

Workforce Compensation & Training	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA FACILITY										
Compensation and Training of Production Workers	Base Wage (% change)	+7%	+7%	+1%						
	Incentive Pay (\$/pair)	\$1.25	\$1.25	\$1.00						
	Fringe Benefits (\$/year)	\$2,500	\$2,500	\$3,000						
	Best Practices (\$/worker)	\$400	\$400	\$600						
Supervisory Staff (ratio of workers to supervisors)	40 to 1	40 to 1	40 to 1							
Supervisory Compensation (% change)	+5%	+5%	0%							
EUROPE-AFRICA FACILITY										
Compensation and Training of Production Workers	Base Wage (% change)	0%	0%	0%						
	Incentive Pay (\$/pair)	\$0.00	\$0.00	\$0.00						
	Fringe Benefits (\$/year)	\$0	\$0	\$0						
	Best Practices (\$/worker)	\$0	\$0	\$0						
Supervisory Staff (ratio of workers to supervisors)	0 to 1	0 to 1	0 to 1							
Supervisory Compensation (% change)	0%	0%	0%							
ASIA-PACIFIC FACILITY										
Compensation and Training of Production Workers	Base Wage (% change)	+1%	+1%	+1%						
	Incentive Pay (\$/pair)	\$0.50	\$0.50	\$0.50						
	Fringe Benefits (\$/year)	\$1,536	\$1,536	\$1,500						
	Best Practices (\$/worker)	\$200	\$200	\$400						
Supervisory Staff (ratio of workers to supervisors)	35 to 1	35 to 1	40 to 1							
Supervisory Compensation (% change)	0%	0%	0%							
LATIN AMERICA FACILITY										
Compensation and Training of Production Workers	Base Wage (% change)	0%	0%	0%						
	Incentive Pay (\$/pair)	\$0.00	\$0.00	\$0.00						
	Fringe Benefits (\$/year)	\$0	\$0	\$0						
	Best Practices (\$/worker)	\$0	\$0	\$0						
Supervisory Staff (ratio of workers to supervisors)	0 to 1	0 to 1	0 to 1							
Supervisory Compensation (% change)	0%	0%	0%							

Branded Footwear Production	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA FACILITY										
Branded Production Specs	Superior Materials %	24.00%	24.00%	32.00%						
	Number of Models / Styles	150	150	200						
	Styling/Features (\$000/model)	\$10	\$10	\$10						
	TQM / 6-Sigma (\$/pair)	\$1.30	\$1.30	\$1.00						
Branded Pairs to be Manufactured (000s)	4,045	4,045	4,033							
Anticipated Y13 Materials Prices (\$ per pair)	Standard	\$6.00	\$6.05	\$5.92						
	Superior	\$12.00	\$12.26	\$12.62						
EUROPE-AFRICA FACILITY										
Branded Production Specs	Superior Materials %	0.00%	0.00%	0.00%						
	Number of Models / Styles	0	0	0						
	Styling/Features (\$000/model)	\$0	\$0	\$0						
	TQM / 6-Sigma (\$/pair)	\$0.00	\$0.00	\$0.00						
Branded Pairs to be Manufactured (000s)	0	0	0							
Anticipated Y13 Materials Prices (\$ per pair)	Standard	\$6.00	\$6.05	\$5.92						
	Superior	\$12.00	\$12.26	\$12.62						
ASIA-PACIFIC FACILITY										
Branded Production Specs	Superior Materials %	54.00%	54.00%	54.00%						
	Number of Models / Styles	200	200	200						
	Styling/Features (\$000/model)	\$10	\$10	\$10						
	TQM / 6-Sigma (\$/pair)	\$0.90	\$0.90	\$0.90						
Branded Pairs to be Manufactured (000s)	4,249	4,249	4,249							
Anticipated Y13 Materials Prices (\$ per pair)	Standard	\$6.00	\$6.05	\$5.92						
	Superior	\$12.00	\$12.26	\$12.62						
LATIN AMERICA FACILITY										
Branded Production Specs	Superior Materials %	0.00%	0.00%	0.00%						
	Number of Models / Styles	0	0	0						
	Styling/Features (\$000/model)	\$0	\$0	\$0						
	TQM / 6-Sigma (\$/pair)	\$0.00	\$0.00	\$0.00						
Branded Pairs to be Manufactured (000s)	0	0	0							
Anticipated Y13 Materials Prices (\$ per pair)	Standard	\$6.00	\$6.05	\$5.92						
	Superior	\$12.00	\$12.26	\$12.62						

