

SPALDING INTERNATIONAL NEWSLETTER

JANUARY 2017

SPALDING INTERNATIONAL UPDATE

THE FOURTH QUARTER WAS FILLED WITH SPALDING ACTIVATIONS AND EVENTS ACROSS THE GLOBE. ALTHOUGH WE FACED MANY ECONOMIC CHALLENGES THROUGHOUT THE YEAR INTERNATIONALLY, OUR PARTNERS CONTINUED TO PUSH THEIR MARKETING EFFORTS TO THE NEXT LEVEL.

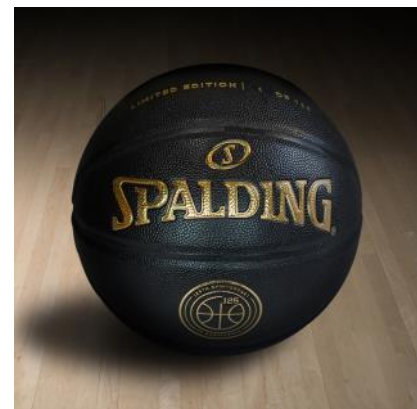
THE SPALDING BRAND CONTINUES TO GROW IT'S VISIBILITY AND PRESENCE IN THE MARKET. THERE WERE A FEW KEY ANNOUNCEMENTS IN Q4 WHICH WILL HELP US EXPAND THE SPALDING FOOTPRINT.

SPALDING WELCOMES CHRIS PAUL TO THE TEAM

IN DECEMBER, WE ANNOUNCED THAT CHRIS PAUL SIGNED ON AS A BRAND AMBASSADOR FOR SPALDING. CHRIS IS THE STARTING POINT GUARD FOR THE LOS ANGELES CLIPPERS, A 9X ALL-STAR, PRESIDENT OF THE NBA PLAYERS ASSOCIATION, AND WAS NAMED ESPN SPORTS HUMANITARIAN OF THE YEAR IN 2016. HE HAS OVER 16 MILLION FOLLOWERS ON SOCIAL MEDIA. CHRIS PAUL JOINS OUR STRONG ROSTER OF NABA ATHLETES INCLUDING DAMIAN LILLARD, DEMAR DEROZAN, AND MATTHEW DELLAVEDOVA.

125TH ANNIVERSARY OF BASKETBALL

ON DECEMBER 21, 1891, THE GAME OF BASKETBALL WAS INVENTED BY DR. JAMES NAISMITH. IN QUARTER 4, WE CELEBRATED THE 125TH ANNIVERSARY OF THAT INVENTION. IT IS AN IMPORTANT OCCASION FOR THE SPALDING BRAND. IN 1894 WE DEVELOPED THE FIRST BASKETBALL FOR OFFICIAL USE., AND WE HAVE BEEN A PART OF THE GAME EVER SINCE. TO COMMEMORATE THIS ANNIVERSARY, WE PUBLISHED AN OPEN LETTER TO THE GAME OF BASKETBALL, AS WELL AS CREATED A LIMITED EDITION BALL TO HONOR THE ACHIEVEMENT.



ANNOUNCEMENTS

- THERE ARE NEW MARKETING MATERIALS ON SHAREFILE
- CHINESE NEW YEAR IS JANUARY 28TH, 2017

OPERATIONS UPDATE

OUR TRANSITION TO SHAREPOINT IS NOW COMPLETE. IF YOU ARE STILL HAVING DIFFICULTY ACCESSING THE SYSTEM, OR IF YOU HAVEN'T APPLIED FOR ACCESS, PLEASE CONTACT YOUR SALES MANAGER. WE WILL GET YOU SET UP QUICKLY, WITH EASY ACCESS TO MARKETING MATERIAL, CATALOGS, ORDER FORMS, AND MORE. EVERYONE SHOULD BE COMPLETELY TRANSITIONED TO THE NEW 2017 ORDER FORM. IF YOU HAVE ANY QUESTIONS ABOUT WHETHER YOU ARE USING THE CORRECT FORM, PLEASE DOWNLOAD THE LATEST FILE FROM SHAREPOINT.

CHINESE NEW YEAR IS JANUARY 28, 2017. MOST OF OUR MANUFACTURING PARTNERS PLAN TO HAVE AT LEAST PARTIAL DOWNTIME DURING THE WEEKS OF JANUARY 23 AND JANUARY 30, 2017. THERE WILL BE NO FINISHED GOODS DEPARTURES DURING THOSE 2 WEEKS, WITH THE EXCEPTION OF VEGA IN THAILAND.

