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Speedo Hopes to Stretch the Brand Beyond Swim Trunks

It's hitching a \$4-million ad campaign to the Winter Games to promote a line of more fashionable active wear.

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Typically, athletes don't slip into their Speedos to head for the ice.

But that's what will happen at the Winter Olympics in Turin, Italy, as U.S. sledding and sliding competitors go for the gold.

Los Angeles-based Speedo North America, best known for its teensy, tight swim briefs, will outfit defending gold medalist bobsledder Vionetta Flowers and other contenders in its Fastskin FSII Ice speed suits for the competition starting this weekend.

Seizing the opportunity, the world's largest maker of swimwear also will launch its most expensive advertising campaign as it attempts to establish itself in the market for more fashionable active wear. The company plans an expanded line of products, including track jackets, cropped yoga pants and sexier swimsuits for women.

"Our mission is to layer the cool factor over the technical prowess of this brand," said Sheree Waterson, president of Speedo North America.

"Cool," however, may not be the first word that springs to mind when consumers think of a brand that in its early years adopted the slogan "Speed on in your Speedos" and ultimately became famous for the Lycra trunks that first appeared in 1956.

The snug fit that worked so well in the pool may seem, to some at least, a tad too snug on the sand.

"They're known for the Speedos. You know — enough said," said Chad Farmer, president of Lambesis Agency, a marketing firm in Carlsbad, Calif. "While it plays good in Europe, it's got some stigmas on the beaches in the U.S. Can that be cool? Who knows?"

If not everybody sees Speedo as the hippest brand in which to slide down a slope, Farmer and others nonetheless say its "sports authenticity" should help the company stretch further in the \$43-billion active-wear niche, just as the Nike, Adidas and Reebok brands have.

The idea is to "take technology and make it available in other forms of clothing," said Mike May, a spokesman for the Sporting Goods Manufacturers Assn. "It makes perfect sense."

Active wear has grown to 24% of U.S. apparel sales, revealing Americans' tilt toward the casual, according to market research firm NPD Group. The segment grew 6% last year, while overall apparel sales rose 2.5%.

Hitching a \$4-million advertising campaign to the Winter Games is a smart move, said Marshal Cohen, NPD's chief industry analyst.

"Olympic product is one of the most powerful ways to connect with the amateur athlete," he said. Companies that dress medalists often see a boost in retail sales in the months after the Olympics, he said — about 12% with the Winter Games, slightly more for the Summer Games.

Certainly Speedo, a unit of Warnaco Group Inc. of New York, is at home at the Summer Olympics, where the swimsuit brand first appeared in 1932.

Swimmer Mark Spitz collected 11 medals, nine of them gold, while competing in Speedo racing briefs in 1968 and 1972. Michael Phelps wore Speedo body suits while collecting eight medals in 2004. Athletes wearing Speedo swimsuits took home 47 medals that year, the company said.

No Olympians compete in the skimpy briefs anymore, and Speedo said the style accounted for just 2% of sales these days. (Most men wear the Jammer, which looks like bicycle shorts.)

The body suit that athletes will wear in the skeleton, luge and bobsledding competitions in Turin is an offshoot of the Fastskin FSII for swimmers, which is constructed of sharkskin-like material meant to reduce drag.

During the initial design process for that suit, Speedo sought feedback from athletes it sponsored, including seven-time Olympic swimming medalist Amanda Beard. She had a suggestion that even a dog paddler could relate to.

"I'm like, 'I want a black suit to make me look skinnier,'" said Beard, 24, the model for Speedo's upcoming ad campaign. "That was my

input.”

The Winter Games could help the Speedo brand appear edgier, experts say. After all, athletes in the skeleton will be hurtling face-first down icy tracks, not gliding through pools.

Among those who will be wearing Speedo suits in Turin are Flowers’ bobsledding partner, Jean Prahm; bobsledder Todd Hays; and skeleton competitors Eric Bernotas and Katie Uhlaender. In all, 30 athletes will compete in the suits, including some from Australia and the Netherlands, Speedo said.

There is, of course, no huge market for backyard lugeing. But there is a potentially powerful message for Speedo in this year’s Games, said Mary Gilly, a professor of marketing at UC Irvine.

“Speedo: It makes you go fast,” she said, “as opposed to its little teeny bathing suit.”

Still, as it seeks to capture a broader market, the company must be cautious, said Peter Sealey, adjunct professor of marketing at UC Berkeley.

“It’s very seductive to slap that logo on a broad range of clothing, but it’s got to be core to what Speedo stands for,” and that’s performance, he said. Yoga pants could be, well, stretching it.

“Yoga is more contemplative, serene,” said Sealey, former head of marketing for Coca-Cola Co. “It’s physically demanding, but you don’t work up a sweat doing yoga.”

Speedo President Waterson said the company would not stray far from its watery roots. Track and warm-up suits, for example, are made with technical fabrics — a combination of polyester and spandex — that wick water from the body, she said.

“Everything we do emanates from that core, that heritage, so we’re authentic in everything we do,” Waterson said, referring to products, priced at \$30 to \$120, that are arriving in stores. “It has a look and feel that’s uniquely Speedo.”