Production Facilities	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA FACILITY										
Production — Purchase of — New (000s of pairs)	0	0	500							
Equipment Refurb (000s of prs)	250	0	0							
Sale of Equipment (000s of prs)	0	0	0							
Production — Option A (reject rate reduction)	No	No	No							
Imprvmnt Option B (setup cost reduction)	No	No	No							
Options Option C (S/Q rating increase)	No	No	No							
Option D (productivity increase)	No	No	No							
Construction of Additional Space (000s of pairs)	0	0	1,000							
EUROPE-AFRICA FACILITY										
Production — Purchase of — New (000s of pairs)	0	0	0							
Equipment Refurb (000s of prs)	0	0	0							
Sale of Equipment (000s of prs)	0	0	0							
Production — Option A (reject rate reduction)	No	No	No							
Imprvmnt Option B (setup cost reduction)	No	No	No							
Options Option C (S/Q rating increase)	No	No	No							
Option D (productivity increase)	No	No	No							
Construction of Additional Space (000s of pairs)	0	0	0							
ASIA-PACIFIC FACILITY										
Production — Purchase of — New (000s of pairs)	0	0	250							
Equipment Refurb (000s of prs)	0	0	0							
Sale of Equipment (000s of prs)	0	0	0							
Production — Option A (reject rate reduction)	No	No	No							
Imprvmnt Option B (setup cost reduction)	No	No	No							
Options Option C (S/Q rating increase)	No	No	No							
Option D (productivity increase)	No	No	No							
Construction of Additional Space (000s of pairs)	0	0	0							
LATIN AMERICA FACILITY										
Production — Purchase of — New (000s of pairs)	0	0	0							
Equipment Refurb (000s of prs)	0	0	0							
Sale of Equipment (000s of prs)	0	0	0							
Production — Option A (reject rate reduction)	No	No	No							
Imprvmnt Option B (setup cost reduction)	No	No	No							
Options Option C (S/Q rating increase)	No	No	No							
Option D (productivity increase)	No	No	No							
Construction of Additional Space (000s of pairs)	0	0	0							

Branded Distribution	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA FACILITY										
Pairs Shipped — North America Warehouse	2,500	2,500	2,425							
from Facility to (000s)	1,250	1,250	1,310							
Europe-Africa Warehouse	0	0	0							
Asia-Paific Warehouse	0	0	0							
Latin America Warehouse	0	0	0							
EUROPE-AFRICA FACILITY										
Pairs Shipped — North America Warehouse	0	0	0							
from Facility to (000s)	0	0	0							
Europe-Africa Warehouse	0	0	0							
Asia-Paific Warehouse	0	0	0							
Latin America Warehouse	0	0	0							
ASIA-PACIFIC FACILITY										
Pairs Shipped — North America Warehouse	0	0	0							
from Facility to (000s)	730	730	1,300							
Europe-Africa Warehouse	1,545	1,545	1,000							
Asia-Paific Warehouse	1,545	1,545	0							
Latin America Warehouse	0	0	0							
LATIN AMERICA FACILITY										
Pairs Shipped — North America Warehouse	0	0	0							
from Facility to (000s)	0	0	0							
Europe-Africa Warehouse	0	0	0							
Asia-Paific Warehouse	0	0	0							
Latin America Warehouse	0	0	0							

Inventory Clearance		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Percentage of Pairs Cleared (from prior-year inventory)	North America	0%	0%	25%							
	Europe-Africa	0%	0%	0%							
	Asia-Pacific	0%	0%	0%							
	Latin America	0%	0%	0%							