OUR CORPORATE OFFICE WILL BE TRANSITIONING TO A NEW COMPUTER SYSTEM ON FEBRUARY 27, 2017. WE EXPECT THE BUSINESS DISRUPTIONS TO BE MINIMAL, AND LOOK FORWARD TO SERVING YOU IN AN EVEN MORE EFFICIENT MANNER. THE CHANGES THAT WILL BE MOST VISIBLE TO OUR CUSTOMERS WILL BE IN THE FORMAT OF INVOICES AND ITEM NUMBERS. IF YOU HAVE ANY QUESTIONS REGARDING THESE CHANGES, PLEASE CONTACT KIM TIMMER.

SPALDING AROUND THE GLOBE

LATIN AMERICA

LATIN AMERICA SUMMER HEATS UP WITH BASKETBALL CAMPS

THE SUMMER MONTHS IN SOUTH AMERICA (DEC THRU MARCH) ARE HIGHLIGHTED BY A SERIES OF CAMPS AND CLINICS THAT TAKE PLACE IN COUNTRIES AROUND THE REGION. SPALDING HAS PARTNERED WITH TWO RENOWN COACHES FROM ARGENTINA TO SUPPORT THEIR GRASSROOT EFFORTS OF DEVELOPING YOUNG TALENT ACROSS THE CONTINENT.

GUILLERMO VECCHIO, WHO SERVED AS ARGENTINA'S HEAD COACH NATIONAL TEAM IN THE 1996 ATLANTA SUMMER OLYMPIC GAMES AND HAS AN IMPRESSIVE PROFESSIONAL CAREER, LEADS THE VECCHIO CAMP ACADEMY IN CHILE, BOLIVIA, ECUADOR, COLOMBIA AND ARGENTINA. IN 2016, COACH VECCHIO HAS

WORKED WITH 3,500 MALE AND FEMALE BASKETBALL PLAYERS. THE ACADEMY HAS GREAT PLANS IN PLACE FOR 2017 AND HAS PLANS OF EXPANDING ITS REACH TO MORE COUNTRIES.

OSCAR "HUEVO" SANCHEZ, ALSO A LONGTIME HEAD COACH FROM ARGENTINA WHO HAD THE PRIVILEGE TO BE MANU GINOBILI'S FIRST PROFESSIONAL COACH, IS ENTERING THE 27TH CONSECUTIVE YEAR DOING HIS ANNUAL SUMMER CAMP IN MAR DEL PLATA, ARGENTINA.

BOTH COACHES, WITH THE SUPPORT OF OUR LOCAL PARTNERS (DISTRIBUTORS), ARE CONDUCTING THEIR CAMPS WITH SPALDING EQUIPMENT AND PROMOTIONAL MATERIALS.



EUROPE

DRIBBLING FROM ASIA TO EUROPE WITH SPALDING!

SPALDING TURKEY BROKE NEW GROUND BY PASSING THE BOSPORUS BRIDGE TOGETHER WITH 30 YOUNG BASKETBALL PLAYERS. ON THIS BRIDGE, THEY DRIBBLED FROM ASIA TO EUROPE AT THE VODAFONE 38TH ISTANBUL MARATHON. THIS EVENT WAS USED TO BRING ATTENTION TO THE EUROLEAGUE FINAL FOUR, WHICH WILL TAKE PLACE ON MAY 17-21, 2017 IN ISTANBUL.



LNB ALL-STAR GAME HELD IN PARIS

ON DECEMBER 29TH, THE LNB ALL-STAR GAME WAS HELD IN PARIS, FRANCE AT THE ACCORHOTELS ARENA. SPALDING IS THE OFFICIAL BALL OF THE LNB, AND HAD THE OPPORTUNITY TO CREATE A SPECIAL BALL FOR THE ALL STAR GAME. THIS MUST-SEE BASKETBALL EVENT BRINGS TOGETHER THE BEST OF FRENCH BASKETBALL. THE SOLD OUT ARENA HOSTED NEARLY 16,000 SPECTATORS. IT WAS SOLD OUT FOR THE 14TH CONSECUTIVE YEAR. THIS EVENT BRING GREAT VISIBILITY AND AWARENESS TO THE SPALDING BRAND.



JAPAN

COLLABORATION WITH WARNER BROTHERS

SPALDING JAPAN STARTED SELLING PRODUCTS IN COLLABORATION WITH WARNER BROTHERS. THE SPALDING AUSTRALIA TEAM ORIGINALLY BEGAN THE CONCEPT, AND IT HAS NOW EXPANDED IN JAPAN TO BAGS, APPAREL, AND ACCESSORIES. THE RESPONSE IS VERY POSITIVE FROM CONSUMERS, AND BEING SHARED WIDELY ACROSS SOCIAL MEDIA. THE BAGS AND ACCESSORIES ARE IN STORES NOW, AND THE APPAREL WILL ROLL OUT IN FEBRUARY 2017.



