IF IT'S NOT GOOD ENOUGH FOR THE WORLD'S BEST, IT'S NOT GOOD ENOUGH.



### GOOD ENOUGH FOR THE WORLD'S BEST, ITS NOT GOOD ENOUGH.



Imagine that you're Kerri Walsh. It's match point, and you're diving into the sand to win the championship. What would you do if you missed the ball because your glasses fogged up?

Brands can claim what they want about the quality of their products, but few can actually prove it, like we can. We love to see our athletes perform at their best, and we know that means they expect the best from us, too. Remember that the work you do at Oakley, no matter your role, contributes to us being at our best and delivering the best to our customers.

## WHAT CAN WE LEARN FROM OTHERS ABOUT BEING PERFORMANCE IS about creating to the company has its of the company has

Performance is about creating great experiences. Every company has its own standard and its own method, but we can learn from their trials and errors in our own quest for top-notch performance.

### **SOLVING THE UNSPOKEN PROBLEM**

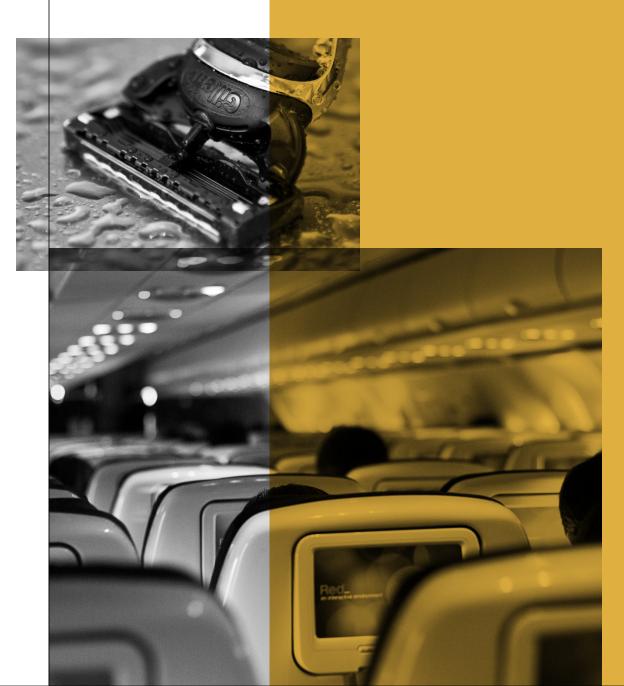
For more than 100 years, Gillette has focused on developing new generations of shaving technology. When market research showed that consumers were asking for sharper razors, Gillette knew that what they really wanted was better performance (which didn't necessarily mean a sharper blade). They devised a razor that would first lift facial hair, allowing the blade to cut closer to the skin. It outperformed competitors by reducing irritation and achieving a closer shave in fewer strokes. The difference was so remarkable that consumers were willing to pay 25 percent more for the Gillette product than for others available in the market. Gillette became an industry leader, pioneering multi-bladed razors, pivoting heads, and spring-loaded blades, by understanding the real need behind what customers thought they needed.

When has Oakley listened to a customer's or an athlete's request and gone above and beyond to provide the best performance?

### **DESIGNING THE FLIGHT EXPERIENCE**

Virgin America CEO and President David Cush has claimed, "We're in a customer-service business, not a moving-airplanes-around business"—which means that he's dedicated to creating the most exceptional in-flight experience for his customers. The soft lighting, simple touch-screen entertainment menu, and ample power adapters at every seat are just the beginning. When passengers recline, their seats pivot forward so they don't get in the face of the person behind; and as they move, passengers can adjust the angle of the entertainment screen to best suit their position. With design-driven features, such as seat functionality, Virgin America has been able to win customers over in ways that other airlines have not. Still a relatively young airline, it ranked number one in the 2010 Apex Passenger Choice Awards.

At Oakley, we also see our work as an opportunity to create great experiences. It's not just about products—it's the feeling that customers have, and the feats they accomplish with them.



### What is the price of great performance?



### "I know the price of success: dedication, hard work, and an unremitting devotion to the things you want to see happen."

-FRANK LLOYD WRIGHT, Architect

"Celebrate what you've accomplished, but raise the bar a little higher each time you succeed."

