

# Nike as a multinational company

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Nike is one of the largest athletic shoe brands in the world and sells millions of shoes and clothing each year. The company was founded on January 25, 1964 by a University of Oregon track athlete Philip Knight and his coach Bill Bowerman. It was first named Blue Ribbon Sports and it officially became Nike, Inc. on May 30, 1978 (Nike). As a multinational company, it operates retail stores domestically and overseas and all of the products it sells are manufactured by independent contractors located predominantly in foreign countries.

Nike first entered the international market through China overcoming the many challenges it faced while trying to do business with them. Nike is also listed as one of the 226 companies recognized for sustainability efforts on the Dow Jones Sustainability Index. Beyond the CERES principles, Nike has recently been investigating options for improving its energy efficiency. By certifying all of its new buildings in Oregon with 'Earth Advantage', Nike has been able to save more than two million kilowatt-hours and over 2, 000 therms of natural gas. This has translated into a total saving of \$100, 000 for the company.

Nike's plans for the future include:

- A continued effort to eliminate PVC in its products;
- The 'Reuse a Shoe' programme which, since its inception, has enabled some 13 million pairs of athletic shoes to be recycled;
- Working with organic cotton farmers to create a larger market for their cotton: Nike's use of organic cotton has been climbing each year since 1997, and it has a goal of 3% organic cotton use in every unit of the company by 2010;
- Reducing emissions at factories worldwide and encouraging the adoption of environmental management systems in each plant;

A major challenges that still faces Nike is the monitoring of labour conditions in the factories operated by its many overseas suppliers. The company has been commended for its openness in admitting to unacceptable practices, and its challenge now is to eliminate them.