SOICHIRO FUJITAKA SIGNS WITH SPALDING

THE SPALDING JAPAN TEAM SIGNED A CONTRACT WITH SOICHIRO FUJITAKA, WHO IS A PROFESSIONAL BASKETBALL PLAYER IN JAPAN. HE PLAYS IN THE HITACHI SUNROCKERS SHIBUYA, WHICH BELONGS TO DIVISION 1 OF THE B LEAGUE. HE WILL BE A GREAT ICON FOR YOUNG BASKETBALL PLAYERS, AND ALSO HELP IN EXPANDING THE BASKETBALL MARKET IN JAPAN. HE WILL ALSO APPEAR IN 'HOW-TO' VIDEOS NEXT YEAR USING SPALDING PRODUCT.



AUSTRALIA

AUSTRALIAN GROUP BREAKS WORLD RECORD BASKETBALL SHOT



HOW RIDICULOUS IS AN AUSTRALIAN ENTERTAINMENT GROUP THAT PULLS OFF INCREDIBLE STUNTS AND TRICK SHOTS AROUND AUSTRALIA, AND MORE RECENTLY, AROUND THE WORLD. SPALDING HAS ALWAYS HAD A GREAT RELATIONSHIP WITH THE GROUP, PROVIDING THEM WITH PRODUCT FOR ALL OF THEIR TRICK SHOTS AND BASKETBALL STUNTS. RECENTLY, WE DECIDED TO TAKE IT TO THE NEXT LEVEL.

SPALDING AND HOW RIDICULOUS TEAMED UP TO PREPARE FOR WHAT THEY HOPED TO BE A NEW WORLD RECORD FOR THE HIGHEST BASKETBALL SHOT. THE GROUP WANTED TO SHOW THE HARD WORK AND DEDICATION THAT GOES INTO THEIR STUNTS, WHICH FIT PERFECTLY WITH THE SPALDING TRUE BELIEVERS CAMPAIGN. IN OCTOBER, HOW RIDICULOUS FLEW HALFWAY ACROSS THE WORLD FOR WHAT THEY PLANNED TO BE THEIR MOST FARFETCHED ATTEMPT YET. THEY ARRIVE, AT THE MAUVOISIN DAM, THE HIGHEST ARCHED DAM IN SWITZERLAND, AND IN FACT ONE OF THE HIGHEST DAMS IN THE WORLD.

WITH 80 TRUE BELIEVERS BASKETBALLS ON HAND, THE TRIO PREPARED FOR 500-600 SHOT ATTEMPTS PER DAY, FOR SEVEN DAYS. THEY SUNK THE SHOT ON THE THIRD ATTEMPT. THEY HAVE NOW REGAINED THE GUINNESS WORLD RECORD TITLE. MAKE SURE TO FIND THE VIDEO ON YOUTUBE IF YOU HAVE NOT YET SEEN IT!



A LIVE Q&A WITH DELLY

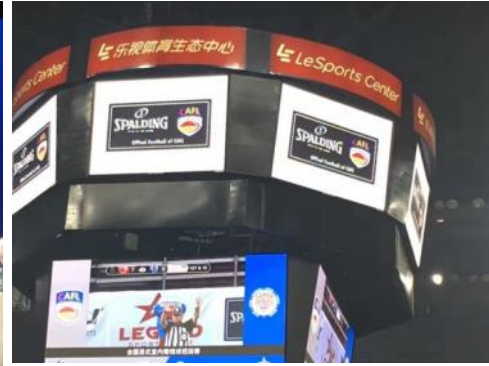
TO BRING BASKETBALL FNAS CLOSER TO MATTHEW DELLAVEDOVA, SPALDING AUSTRALIA HOSTED A LIVE Q&A WITH DELLY ON OUR FACEBOOK PAGE IN DECEMBER. DELLY WAS LOGGED IN FROM DOWNTOWN MILWAUKEE AND CHATTING WITH FANS ON OUR PAGE. IT WAS A SMALL, TACTICAL ACTIVATION, DESIGNED TO BRING MORE TRAFFIC AND ENGAGEMENT TO OUR SOCIAL CHANNELS, AS WELL AS HELP BRING DELLY TO THE FANS AND DRIVE OUR PARTNERSHIP WITH HIM. THE CHAT WAS PROMOTED VIA SPALDING SOCIAL PLATFORMS AND DELLY ALSO SPRUIKED THIS FROM HIS OWN SOCIAL CHANNELS. THE FACEBOOK EVENT POST REACHED 29,928 PEOPLE. IN TOTAL THERE WERE 81 QUESTIONS ASKED TO DELLY.



