



“Endorsed By No One” Philosophy

With seemingly every modern product associated with a celebrity, most would agree that today’s world is over-saturated with product endorsements. Such endorsements are particularly evident in the athletic footwear industry where many popular basketball shoes are named after NBA “superstars.” New Balance however has continued to buck this trend. At New Balance we strongly believe that the real “heroes” of our brand are the products themselves, not a single celebrity or athletic endorser. That’s why New Balance adheres to a unique “Endorsed By No One” philosophy.

New Balance believes that a “hero” marketing campaign is risky business, recognizing that just because an athlete is a role model on the court, doesn’t mean that he/she is guaranteed to be squeaky-clean off the court. Nor is an athlete’s current behavior a predictor of his/her future behavior. So, while our competitors choose to take that risk and line the pocket of athletic endorsers, New Balance opts to focus its marketing efforts on research and design, domestic manufacturing, and grassroots athletics. New Balance proudly supports “grassroots” athletics and athletes, and Team New Balance stands as testimony to that. But, you will not find Team New Balance athletes in New Balance print or television advertisements.

Until recently New Balance was alone in the belief that celebrity endorsements were not necessarily synonymous with increased sales. However, the soft market coupled with inappropriate behavior on the part of many celebrity endorsers has forced many companies to re-evaluate the role of product endorsers. Several athletic footwear companies have begun slashing their endorsement budgets and sent their big-name endorsers packing.

So, while our competitors are busy defending the actions of their endorsers and re-evaluating their spending, New Balance is busy doing what it has done for years – focusing on research and design and supporting grassroots athletics through sponsorship of programs like The LaSalle Bank Chicago Marathon, the Susan G. Komen for the Cure® 5K series and Girls on the Run. New Balance also uses non-endorsement monies to expand our U.S.-based manufacturing facilities, in turn offering additional factory job opportunities and benefits. By focusing on research, design, and manufacturing, New Balance continues to be an industry leader in technological innovation. By adhering to our unique Endorsed By No One philosophy, New Balance celebrates the true stars -- consumers who choose New Balance products because they fit and they perform.

We were told many years ago that we would never make it without celebrity endorsers, just as we were told that we would never make a profit if we continued to make shoes in the States. New Balance continues to prove that both can be done. The company has expanded from a six-person team making thirty pairs of shoes each day in 1972, to a global enterprise that boasted worldwide sales of \$1.55 billion in 2006. All of this, with five manufacturing facilities in the United States and without the use of celebrity endorsers. ####

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