

PRESS RELEASE

BIRKENSTOCK enters licensing business

**Serving new business segments, markets, and target groups –
exclusive cooperation with TM1 trademark one AG**

Neustadt (Wied), Germany, July 30, 2014 – BIRKENSTOCK is gearing up to license its brand. The comfort shoe manufacturer plans to use licensing agreements to reach new strategic business segments, markets, and target groups. The line extension will focus on four themes that dovetail with the BIRKENSTOCK brand core: healthy sleep and living, the healthy workplace, healthy feet and running, and a healthy outlook on life. The licensing agreements are planned as long-term partnerships. Quality and function are top priorities for partner selection and product development. The decision to go into licensing was preceded by a comprehensive evaluation process that demonstrated the brand's strong affinity to new products. BIRKENSTOCK's consultant in this process is TM1 trademark one AG, which is solely responsible for establishing BIRKENSTOCK's global licensing business.

“Entering the licensing business is part of the offensive growth and investment strategy that we launched this past year,” explains Oliver Reichert, CEO of the BIRKENSTOCK Group. “This step comes at a time when our core business is booming and our brand is experiencing strong acceptance worldwide. This also means an increase in our customers' expectations of us as a global brand.” Markus Bensberg, CEO of the BIRKENSTOCK Group, elaborates. “Our customers have become accustomed to healthy solutions for walking and standing. Now they expect our brand to provide solutions that go beyond footwear, as well as products for both daytime and evening. That's what our evaluation revealed.”

BIRKENSTOCK is one of the most well-known and successful footwear brands worldwide. With a history that dates back 240 years, it also has one of the richest traditions in the industry. The family owned and operated company is a global player that's in great shape – with products sold in over 80 countries around the world. In the United States, the brand was declared “Brand of the Year” for shoes in 2013.

A lesser known fact: BIRKENSTOCK not only invented the “footbed”, but also coined the term. One of the few German trademarks to have acquired generic status, BIRKENSTOCK's cork footbed sandals did more than create a new market segment when they first appeared nearly half a century ago. BIRKENSTOCK enjoys very good credibility when it comes to brand values such as quality, function, and comfort. The company also has extremely loyal customers. This is confirmed by one of the latest brand effect studies from

Nielsen. The line extension will aim to meet customer demands for new, innovative products and, in the process, tap into new economic potential for the brand. This step should also strengthen the company's core business by reaching new target groups.

BIRKENSTOCK as a symbol for conscious lifestyles

"The impulse for our decision to go into new business segments came from our trade partners and our customers," says Markus Bensberg, explaining the background for the line extension. "Many of our customers see our brand as much more than a synonym for healthy and comfortable shoes. It is also a symbol of a conscious lifestyle." Oliver Reichert adds: "Our customers value healthy nutrition, green ideas and approaches, active leisure, family life, kids, pets, and solid education. Basically, we are taking the next logical step by extending our product line to include these areas."

BIRKENSTOCK plans to access new business segments through long-term strategic licensing partnerships with companies that have a similar philosophy, building primarily on high quality and excellent function in the individual segments. Based on the internal evaluation, there is considerable market potential for licensed products.

"There will be enormous opportunities for companies that get in early and start building up the brand in their own segments," states Michael Caudera, CEO of TM1 trademark one AG. "BIRKENSTOCK is a true stroke of luck in the global licensing business. It's very rare to find a global brand that has such a strong identity but still hasn't been analyzed in terms of moving outside its core business. This situation holds a huge economic potential for both partners as we set up licensing agreements."

About BIRKENSTOCK

BIRKENSTOCK is a success story "made in Germany". The roots of the family owned and operated company date back to 1774: Johann Adam Birkenstock was mentioned as a "subject and shoemaker" in the church archives of the Hessian city of Langenbergheim. Around 120 years later, in 1896, Konrad Birkenstock opened two specialty shoe shops in Frankfurt am Main and began manufacturing shoe insoles. In 1963, the company's very first pair of sandals – the "Madrid" model came out on the market, taking the world by storm. The first five thong sandal models followed in 1982. Over the years, the product range has continued to grow – currently boasting around 800 models. **BIRKENSTOCK** has been a global player for forty years: manufactured mainly in Germany, its products are sold in over 80 countries. The **BIRKENSTOCK** Group is headquartered in Neustadt (Wied). The global company is represented at seven sites in Germany in North Rhine Westphalia, Rhineland-Palatinate, Hessen, and Saxony, and employees over 2,000 people worldwide.

For further information, please visit www.birkenstock.com.

About TM1 trademark one

Michael Caudera founded TM1 trademark one AG in 2006 and continues to run the company as its CEO. Internationally active with headquarters in Starnberg near Munich, Germany, the company focuses on corporate and brand consulting in sports, personality, and lifestyle. The driving philosophy: capturing new markets and revenues, creating strong brands that last.

TM1 trademark one develops and implements marketing concepts for companies and brands that go beyond their established business in order to tap into new markets and revenues through licensing and media partnerships.

For further information, please visit www.trademark-one.de.

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