

April 03, 2006

CROX faces Skecher's competition. Kohl's sees plastic-clogs as passé.

Skechers USA, Inc. (NYSE: SKX, \$24.82) is now selling a plastic clog-like shoe named the "Waterbug" that is almost identical to the Crocs, Inc. (NASDAQ: CROX, \$25.22) plastic clog-like shoe. Skechers is also selling the "Ladybug", which is a children's size plastic-clog.

Kohl's Corporation (NYSE: KSS, \$53.16) department stores are not carrying the Crocs brand of plastic clog-like shoes, initially due to Croc's low profit margins. Now Kohl's has opted to also pass on Skechers Waterbug. Kohl's shoe buyers, who are responsible for approximately \$1.1 billion annual shoe sales, believe that the plastic clog-like shoe is a fading fad.

Skechers, the maker of the Waterbug, has a market value of approximately \$910.3 million. Skechers had sales of \$1 billion and net income of \$44 million in 2005. Meanwhile, CROX had sales of just \$108 million in 2005 and has a market value of approximately \$958.3 million.

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