Internet Marketing		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA MARKET											
Internet Marketing Decisions	Retail Price (\$ per pair)	\$60.00	\$60.00	\$67.00							
	Search Engine Ads (\$000s)	\$2,500	\$2,500	\$5,000							
	Free Shipping	No	No	No							
Competitive Assumptions	Retail Price (\$ per pair)	\$67.00	\$68.56	\$67.44							
	Search Engine Ads (\$000s)	\$5,000	\$4,194	\$3,194							
	Free Shipping	None	Few	Few							
EUROPE-AFRICA MARKET											
Internet Marketing Decisions	Retail Price (\$ per pair)	\$72.00	\$72.00	\$72.00							
	Search Engine Ads (\$000s)	\$4,500	\$4,500	\$4,500							
	Free Shipping	No	No	No							
Competitive Assumptions	Retail Price (\$ per pair)	\$72.00	\$73.00	\$69.33							
	Search Engine Ads (\$000s)	\$4,500	\$4,028	\$4,306							
	Free Shipping	None	None	None							
ASIA-PACIFIC MARKET											
Internet Marketing Decisions	Retail Price (\$ per pair)	\$67.00	\$67.00	\$67.00							
	Search Engine Ads (\$000s)	\$4,000	\$4,000	\$4,000							
	Free Shipping	No	No	No							
Competitive Assumptions	Retail Price (\$ per pair)	\$67.00	\$68.33	\$67.44							
	Search Engine Ads (\$000s)	\$4,000	\$3,528	\$4,528							
	Free Shipping	None	None	None							
LATIN AMERICA MARKET											
Internet Marketing Decisions	Retail Price (\$ per pair)	\$72.00	\$72.00	\$72.00							
	Search Engine Ads (\$000s)	\$4,000	\$4,000	\$4,000							
	Free Shipping	No	No	No							
Competitive Assumptions	Retail Price (\$ per pair)	\$72.00	\$73.00	\$72.83							
	Search Engine Ads (\$000s)	\$4,000	\$3,528	\$4,000							
	Free Shipping	None	None	None							

