

Like what you buy

LIG's success has not been achieved by T-shirts alone; its non-clothing offerings are vast and as conscientious as the apparel they supplement. In the Good Home section, candles are smokeless and environmentally friendly; the candle bases are hand-painted (and chip resistant). The River Stoneware collection's individually painted mugs, cups, bowls and plates are described as "works of art you can use every day".



The T-shirt is LIG's core product; it has sold around 25 million of them since 1994.

 Life is good

This pragmatic artistry is evident in all that LIG touches: water bottles are decorated with happy runners and bicycles; cooler bags come in hibiscus (pink) and artichoke (green) with daisies and hammocks. And the company's philosophy is there as well: 'Life is good. Do what you like. Like what you do.' The ubiquitous message is tailored through double entendres to suit various products: aqua paddles read 'Dive in, reach out, keep it up'; tiny lettering on Frisbee discs whispers 'let it fly'.

But underscoring the array of home goods, recreational toys, and even a Life is good book, is the company's core product: its apparel. (And at the core of the core: the T-shirts.) Broken down into distinct collections, LIG apparel is identifiable by its high-quality construction and gentle, witty, life-affirming graphics and wording. "While we concentrate on making exceptional clothing, the most important component of our products is our message," says Kerrie Gross, chief product optimist. "The main ingredients of our message are optimism, simplicity, humility and sense of humour."

The company's primary collection, Lig Core, covers the spectrum from sweatshirts to dresses to pyjamas, although the most popular remains LIG's original product: the weathered-looking "Crusher Tee". Softened through a 'secret'



LIG believes we should take to the outdoors and do what we love with the people we love the most.

 Life is good

crushing technique, the T-shirt uses no-feel print instead of a sewn neck label, while double needle stitching and five stitches per centimetre on all seams maintain its durability. The Creamy Tee, a sueded, lighter weight cotton top, has triple needle stitching on the hem and sleeves. Like the majority of LIG apparel, the t-shirts are made with 100% Peruvian cotton, which ranks among the world's highest in quality, according to Ms Gross: "We like to use it as much as is possible, but sometimes our demand outweighs the supply available."

The Life is good concept is displayed on the front of each T-shirt, sometimes literally with a picture of Jake and the company's name, sometimes more figuratively: a station wagon weighed down by luggage and sporting gear strapped to the car is accompanied by the words "family ties"; a kayak paddle, a mountain bike and a pair of hiking boots are labelled "diversified portfolio". An implied Life is good message: Get outside, do it with people you love, and wear quality comfy clothes while you do it.

Three new lines

Early this year the company launched three new lines, the most significant upgrade to the LIG name since its beginnings. Good Karma, with the tagline "environmentally friendly clothes




The brand has begun to use blends of polyester and cotton (sometimes with Lycra too) to increase its range of performance apparel.

 Life is good



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made for environmentally friendly people", carries a smaller selection of core items, but uses 100% organic cotton; Good Kids is a new label for boys, girls, toddlers and babies (the baby onesie is called a 'one peace'); and Good Move is "athletic inspired clothing for authentically inspired people" and "powered by optimism".

Numbers for the Good Move line alone foretell success for all of LIG's recent launches. Although the sporty collection was predicted to achieve \$1 million in its first year, it is currently on track for 2008 sales of \$3 million. Approximately half the Good Move line is 100% cotton, designed more for

comfort than sweat—details such as sleeve ribbing and Varsity lettering aim for a vintage athletic look. The workout pieces, though, are more specifically constructed for action.

Most of the workout apparel is made of a 55% cotton and 45% polyester blend for wicking and feature a reflective patch. Chill Caps (baseball caps) are moisture wicking and antimicrobial, and have reflective print and trim for safety. Good Move quarter socks, which have a cushioned footbed and arch brace, are 40% polyester, 38% nylon, 20% cotton and 2% Lycra. "Performance fabrics have come a long way," says Ms Gross. "We strive to make a product consistent with

high standards in technology, but also affordable in pricing."

LIG hasn't revealed specific plans for imminent developments, but continued growth remains a key objective. "We are constantly evolving all our labels," says Ms Gross, "and searching for new opportunities in the market to which we can bring our optimistic message, our energy and our design expertise."