-MIA HAMM, Soccer, U.S. Women's National Team

### **NEVER SETTLING FOR A QUICK FIX**

Audi touts the slogan "Advancement Through Technology." Their TDI engines have been acclaimed for fuel economy, and their leadership in racing sports helps improve their consumer cars. But their history hasn't always been flawless. In the 1980s, a series of recalls ensued after hundreds of accidents were linked to unintended acceleration. The National Highway Traffic Safety Administration later ruled that the acceleration was due to driver error, and not a technical problem, but Audi knew that several modifications needed to be made, nonetheless. They widened the distance between the brake and accelerator and introduced intricate gear stick patterns and interlock brake mechanisms for a whole new level of safety technology to prevent unintended shifting. Rather than covering up the problem with a quick fix, Audi reaffirmed its dedication to performance technology and set the brand on a path to reclaim leadership in the hearts and minds of consumers and the automotive community alike.

Mistakes happen—what matters is how you deal with them. When has your team identified a problem (in a product, a report, or even a team dynamic) and worked to fix it?

IF IT'S NOT GOOD ENOUGH FOR THE WORLD'S BEST, IT'S NOT GOOD ENOUGH As the people of Oakley, we're bound by a higher calling—to enable performance. And because we design to help people go beyond the limits of their abilities, we create products that are like nothing you've ever seen or worn. The dedication of a snowboard champion, the courage of the Special Forces, and the passion for excellence that defines countless others inspire us to create the best tools available. They can't afford to compromise on performance, so neither can we. Every Oakley design undergoes rigorous testing to ensure that it can withstand the most grueling conditions, even if most consumers never need that level of durability. We sincerely believe that not all products are created equal, and we strive to demonstrate that some are a cut above the rest.

Here's our standard for measuring performance at Oakley:

## WHAT DOES IT MEAN TO BE PERFORMANCE-OBSESSE We design that our pro But it also it also

We design for the front row, which means that our products fulfill the demands of the pros. But it also means that all customers get the quality and technology they deserve.



### IF IT'S NOT **GOOD ENOUGH** FOR THE WORLD'S BEST, IT'S NOT GOOD ENOUGH.



After years of prototyping goggles to enhance motocross performance, Oakley debuted the O Frame MX goggle. Athletes fighting for the extra edge, such as Ricky Johnson and Jeff Ward, saw the potential in the goggle's low-profile design and optimized fit, which expanded the depth of vision. Because of its unique tear-off system and extreme clarity, the goggle has remained a motocross staple for decades.

1991

With 30 patents, the M Frame revolutionized industry

interchangeable lenses and Unobtanium-infused frames,

athletes such as Lance Armstrong, Natascha Badmann,

Tony Gwynn, and Brian Lara have sported them on the

world stage. Athletes have won more championships and

medals wearing this durable yet lightweight frame than

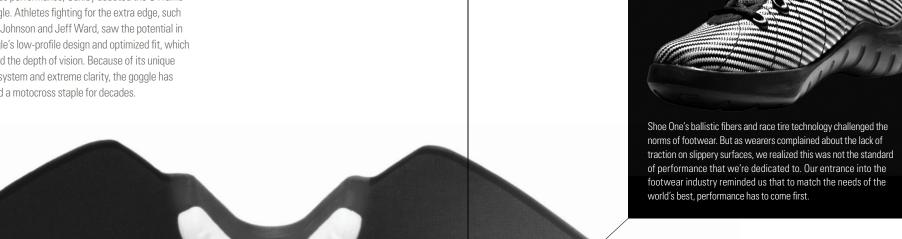
with any other single sport product in history.

performance standards. Taking advantage of its

**1975** 

1980

The idea that everything can and will be made better fueled founder Jim Jannard's efforts to create a motorcycle handgrip that was not just different, but actually performed better than anything else on the market. The grip attracted customers with its unique tread and its new shape that molded to the rider's hand. As top pros excelled because the product proved to give riders an edge, it became clear that Jannard's vision to merge form and function had real merit.