Wholesale Marketing		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA MARKET											
Wholesale Marketing Decisions	Wholesale Price (\$ per pair)	\$45.00	\$45.00	\$48.00							
	Brand Advertising (\$000s)	\$10,000	\$10,000	\$10,000							
	Rebate Offer (\$ per pair)	\$4.00	\$4.00	\$5.00							
	Delivery Time (weeks)	3	3	3							
	Retailer Support (\$ per outlet)	\$4,000	\$4,000	\$4,000							
Competitive Assumptions	S/Q Rating	4.0★	4.4★	5.1★							
	Model Availability	200	205	263							
	Wholesale Price (\$ per pair)	\$48.00	\$48.89	\$50.89							
	Brand Advertising (\$000s)	\$10,000	\$10,333	\$9,167							
	Rebate Offer (\$ per pair)	\$5.00	\$4.30	\$4.00							
	Delivery Time (weeks)	3.0	2.8	2.4							
	Retailer Support (\$ per outlet)	\$4,000	\$3,944	\$3,833							
EUROPE-AFRICA MARKET											
Wholesale Marketing Decisions	Wholesale Price (\$ per pair)	\$53.00	\$53.00	\$53.00							
	Brand Advertising (\$000s)	\$9,000	\$9,000	\$9,000							
	Rebate Offer (\$ per pair)	\$5.00	\$5.00	\$5.00							
	Delivery Time (weeks)	2	2	3							
	Retailer Support (\$ per outlet)	\$4,250	\$4,250	\$4,000							
Competitive Assumptions	S/Q Rating	4.0★	4.4★	5.0★							
	Model Availability	200	206	261							
	Wholesale Price (\$ per pair)	\$53.00	\$54.11	\$54.78							
	Brand Advertising (\$000s)	\$9,000	\$9,056	\$9,056							
	Rebate Offer (\$ per pair)	\$5.00	\$5.00	\$4.40							
	Delivery Time (weeks)	3.0	2.9	2.6							
	Retailer Support (\$ per outlet)	\$4,000	\$4,000	\$3,972							
ASIA-PACIFIC MARKET											
Wholesale Marketing Decisions	Wholesale Price (\$ per pair)	\$48.00	\$48.00	\$48.00							
	Brand Advertising (\$000s)	\$8,000	\$8,000	\$8,000							
	Rebate Offer (\$ per pair)	\$5.00	\$5.00	\$5.00							
	Delivery Time (weeks)	3	3	3							
	Retailer Support (\$ per outlet)	\$2,750	\$2,750	\$2,750							
Competitive Assumptions	S/Q Rating	4.0★	4.4★	4.9★							
	Model Availability	200	205	254							
	Wholesale Price (\$ per pair)	\$48.00	\$48.56	\$50.55							
	Brand Advertising (\$000s)	\$8,000	\$8,111	\$8,167							
	Rebate Offer (\$ per pair)	\$5.00	\$4.40	\$3.90							
	Delivery Time (weeks)	3.0	2.9	2.7							
	Retailer Support (\$ per outlet)	\$2,750	\$2,722	\$2,750							
LATIN AMERICA MARKET											
Wholesale Marketing Decisions	Wholesale Price (\$ per pair)	\$53.00	\$53.00	\$53.00							
	Brand Advertising (\$000s)	\$8,000	\$8,000	\$7,500							
	Rebate Offer (\$ per pair)	\$6.00	\$6.00	\$5.00							
	Delivery Time (weeks)	2	2	3							
	Retailer Support (\$ per outlet)	\$2,750	\$2,750	\$2,750							
Competitive Assumptions	S/Q Rating	4.0★	4.4★	4.9★							
	Model Availability	200	205	254							
	Wholesale Price (\$ per pair)	\$53.00	\$54.56	\$54.55							
	Brand Advertising (\$000s)	\$7,500	\$7,556	\$7,778							
	Rebate Offer (\$ per pair)	\$5.00	\$5.10	\$4.60							
	Delivery Time (weeks)	3.0	2.9	2.6							
	Retailer Support (\$ per outlet)	\$2,750	\$2,750	\$2,833							

Private-Label Production	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA FACILITY										
Private-Label — Superior Materials %	14.00	14.00	16.00							
Specs — Number of Models / Styles	2	2	30							
Styling/Features (\$000/model)	\$3	\$3	\$4							
Pairs to be — North America Warehouse	215	215	215							
Produced & — Europe-Africa Warehouse	215	215	215							
Shipped to — Asia-Paific Warehouse	0	0	0							
(000s) — Latin America Warehouse	0	0	0							
EUROPE-AFRICA FACILITY										
Private-Label — Superior Materials %	0.00	0.00	0.00							
Specs — Number of Models / Styles	0	0	0							
Styling/Features (\$000/model)	\$0	\$0	\$0							
Pairs to be — North America Warehouse	0	0	0							
Produced & — Europe-Africa Warehouse	0	0	0							
Shipped to — Asia-Paific Warehouse	0	0	0							
(000s) — Latin America Warehouse	0	0	0							
ASIA-PACIFIC FACILITY										
Private-Label — Superior Materials %	26.00	26.00	80.00							
Specs — Number of Models / Styles	12	12	0							
Styling/Features (\$000/model)	\$3	\$3	\$4							
Pairs to be — North America Warehouse	0	0	0							
Produced & — Europe-Africa Warehouse	0	0	0							
Shipped to — Asia-Paific Warehouse	222	222	222							
(000s) — Latin America Warehouse	222	222	222							
LATIN AMERICA FACILITY										
Private-Label — Superior Materials %	0.00	0.00	0.00							
Specs — Number of Models / Styles	0	0	0							
Styling/Features (\$000/model)	\$0	\$0	\$0							
Pairs to be — North America Warehouse	0	0	0							
Produced & — Europe-Africa Warehouse	0	0	0							
Shipped to — Asia-Paific Warehouse	0	0	0							
(000s) — Latin America Warehouse	0	0	0							