The localised approach

LIG is a success story that continues to unfurl, despite some unconventional decisions. The company spends no money on advertising; it has only three corporate locations—including the flagship store in Boston—and intends to open no more than ten. Although LIG has accounts with the likes of Dick's Sporting Goods and REI, it is the Genuine Neighborhood Shoppes (GNS) that Mr Laughlin calls the backbone of the business.

A GNS is an independently owned retail store solely dedicated to the LIG brand (which means a commitment to LIG's key causes: spreading optimism and helping kids in need). "Genuine Neighborhood Shoppes represent the most important piece of our distribution strategy," says Mr Laughlin, "by carrying the full breadth of our line as well as promoting our charitable work in local communities."

Independent does not mean maverick. An application process (including site visits), determines whether a location is economically sound and can maintain year-round business. As there are more than 100 GNS spread out across the US, brand identity remains consistent through required minimums of retail space and merchandise, along with appropriate furniture and fixtures. Although 'Life is good' is not used in the independents' names, most make a play on the Jake icon: Amazing Jake's, Jake's Loft, Tiki Jake's, to name a few. "GNS are our family," Mr Laughlin says. "We want to make sure they get to know us fully and fully understand and embrace our mission."

Online and outside

This mission permeates LIG's other two major means of promoting its products and philosophy: the company's website and its Life is good festivals. Lifeisgood.com is an attractive, user-friendly site that sells the products and

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the brand. "Because Life is good doesn't pay for any sort of advertising, our website is one of the best ways for people to experience and understand our brand," says Mr Laughlin. "It serves as an important communication tool that describes our history, festivals, and charitable foundation, and provides our customers with a dedicated, Life is good shopping experience."

The voice and tone of the company come through the website's mixture of drawings, real photos of products, and witty text (warm-up shorts are introduced with the statement "Nothing marks the transition into the season like taking shears to your old sweats"; the women's boxers blurb reads, "Stop stealing your man's boxers because these are cut just for you"). Unusually, the site also features a 'letters' section, a poignant collection of writings from customers who feel compelled to convey their affinity for the brand, or to share how Jake was an inspiration during a time of adversity. Mr Laughlin sees such letters as "evidence that consumers and customers value and support our social mission to make a positive difference."

The LIG ethos is what inspired the company's first major fundraising effort: after 9/11, sales of specially-designed American flag t-shirts enabled a company donation of \$207,000 to families affected by the tragedy. The experience revealed LIG's potential to have a sustained, positive impact through charitable giving which, Mr Laughlin says, led naturally to the birth of LIG's outdoor festivals.

The festivals are free to the general public; money is raised through sales of festival merchandise, sponsorships, donations at the festivals, and additional Life is good monetary donations. To date, more than \$3 million has been raised and donated to children's charities. "We harness the full power of our brand to have this positive impact," says Mr Laughlin. He calls the festivals and the foundation "especially powerful vehicles" for advancing LIG's mission.

Why it works

The LIG portfolio is admirable, but it has a diversity and ambitiousness that might cause a seasoned CEO (in the more traditional sense of the acronym, with the 'O' standing for plain old 'officer') to label it naïve or unsustainable (or at least unprofitable). How does a

company whose selection now ranges from apparel to coolers to festivals continue to support its own charity and expand without compromising the quality of each area or losing sight of its original, core product—the T-shirt? They do it by keeping that very question "top of mind," says Mr Laughlin. "In essence, we ask ourselves the mantra 'What would Jake do?' We say 'no' to vastly more new opportunities than we say 'yes.' We are a design-driven company dedicated to maintaining top quality as we grow."

And they are growing. Having sold an estimated 25 million t-shirts since 1994, LIG expects to sell more than five million this year alone—and not just in the US.

LIG's international business is the fastest growing segment of the brand's growth, with Canada, Japan, Germany and the UK leading the way. International business currently makes up nearly 10% of LIG's total business, and is expected to outpace US growth before long.

LIG is, of course, optimistic about its future. "We want Life is good to lead in modelling how a business is able to successfully tie its profits to a meaningful cause," says Mr Laughlin. "[We are] keeping our eye focused on our ambitious mission as we grow toward a billion dollar business. And we expect to continue to have a lot of fun all along the way." 