

# Forbes

## Why Performance Apparel Brand Vuori Makes Everything With Technical Properties.



Vuori VUORI

Performance wear describes a variety of clothing and garments that are designed with a sport or leisure activity in mind. The early development of sportswear clothing in the 19th century was brought forth strong and proud by menswear. At that time, it reflected a less formal approach to dressing in favor of more practical considerations. Many sportswear designs had become codified according to their respective activity which led to many future innovations in textile technology and functional styling. In fact, most men's fashions all started out as sports clothes and progressed into day to day attire. For example, the tail coat, which started out as a hunting coat, is just finishing its lifecycle whereas the tracksuit is just beginning its own. Let it be known that by the beginning of the 20th century, the USA had established a nationwide culture of informal dressing which defiantly set it apart from Europe thanks in part to the rapid expansion of industrialization, the forceful economy and the diverse climate of our great nation. In addition, the USA had

its own sports such as baseball and American football, which contributed to distinctly American expressions of men's sportswear style. Nowadays, American men are more receptive to sportswear notions of comfort and ease than their European counterparts. Let's face it, sportswear has become synonymous with American style. Technological advances in textile manufacturing and finishing processes enabled sportswear to become a catalyst for change across many aspects of menswear. I have been researching performance brands and recently came upon a brand that peaked my interest. Whether you're finishing 2018 strong, or are on the verge of throwing in the towel on your New Year's resolutions, now is a great time to call in the reinforcements - and by reinforcements, I, of course, mean the latest gear from **Vuori**. Inspired by its home of Southern California, Vuori blends one of a kind functionality with sleek, stylish designs that perform just as well as they look.



Vuori.strato tech tee VUORI

I recently had the privilege to interview Joe Kudla, Founder and CEO of Vuori about the design philosophy, the infusion of advanced technology within the brand's robust fabrications and how he believes in a strong multichannel shopping experience for the customer base.



Joe Kudla Founder and CEO of Vuori | VUORI

**Joseph DeAcetis: In your own words, talk to us about the birth of Vuori. The design philosophy and the true essence and DNA of the brand?**

Joe Kudla: It sounds cliché, but Vuori really was born from a personal need that we felt wasn't being addressed in the active market. I found yoga about 10 years ago, as a means to heal my back from pain that accumulated over many years of playing football and collegiate lacrosse. I fell in love with the practice and started going to class daily, which gave me a lot of relief and also set me on this path. Being someone that has always loved product and design, I looked around and asked the question, "What do guys wear to yoga?". As a group of friends that were going to yoga together, and generally living a very diverse, active, coastal Californian lifestyle full of surfing, training, hiking, running, traveling, and a dozen other things, we felt like there weren't any brands speaking directly to us. On the one hand, you did have the traditional 'yoga' brands. However, we felt like they were targeting an older demographic and were much more focused on their female customers. On the other hand, you had the mainstream athletic brands that were really competing on price and distributed at mass market retail. The "gym costume" as we like to refer to it, was made from cheap synthetic fabrications, primary color stories and was extremely logo driven. It felt like those brands drew inspiration from urban culture, and were targeting a younger aspirational athlete that was still competing in team sports. As guys in our 30s, our priorities had shifted and we were looking for product



that could not only keep up with our active interests, but that had a look and feel that we actually wanted to wear -- product that would integrate into our everyday lives outside the gym. And of course, you had Lululemon, who at the time was bucking the trend and creating a new category by going upmarket in terms of better materials, better construction and better fit. While they did offer a small men's line, to us it always felt like our wives' brand. So we set out to create a brand and products inspired by that active, coastal California lifestyle that we live everyday; an integration of fitness, surf, sport and art. Our design ethos is "Built to Move in, Styled for Life". At the core of everything, what we make is performance; products that wick moisture, dry quickly, fight odor and move with your body. All the while, we design our products with a casual West Coast vibe that wears equally well at a bar or cruising around town as it does in the gym or studio.



Vuori stockton VUORI

**JD: How has your education lead you to the path of designing a launching a brand. Give clear examples of what you learned and what you had learned after graduation that lead to this path in menswear?**

JK: I studied accounting in college, which at face value is not very applicable to what I spend most of my time doing now. But, it has served me very well in understanding my business and setting us up for success from a financial standpoint. When I graduated, I had a unique opportunity to work as a model in Europe. What was supposed to be a four month trip before I started my "professional career" at an accounting firm turned into a two year adventure living between Italy, Germany, Spain and NYC. It was a great experience, but I didn't really care for being in front of the camera. I was more intrigued with what the designers were doing: how they brought their visions to life and the discipline and devotion they demonstrated to make truly incredible products. That industry visibility is what sparked my interest, and ultimately gave me the confidence to pursue this career.

