**Industry Background**

The athletic apparel industry is worth a total of $41.467 billion US dollars, and accounts for a high percentage of sales internationally. In the United States, this industry accounts for an estimated 41% of total sales within the industry internationally, followed by the EU at 38%. Nike, Adidas, and Reebok dominate the market at 14% combined, indicating that there isn’t a monopoly and a high amount of companies are able to compete. This also means that there is a low-barrier of entry and exit within the industry. The top 20 brands represent 36% of the total market share, however, in the US, there is a distinguished dominance due to brand loyalty of the top 3 brands, Nike, Reebok, and Adidas. This allows the companies to charge more for their products in the US, where they take a higher margin than when competing in other demographics. Overall, the industry is characterized by a low-margin, high-volume distribution strategy.

**Within Industry Rivalry**

The main industry rivals are Nike, Adidas, and Reebok. Not only do they compete in clothing, but also in the apparel and footwear industries as well. They compete heavily across all sports ranging from football to soccer. This high level of competition across industries, which makes new entrants result to filling a specific niche within the individual segments. These include puma, which competes primarily in the European soccer enthusiast segment, and under armor, which competes in the American football segment. Other rivals include Mizuno, Kappa, and New Balance that comprise a total of 4% of the market altogether.

**References**

http://www.fairolympics.org/background/Company\_Profiles.pdf