CHINA

SPALDING CAFL PROMOTION

SPALDING BECAME THE OFFICIAL FOOTBALL OF THE CAFL IN 2016. THE FIRST GAME WAS HELD ON OCTOBER 1ST. WITH 6 TEAMS USING A SPALDING BALL FOR BOTH GAME PLAY AND TRAINING. ARENA FOOTBALL IS A NEW SPORT IN CHINA, BUT THE CROWD WAS FULL OF ENTHUSIASM AND THERE IS POTENTIAL FOR THE SPORT TO GROW RAPIDLY.



TRUE BELIEVERS LAUNCHES IN CHINA

SPALDING CHINA LAUNCHED THE TRUE BELIEVERS CAMPAIGN AROUND THE NBA GLOBAL GAMES IN OCTOBER. THE AGENCY WALTON ISAACSON PRODUCED A TRUE BELIEVERS COMMERCIAL WHICH WAS BROADCAST ON CCTV5 DURING THE GAMES. THE VIEWER AUDIENCE WAS 3.3 MILLION IN TOTAL.

TO FOLLOW THE STEPS OF THE TRUEBELIEVERS.SPALDING.COM CAMPAIGN WEBSITE, CHINA CREATED A MINI-SITE WHICH FEATURED THE COMMERCIAL, AN INTERACTIVE GAME, A NICKNAME GENERATOR AND TRUEBELIEVERS IMAGERY.

SPALDING TRADE SHOW

ON DECEMBER 8TH, SPALDING CHINA HOSTED THEIR FIRST EVER SPALDING TRADE SHOW IN SHANGHAI. IN THE PAST, THE SPALDING CHINA GROUP HAS PARTICIPATED IN THE CHINA SPORTS SHOW. HOWEVER, WITH THE GROWING BUSINESS AND INTEREST FROM THE MARKET, THIS YEAR THEY HOSTED THEIR VERY OWN SPALDING BRAND DEDICATED TRADE SHOW. OVER 100 DISTRIBUTORS ATTENDED, AND NBA CHINA ALSO PARTICIPATED IN THE SHOW.

OVER 50 NEW BASKETBALLS WERE DISPLAYED, ALONG WITH 53 NEW APPAREL PIECES, 5 NEW ACCESSORIES, AND 10 NEW TRAINING AIDS. IN ADDITION TO THE PRODUCT SHOW COMPLETE WITH A RUNWAY FASHION SHOW, THEY ALSO BUILT A SPALDING STORE TO SHOW THE DEALERS A VISION OF A SPALDING RETAIL STORE, OR SHOP-IN-SHOP. THIS RECEIVED GREAT RESPONSE FROM THE DEALERS, MANY OF WHOM ARE INTERESTED IN OPENING SUCH STORES IN 2017.



UPCOMING EVENTS

REGIONAL SALES MEETINGS

THE DATES HAVE BEEN SET FOR OUR REGIONAL SALES MEETINGS. PLEASE NOTE THE FOLLOWING:

EMEA MEETING — WEEK OF MAY 15TH

ASIA/PACIFIC MEETING — WEEK OF JUNE 12TH

LATAM MEETING — WEEK OF JUNE 26TH

NBA ALL STAR WEEKEND

FEBRUARY 17-19TH, NEW ORLEANS

NBA GLOBAL GAMES - LONDON

JANUARY 12, 2017, O2 ARENA



SOCIAL MEDIA COMPETITION

AS MANY OF YOU KNOW, WE HOSTED A SOCIAL MEDIA COMPETITION BETWEEN ALL DISTRIBUTOR PARTNERS WHO CHOSE TO PARTICIPATE. THE CONTEST RAN FROM NOVEMBER 1ST—DECEMBER 31ST, AND WAS BASED ON THE SPALDING FACEBOOK PAGES FROM EACH REGION.

THE CONTEST SAW GREAT SUCCESS, AND EVERYONE WHO PARTICIPATED GREW THEIR FOLLOWING AND BECAME MORE ENGAGED WITH THE TRUE BELIEVERS CAMPAIGN. WE WOULD LIKE TO CONGRATULATE THE FOLLOWING.

TOP TRENDS - GREECE

THE SPALDING GREECE FACEBOOK PAGE WAS OUR GRAND PRIZE WINNER. WITH NEARLY 150% INCREASE IN FOLLOWERS, GREAT ENGAGEMENT AND USE OF THE TRUE BELIEVERS CAMPAIGN, AND THE SHARING OF POSTS FROM ALL OTHER REGIONS, THEY ATTAINED THE MOST POINTS OUT OF ALL REGIONS.

CONGRATULATIONS TO THE TOP TRENDS TEAM!

ZUMA SPORT - PERU

CONGRATULATIONS OT THE ZUMA SPORT TEAM!

PROLINE - PHILIPPINES

CONGRATULATIONS OT THE PROLINE TEAM!

**\$10,000
WINNER**

**\$5,000
WINNER**

**\$5,000
WINNER**