**JD: Might you be able to give us clear examples as to why technology is important to you and your brand. What is special the infusion of technology in your product offerings?**

JK: Today, if you fail to think of yourself as a technology company, you are likely missing the boat. Inherent in just about every key business process today lies technology at its core. From how we engage with customers online to how we leverage business intelligence to better understand their behavior and preferences, to how we visualize large amounts of data in digestible forms to make informed decisions, there appears to be no end to how much tech a company can or should bite off. The challenge for an emerging brand like Vuori is how to build the framework, process and teams around the technology to ensure you are taking advantage of it. That way, the initiative is viewed as a success versus another distraction that doesn't ultimately contribute the intended value to your organization. From a product standpoint, everything Vuori makes includes technical properties. We are always sourcing and developing textiles that have unique technical properties, ranging from how the fabric manages sweat and moisture to how it deals with bacteria and odor, and most importantly how it moves with your body while maintaining great shape. We will always love our basic cotton tees and jeans, but it is incredible how far synthetic fabrics have come. The best part is that finally, a lot of textile companies are considering the environmental impacts of their products so there are more

recycled synthetic options available that do not sacrifice the softness or performance of fabric.



Vuori- transit jogger and Zion half zip VUORI

**JD: What is the comparative advantage of Vuori in a sea of hundreds of basics and athletic brands?**

Two things:

1. We often get asked what made us think we could be successful in such a competitive market, but we actually felt like the market was wide open as no one was addressing our collective needs. The mass activewear brands were very team sports driven, focused on cost over quality. Lulu was building fantastic product, but it always felt like men's was more of an afterthought for them. In southern California, the guys that didn't grow up playing competitive team sports were wearing boardshorts--designed for surfing--to exercise in. There wasn't a brand building premium and versatile gear for men that you actually wanted to wear both in and out of the gym.
2. The fabrics that we use are, on average, 2-4X the cost of the fabrics used by the big active brands. We work with better materials

and better construction, and we design our gear with a more modern, athletic fit. As our direct business is a material part of our distribution strategy, we are able to absorb some of that additional cost and not pass it off on our customers. Today's customer is smart, informed and they know quality when they feel it. Having a big, recognizable brand name will only get you so far when millennials (currently the largest consumer base in the US) are more willing than the generation that came before them to try new things. They're also comfortable shopping online, where barriers to entry are low.

**JD: What is your biggest risk and challenge?**

JK: The biggest challenge that we have faced as a business was raising capital in our early days. As I was lacking a lot of history in the apparel industry, it was difficult to convince investors that Vuori was the right horse to bet on. I knew in my heart there was a big open space in this category, which was supported by lots of data and research, but there was no IP or revolutionary technology play that we could point to that set us apart from other businesses that investors were being pitched. Even after we got the first capital in, I lost a lot of sleep in the early days as we worked towards defining our engine of growth. It wasn't until after our second raise that things really started to take off. Fortunately, we have had a lot of success, and now the focus has shifted internally to ensure we choose the right partners whose values and goals are aligned with ours. Another challenge I would point to is "growing up" as a business. Creating structure and process aren't necessarily fun things to focus your attention on, especially when so much of your time is spent on product, sales and marketing. Those things can be tough to implement when the team has gotten accustomed to a certain environment. It's not always easy or fun, but it's very important.

**JD: What has been your greatest achievement with respect to Vuori?**

JK: We've been very blessed with an incredibly talented group of people that have come together to bring this vision to life. At its simplest form, a business is just a group of people working together towards a common goal. We have incredible people. I love the quote "it's incredible what you can accomplish when no one cares who gets the credit". That speaks so perfectly to the culture we've been able to build, and we are very proud of that. Our other great achievement has

been building a true, omni-channel business that is set up for growth. It definitely did not happen overnight and not without a lot of hard work, but we are running an e-commerce channel, a vertical retail channel and a wholesale business all under one roof. The planning and coordination that goes into making this successful is not for the faint of heart, but well worth the investment.



Vuori. Paxton short VUORI

**JD: Do you prefer e-commerce over brick and mortar? why?**

JK: We believe strongly in a multi channel approach as we want to be where our customer is shopping, whether that is online, in one of our Vuori stores or with one of our wholesale partners. We feel very fortunate to have been early adopters of social advertising, which gave us a great opportunity to build a loyal customer base. What we have learned is that each channel benefits from and lifts the others. For example, by selling to great wholesale partners that are committed to merchandising our product well, we will reach customers that we would not have otherwise been introduced to. By advertising online, we not only create broad awareness but reach customers that want to touch and feel the gear before committing to a



purchase, driving them into physical stores to try it out. Each channel has their own unique things that make them great and challenging at the same time, but we feel it's necessary to show up in both. The key for us has been to be selective and only work with great wholesale partners that are aligned with our brand values and goals.

**JD: Who is the one celebrity you would like to see wearing your brand and why?**

JK: If he was still with us, it would be Steve Jobs as his legacy still inspires us to this day. He didn't subscribe to the norm, he took huge risks and he never sacrificed aesthetic for performance or vice versa.

**JD: What is your growth strategy for Vuori and how do you intend to reach your goals?**

We are planning to continue investing in our direct business, including both ecommerce and Vuori retail stores in key markets as well as nurturing our wholesale business with select partners that are equally invested in telling our brand story. While we continue to see a tremendous amount of upside with our men's business, we recently launched a full women's collection and it has been performing wonderfully online, in our stores and with select wholesale partners including REI and Nordstrom. We will continue to look at new category extension opportunities through the Vuori lens: Built to Move in, Styled for Life.