1998



When we came across CarbonX, one of the world's most advanced fire-protective materials, we saw an opportunity that we couldn't pass up. We knew the material could have great potential to protect race car drivers and their pit crews. We partnered with CarbonX to develop our own line of O-CarbonX motorsport safety products including base layer garments, gloves, race suits, boots, and eyewear. Using CAD/CAM technology, we were able to design apparel that contoured to the body for optimal comfort but didn't shrink or char when encountering flame. Can you safely melt a penny in the palm of your hand with O-CarbonX coverage? You bet.

2002

2005





The Blade boardshort is the epitome of applying Oakley's high standards f performance technology to apparel. The inner compression liner enhances stabilization, control, and power to the legs and keeps muscles warm even after leaving the water. Welded seams prevent irritating rashes, while the outer layer provides unmatched hydrophobic water repellency. Extremely lightweight and flexible, the Blade works with a surfer's movements like a second skin.

2011

> What performance challenge can we tackle next?

We're reminded how important performance is when we hear it

### FROM OUR CUSTOMERS





# WHAT DOES PERFORMANCEOBSESSED MEAN FOR EACH OF 110

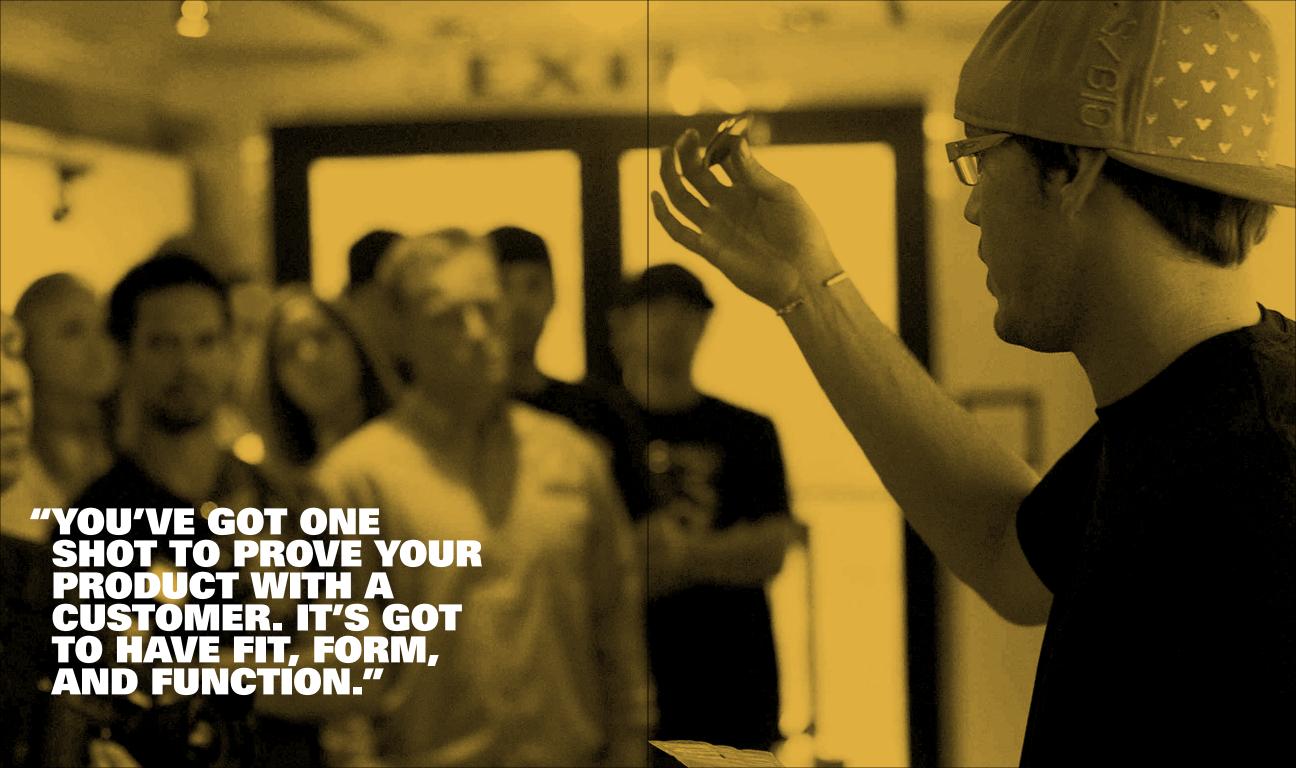
We witness firsthand how Oakley's performance technology affects our customers—in competition, in an accident, or in everyday use. But it has an impact on us, too. These are our stories.



