

California-based Lamo Footwear has made its name selling sheepskin boots. Now it wants to position itself as a brand that can be worn all year round.

Time for change at sheepskin footwear brand

Lamo Footwear is no longer content to stick to what it knows. Having capitalised on the growing popularity of sheepskin boots in the early 2000s, the company is now hoping a more diversified product range can drive future growth. Lamo, based in the US city of Los Angeles, was founded in 2003. Around the same time, sales of the now well-known sheepskin boots from fellow Californian brand Ugg were spiking after an appearance on a popular US chat show.

The story behind the Ugg brand is one of an Australian surfer who spotted a gap in the US footwear market while studying in the country. The background of Lamo's founder, Joseph Li, is very different. After many years sourcing wool from Australia and New Zealand, his first solo business venture was to use the wool to manufacture car seat and steering-wheel covers for the automotive industry. When car manufacturers decided that wool was no longer the material for them, he needed to rethink. Lamo Footwear, with its range of boots featuring a merino wool lining, was born.

The company now produces approximately 500,000 to 600,000 pairs per year across a range of lines, including its own Lamo brand and the creatively-named Oomphies range for children, which has proved popular in the US since its launch. All of its finished products are made in China. It describes its style as "relaxed and comfortable" with a strong Californian influence.

Lifestyle shift

Recently installed CEO Mark Etzbach has told *World Footwear* that Lamo wants to aggressively expand its customer base. He says the company needs to dispel the belief that it is a brand exclusively for autumn-winter and widen its appeal to consumers (Ugg has wrestled with the same dilemma). He talks of a shift towards being a "California lifestyle brand" - that



Lamo's designs are very influenced by its Californian surrounding, with the company based not far outside of Los Angeles.

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While making efforts to diversify, Lamo will still produce sheepskin products lined with Australian Merino wool.

is to say a brand that customers can wear during any season and as they go about their day-to-day lives. After making the most of the popularity of sheepskin boots more than a decade ago, Lamo is trying to repeat the feat by positioning itself in line with the explosion of athleisure clothing - athletic clothing worn in non-athletic settings. The Dije range of shoes is an example of this strategy in practice, but its own-branded range has also diversified into this style.

Not that Lamo is going to forget the sheepskin products that formed the foundation of its success to date. It plans to push its classic collection so that "people don't lose sight" of the company's origins, according to Mr. Etzbach. The more expensive sheepskin footwear, which is offered as part of the Lamo line, uses bovine suede for the upper. Even though it is diversifying its range, he says he would like the company to sell more of its double-face products. These use high-quality Australian merino sheepskins with the wool on the inside. Lamo also offers a range of accessories made from the material, including hats, earmuffs and insoles.

The Après range, which uses synthetic uppers and has a lining made from microfibre, allows Lamo to also target the lower-end price bracket for sheepskin footwear. The CEO says demand for this brand is already strong and he is expecting revenues of more than \$1 million in the first year after release. Although Lamo doesn't want its "primary focus to be on the cost-alternative options", he concedes that the company can't ignore that it has been an important driver of growth.

Broader horizons

Despite what Mr Etzbach describes as a "challenging" retail situation in the US, Lamo has grown consistently over the past five years, led by a solid e-commerce platform and good performance from its drop-ship business (selling items held in stock and shipped by third parties). He believes that "the retailers that seem to be surviving and thriving have a very strong web-based business".

The company has just completed a relocation of its headquarters from the city of Ontario to nearby Corona, both in California. This has allowed it to more than double its office space, including its showrooms, where there will be more space to showcase its shoes. It has also partnered with AMS Fulfillment, a third-party fulfillment specialist with a good track record of working with expanding footwear brands. It hopes the added knowledge and experience (as well as storage space) that AMS brings will help Lamo continue to grow.

"This move allows Lamo to focus on the business of growing our brands and providing world class customer service," said Mr Etzbach in a press release confirming the collaboration. "Our commitment is not only to great product, but also to the best overall customer experience, which includes great customer support and the reliable delivery of our goods."

Lamo says the majority of its consumers are from the US retail and wholesale customer markets. A regret of the CEO is that the company's international distribution is "limited". He has pinpointed this as an area of improvement in the short term. He also tells *World Footwear* that the "next big priority" is to expand its market into Europe. A recent deal with TK Maxx, a company which operates retail outlets in the UK and Canada, will see Lamo-branded products sold in its stores.

The road ahead may be challenging, but Mr Etzbach is very positive. He believes the current financial position of many consumers means that Lamo is "poised to exceed expectations based on our cost-value proposition". He is confident that the quality of the product it offers will ensure further success. 📌



Lamo's range of shoes for children, Oomphies, have extra durability to cope with the demands of being a kid.