Private-Label Contract Offers	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
NORTH AMERICA MARKET										
Pairs Offered for Sale (000s)	201	201	200							
Price Offer (\$ per pair)	\$32.00	\$32.00	\$32.00							
Incorporate Projected Outcomes	Yes	No	No							
EUROPE-AFRICA MARKET										
Pairs Offered for Sale (000s)	201	201	200							
Price Offer (\$ per pair)	\$37.00	\$37.00	\$37.00							
Incorporate Projected Outcomes	Yes	No	No							
ASIA-PACIFIC MARKET										
Pairs Offered for Sale (000s)	200	200	200							
Price Offer (\$ per pair)	\$32.00	\$32.00	\$32.00							
Incorporate Projected Outcomes	Yes	Yes	No							
LATIN AMERICA MARKET										
Pairs Offered for Sale (000s)	200	200	200							
Price Offer (\$ per pair)	\$37.00	\$37.00	\$37.00							
Incorporate Projected Outcomes	Yes	Yes	No							

Celebrity Endorsements		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Contract Offer — (\$000s)	Judy Judge	\$0	\$0	\$0							
	Kimmie Jimmel	\$0	\$0	\$0							
	Bud Birkenstock	\$0	\$0	\$0							
	Jose Montana	\$0	\$0	\$0							
	Samuelle Jackson	\$0	\$0	\$0							
	Bronko Mars	\$0	\$0	\$0							
	Steff Caraway	\$0	\$0	\$0							
	Jay XYZ	\$0	\$0	\$0							
	Nunchuck Norris	\$0	\$0	\$0							
	Roger Federation	\$0	\$0	\$0							
	Nick Shavan	\$0	\$0	\$0							
	Anderson Blooper	\$0	\$0	\$0							
	Mic Jagermeister	\$0	\$0	\$0							
	Jim Hardball	\$0	\$0	\$0							
	LaBron Game	\$0	\$0	\$0							
	Flint Westwood	\$0	\$0	\$0							
Offer Priority —	Judy Judge	0	0	0							
	Kimmie Jimmel	0	0	0							
	Bud Birkenstock	0	0	0							
	Jose Montana	0	0	0							
	Samuelle Jackson	0	0	0							
	Bronko Mars	0	0	0							
	Steff Caraway	0	0	0							
	Jay XYZ	0	0	0							
	Nunchuck Norris	0	0	0							
	Roger Federation	0	0	0							
	Nick Shavan	0	0	0							
	Anderson Blooper	0	0	0							
	Mic Jagermeister	0	0	0							
	Jim Hardball	0	0	0							
	LaBron Game	0	0	0							
	Flint Westwood	0	0	0							
Spending Cap on Contracts (\$000s)		\$0	\$0	\$0							

CSRC Initiatives		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Recycled Boxing/Packaging		No	No	No							
Energy Efficiency Initiatives		\$0	\$0	\$0							
Charitable —	Total \$ (before taxes)	\$0	\$0	\$0							
	Contributions % of Pretax Profit	0%	0%	0%							
Ethics Training/Enforcement		No	No	No							
Improved Working —	Cafeteris/Child Care	No	No	No							
	Conditions Vent./Lighting/Safety	No	No	No							
Supplier Code of Conduct		No	No	No							

Finance and Cash Flow		Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Sources of — Additional Cash	1-Year Loan	\$5,000	\$0	\$0							
	5-Year Loan	\$0	\$0	\$0							
	10-Year Loan	\$0	\$0	\$0							
	Stock Issue (000s of shares)	0	0	0							
Uses for — Excess Cash	Early Repayment of	None	None	None							
	Long-Term Loans	None	None	None							
	Dividend (\$ per share)	\$0.00	\$0.00	\$0.00							
	Stock Repurchase (000s shrs)	0	0	0							