

The industry has is
getting its stock



The Shoe Industry The shoe industry is one of the biggest moneymakers in the market, but it's facing many changes, rushes, and difficulties.

The big power in the industry is Nike inc. which all the other companies are trying to be like. Some changes are the industry as a whole is moving there factories to the far east such as China.

The reason for this is they are trying to save costs for producing there shoes by paying there workers less because they are in the far east. Nike and Reebok have already been in the east. The shoe industry not including Nike inc. is trying to make rushes to be number one, two, and three. Another rush the industry is making, is the rush for the deadline of sports shoes. In other words coming up with shoes for the sports that are in season. The difficulties the shoe industry has are making shoes that all people wear such as setting a style for both inner city people and suburb people.

Another difficulty the shoe industry has is getting its stock value to rise again because all but Nike and Fila's stock has dropped. This is what the shoe industry is all about and the difficulties, problems, and advances it has. There are four major companies in the shoe industry. The dominant industry is Nike inc.. Then going down the line is Reebok, Fila, and Adidas. Nike being the superpower has been in front of all the other industries for many years.

Right now Reebok is the closest company to Nike and is \$2, 459 behind in value in MIL. Nike's earnings in the last quarter leaped 24% which has pleased Wall Street investors. With such earnings Nike announced a 2-to-1 stock split, its second in many years. Nike and Reebok are far ahead than the

other companies because their factories are already in the far east, and other companies are just starting to build them.

With Nike's earnings so high it'll be very hard for any of the companies to take over the number one spot. Also, it'll be hard to get the people's support in their products because most people have faith in Nike. Reebok number two in the industry is facing many problems. First, there is friction between the management spots for Reebok. Second, Reebok is having difficulty finding sports stars to endorse their products. Finally, Reebok's stock has dropped and is still dropping. The reason for this is the people do not prefer the shoes in how they look and how comfortable they are.

If Reebok's stock continues to drop don't be surprised if Fila takes the number two spot. Fila has been spectacular in the market in the last four years. Fila has increased its profits and taken the number three spot from Adidas. There are a few causes for this smart management, popular endorsers, and shoes. The shoes I am talking about are the Grant Hill's. These shoes made everything happen for Fila including getting the support of people behind their product. Fila plans to launch another offensive so it can surpass Reebok in the market, this offensive will include new Grant Hill shoes and many others.

Finally, there is Adidas who is in the hunt for its number three spot back. After losing its three spot Adidas launched their own offensive rising their stock from 2% to 5%. In their offensive Adidas signed such stars as John Starks and Jalen Rose to endorse their products. Even with this offensive Adidas will not be able to compete with Nike and Fila.

There are two things that will have an effect on these companies in the future, changing tastes and new competitors. I feel if you are going to buy stock in any of these companies you should buy stock in Nike and Fila. My reasons for you to buy in Nike are many. First, its stock keeps on rising suffering very small losses at few times a year.

Second, Nike has always done well in meeting the consumers wants and needs. Finally, Nike has the number one endorsers who bring in profits. Such endorsers are Michael Jordan, Deion Sanders, and Penny Hardaway. The reasons for you to buy stock in Fila are very persuading. First, Fila has jumped up in the market passing such big names as Adidas, and Converse not hesitating to look back. Second, Fila has rising stars to endorse their products such as Allen Iverson, Jamal Mashburn, Mike Powell, and Grant Hill.

Finally, Fila's next offensives sounds