"When I interviewed at Oakley, I spent two intense days solving crazy problems. I got asked some of the toughest questions, things I'd never thought of before. At the end, I was exhausted. But I was like—wow, this is pretty cool; these guys are serious. I want to be part of that. Now I'm on the other side of the interview, and I make sure that I look for that type of work ethic for solving hard problems and enthusiasm for wanting to make the absolute best stuff out there."

What was your interview like? When did you realize that Oakley is performance-obsessed? WE DESIGN OUR PRODUCTS KNOWING THAT PERFORMANCE IS NON-NEGOTIABLE.

"When a rider is making an equipment choice, it's about what's really working best. It's amazing when I look back at the amount of loyalty the early riders showed in support of our program when we were getting started, even though I couldn't afford to pay them. They could have easily taken more money and gone someplace else, but they knew that every small advantage adds up to a big advantage on the racetrack. Our unique tear-off system could give them the edge. During a mud race in Atlanta, where it poured from start to finish, the Scott guys had their goggles down on their necks after the first lap, but Barnett won with his Oakley goggles on at the finish line."







"One of our Aussie FMX riders went to Foothill Ranch a few years ago for a tour. He came back to Australia and was telling his FMX mates about how good the Oakley lenses were. One of the other riders, sponsored by a competitor, got a pair of his glasses and a pair of Oakleys and 'tested' the lens superiority with a small gun at a shooting range. Of course the other sunnies shattered and the Oakleys barely dented. That rider is now riding for Oakley!"

"Our R&D trips are invaluable. Giving our athletes accessibility to Creating the best performance requires collaboration and cooperation designers enables us to make the best products for them. Like when between teams. When have you we noticed how skiers' hoods would fly up in the air as they raced (or your team) worked well with down the hill. We implemented a magnet in the hood and the back others? What characterized your collaboration? of the jacket to keep the hood in place. It's crucial to get that kind of feedback in R&D or whatever team you're with, and then work hand in hand with the design and engineering teams to find a solution that improves performance." "Sports marketing is all about being there for the athletes. We used to watch our mountain bikers race through rain and mud while their visibility was terrible. It was dangerous. So we came up with the idea for the eyewear feed zone and petitioned to get it approved for the sport. The feed zone allows us to provide our athletes technical assistance and clear lenses. We're down there in the trenches. in sleet, in mud, to make sure that we're helping our guys perform to the best of their ability." GOING TO SPORTING EVENTS ISN'T ALWAYS GLAMOROUS—WE'RE THERE TO IMPROVE PERFORMANCE ANY WAY WE CAN.



"I remember when I would answer letters from customers. One day I got a letter from a propane tank truck driver that started by saying Oakley glasses saved his life. When one of the tanks ignited, a big ball of flame knocked him down, and he was left with third-degree blisters all over his body. The only place protected was his face, where his Oakley glasses had been. I remember when he came to visit Oakley. Having the opportunity to shake his hand and touch someone who was personally affected by Oakley was the day I realized that this is something special. This is the real deal. And that's the heart of what this place is about—performing better than people even realize."

"YOU DON'T SLEEP AT NIGHT IF SOMETHING YOU MADE WASN'T GOOD ENOUGH FOR A CUSTOMER WHO REALLY NEEDS IT."



"O technology is there to save people. In March 2011, Japan had a huge earthquake and tsunami. Minami-Soma city was completely evacuated because of nuclear threat. The rescue brigade worked to help people left behind and to find any possible survivors. We received an email from a member of the fire brigade working over there asking for some Oakley goggles because he trusted that their function could support them in the treacherous situation. Oakley Japan also found out that there was an athlete from the city looking for an opportunity to help his hometown. Together, OJ and the athlete donated the required number of goggles immediately to Minami-Soma city. The fireman replied, 'We will use these O goggles to save as many people as possible.'"

What story of protection or life-saving technology do you always tell people?





What's your performance obsession?



